

FEASIBILITY STUDY – FACTSHEET

Feasibility Study	FSW-16: Feasibility study for Zingsure to offer digital microinsurance to faith-based members in Egypt
Country / Region	Egypt
Partner Financial Institution/s	Zing Life Assurance Company (Private) Limited, to be registered in Egypt following this project and approval by Zingsure board
Grantee	Zingsure Limited , endorsed by Swiss Re
Overall Budget	CHF 48'370 (52% self-contribution)
SCBF Contribution	CHF 23'050 (48% SCBF funding share)
Date of Approval	27.03.2018
Duration	05.2018 until 10.2018
Context	<p>Egypt has one of the lowest levels of financial inclusion in the MENA region with only 14% of adults with access to a formal bank account, 4% to formal savings, and 6% to formal borrowings. In 2014, Egypt issued its first law regulating microfinance services (offered by companies and non-governmental organisations (NGOs)) which fall under the authority of the non-bank financial regulator (i.e. the Egyptian Financial Supervisory Authority (EFSA)). The law does not allow microfinance institutions to mobilize deposits. As of July 2017, 770 licensed NGOs and 3 companies operate in Egypt's 27 governorates serving 1.8 million clients (70.3% of which are women) nationwide and a portfolio of CHF 302 million (52.4% of which are for women). In 2016, EFSA also issued its first microinsurance directives that define microinsurance and provides for the electronic issuance and distribution of microinsurance. Microinsurance penetration rates in Egypt remain quite low (est. 0.3%).</p> <p>Zingsure planned interventions would contribute to improving the microinsurance penetration rate in Egypt through partnerships with affinity groups. The quality of this penetration will be quite high, given that there will be a significantly higher awareness of the coverage (it starts out for free and Zing will then process claims faster than any other insurer) and as a responsible insurer, Zing will be driving far more transparency.</p>
Current Status of the MFI	Having interest in the Egyptian market, Zing is planning to conduct the present Feasibility Study to assess the feasibility of such a market penetration. Zing has an early track record of upscaling affordable, gender-sensitive financial products such as insurance and savings in other markets such as Zimbabwe and Malawi. Zingsure is currently launching in Zimbabwe with Free Cover and Free access to banking for the masses.
Objective and Main Activities	<p>This Feasibility Study aims to assess the viability of Zing penetrating the Egyptian market and, specifically, to provide an in-depth analysis of:</p> <ol style="list-style-type: none"> 1) Country profile (incl. population, income, etc.). 2) Affinity groups (incl. faith-based groups, structure, services, etc.). 3) Ease of Doing Business in Egypt (incl. costs of incorporating businesses, office rentals, Foreign Direct Investments, etc.). 4) Insurance license and regulations. 5) Banking and mobile services. 6) Loyalty programs. 7) Test the Customer Value Proposition (CVP)
Next Steps	Pending the positive completion of the Feasibility Study, Zingsure will, if needed, register in Egypt as a life and microinsurance provider that is 100% owned by Zingsure Limited, establish partnerships with one or more affinity group(s) and launch a Product Upscaling in Egypt. Zingsure will then start with a mandatory life cover to reach at least one million policyholders as an initial operation of its greenfield insurance company.