

### WaterCredit Initiative

The WaterCredit Initiative represents the creation of a new space at the intersection of water and sanitation and microfinance. By catalyzing small loans to individuals, entrepreneurs and communities in developing countries who do not have access to traditional credit markets, WaterCredit empowers people to immediately address their own water needs. As loans are repaid, they can be redeployed to additional people in need of safe water and sanitation.

### Big Idea for a Big Problem

The cost to bring safe water and sanitation to the world’s poor is staggering. For decades, generous philanthropy has been attracted to the cause but little progress can be seen at the macro level. There will never be enough charity to solve the water crisis. Those living in absolute poverty will continue to require subsidies, but for poor people with some financial means, WaterCredit allows them to step up and accelerate change in their own communities. It is estimated that at least 60% of people worldwide without improved water and sanitation access earn enough local income (above their country’s poverty line) to be able to finance their own water and sanitation solutions via WaterCredit.

### Water and Sanitation as Investments

**WaterCredit dollars go further.** Investments made by Water.org leverage far more funds to meet water and sanitation needs than traditional grant-driven expenditures. Over a 10-year period, five times as many people can have safe water with WaterCredit than with a similar amount of grant funding.

**Empower the poor.** WaterCredit loans empower relatively poor people to address their own water needs, on their own timetable. Also, by establishing creditworthiness, they are able to take out additional loans from commercial lenders.

**Free up limited grant resources.** WaterCredit frees up grants to go where they are needed most – to the poorest of the poor.

**Foster sustainability.** As subsidies in water projects increase, sustainability decreases. With WaterCredit, users have a financial stake in their water supply solutions and a greater incentive to ensure proper operation and maintenance.

**Philanthropic investments in WaterCredit stimulate private invest**

### WaterCredit Global Performance Summary February, 12, 2013

Total Number of Loans to End Borrowers	192,846.00
Total Number of Unique Loan IDs	151,731.00
Total Loan Amount Disbursed to End Borrowers (Principal Only)	\$45,586,228
Average Cumulative Repayment Rate (for All Loans to Date) (%)	100.00
Average Interest Rate (%)	18.71
Average Repayment Period per End Borrower (Months)	16.40