Enabling women entrepreneurship through insuretech

Market Gaps

COUNTRY CONTEXT
India’s insurable population is anticipated to reach 750 million in 2020 with a life expectancy of 74 years.

India is one of the most underpenetrated insurance markets in the world, with a Gross Written Premium to GDP ratio of around 3 percent compared to the global average of 6 percent (Swiss Re Sigma 2017).

ACCESS TO INSURANCE/ENTREPRENUERIAL JOBS

While insurance penetration is low in India, it is even lower for women. The AXA She for Shield report, 2015 study suggests a coverage 41 percent lower than men as males are considered to be the primary bread winners and women are perceived to depend on men for finance decisions. Relatedly, only 1 in 4 insurance agent is a woman.

According to the WBG Enterprise Survey, in India, the percentage of firms without majority female ownership is 2.8 percent, compared to 9.6 percent for South Asia and 14.5 percent globally.

Women need jobs acutely, with only 14.7 percent of permanent full-time workers are female.

Barriers

LIMITED ACCESS TO FINANCE
LIMITED ACCESS TO NETWORKS AND MENTORS
LACK OF CAPACITY
HIGH DISTRIBUTION COSTS (especially in rural areas)

EXPECTED IMPACT

10,000 Women Point of Sales Persons (POSPs) certified by Coverfox
15,000 Women Point of Sales Persons generate premiums of ~$3K annual

The Women Entrepreneurs Finance Initiative (We-Fi) is a collaborative partnership among 14 governments, six multilateral development banks (MDBs), and other public and private sector stakeholders, hosted by the World Bank Group. It seeks to address financial and non-financial constraints faced by women-owned small and medium enterprises in developing countries. International Finance Corporation We-Fi (IFC We-Fi) program, is a part of the World Bank Group We-Fi program, a joint global initiative of the World Bank and IFC.
Coverfox is an online licensed insurance broker in India targeting both the B2C and the B2B2C market. The company has integrated with over 30 insurers and offers more than 100 insurance policies in motor, life and health insurance.

ABOUT THE PROJECT

The project aims to increase entrepreneurial job opportunities for women in India, especially in rural areas and low income states. The We-Fi performance incentive will support Coverfox to implement a sustainable programmatic approach to attract, train, certify and mentor women sub-brokers, enabling them to generate income. It also helps improve access to insurance for women.

BLENDED FINANCE STRUCTURE

The project consists of a $7 million IFC equity investment in Coverfox, an insuretech company in India. The performance-based incentive mandates Coverfox to reach 10,000 women Point of Sales Persons, increasing entrepreneurial jobs opportunities for women.

Coverfox enables growth of Women Point of Sales Persons through its digital insurance platform. The up to 15,000 Women Point of Sales Persons annually generate premiums of ~$3,000. The client receives a performance-based incentive upon achieving gender targets.

We-Fi SUPPORT

Up to $260,000 performance-based incentive

IFC INVESTMENT

$7 million equity

# WOMAN POSP

Up to 15,000 Women Point of Sales Persons

REVENUE OF WOMAN POSP

Up to 15,000 Women Point of Sales Persons annually generate premiums of ~$3,000