

 Early Warning System

DFC-2024-TURACOINC

Turaco Inc.



Quick Facts

Specific Location	Sub-Saharan Africa
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	Turaco, Inc.
Sectors	Education and Health, Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 7.00 million
Project Cost (USD)	\$ 7.00 million



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## Project Description

According to the Bank's website, the Borrower aims to address the lack of affordable microinsurance options in sub-Saharan Africa. Turaco offers low income consumers affordable products while providing more comprehensive coverage for women consumers than its competitors. The accessibility of its products is why most of Turaco's clients are accessing health and life insurance for the first time through the company.

Turaco is raising \$7 million in debt from DFC to support expansion of embedded, health, credit life, life, and other insurance offerings to its clients. Turaco's insurance products are priced affordably, in the range of \$2/month, which is a cost savings of approximately 76% compared to similar plans in sub-Saharan Africa. Turaco is able to offer such affordable premiums by leveraging its technology resources and B2B2C model which reduces overhead costs and allows the company to reach economies of scale. Turaco's products are designed to be simple to understand with clear coverage and payment triggers.



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## Early Warning System Project Analysis

DFC loans to financial institutions who will expand insurance and micro-insurance products are screened as a Financial Intermediary C (FI-C) for environmental and social assessment. These downstream insured parties are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream insured parties have been pre-screened as low risk and further review and consent is not required for these investments.



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## Investment Description

- US International Development Finance Corporation (DFC)

\$7,000,000, 7-year direct loan.

## Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Turaco, Inc.](#) (Financial Intermediary)



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## Private Actors Description

*Turaco* is a microinsurance broker and underwriter that sells embedded, health, credit life, life and other insurance through partner companies in sub-Saharan Africa.



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## Contact Information

*No contacts available at the time of disclosure.*

## ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: <https://www.dfc.gov/foia>

## ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: <https://www.dfc.gov/who-we-are/office-accountability>



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## Bank Documents

- [Project Disclosure](#) [\[Original Source\]](#)