Greetings!

World Vision is delighted to send you our Executive Briefing for Economic Empowerment. You are an integral part of our work to end extreme poverty by 2030, so we want to keep you updated on our progress!

This month’s newsletter is a bit different. Our core article is actually a Press Release by VisionFund. WHY would we be so unorthodox?

The press release is addressing a critical part of the puzzle as to why smallholder farmers in Africa and parts of Asia continue to live in extreme poverty. We know that the reason for their poverty is that smallholder farmers are not earning enough money from their farms. But why? The global population is rising and everyone needs to eat. Farming should be a pathway out of poverty.

While true, farmers lack access to the financing they need to use high quality inputs. The reason they lack financing is not so much that they are a poor credit risk, but that the financial institutions which might otherwise serve the smallholder farmers believe that farming is risky, and so do not lend. How do we solve that problem? Insurance for smallholder farmers.
Insuring against the risks facing smallholder farmers dramatically changes the risk calculations for lenders, and makes it much more likely that lenders will lend. With credit, smallholder farmers can use high quality seeds and needed inputs like fertilizer. And that is something that we want and smallholder farmers need, since far too many use poor quality inputs that almost guarantee poor results.

VisionFund International, World Vision’s microfinance subsidiary is launching the largest weather/climate insurance program for African and Asian smallholder farmers. Read on, and you will see the very large scale of our ambition and reach.

So, kudos to our colleagues at VisionFund International and their partners for this important breakthrough.

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**Largest Non-Governmental Climate Insurance Program Launches for African & Asian Smallholder Farmers**

*Initiative aims to achieve 1% of G7 goal to insure vulnerable people*

- Up to four million beneficiaries anticipated
- Scheme will be available in six countries in Africa and Asia
- Sustainable funding mechanism makes disaster recovery lending scalable
- Provision of $10m contingent disaster finance credit line from the InsuResilience Investment Fund

London – 18 January 2018 – Over 690,000 families totaling up to four million people living in six low-income countries stand to benefit from a new climate insurance program launched today by VisionFund International, World Vision’s microfinance arm and Global Parametrics, a new venture funded by the InsuResilience Investment Fund.
funded by the United Kingdom’s Department for International Development (DFID) and by the
InsuResilience Investment Fund, set up by German development bank KfW and managed by Swiss-
based impact investment manager BlueOrchard Finance. Financing for the initial preparation and
assessment required to implement the program came from the Rockefeller Foundation and FMO, the
Dutch development bank.

The program known as the African and Asian Resilience in Disaster Insurance Scheme (ARDIS) is
thought to be the world’s largest non-governmental climate insurance program. ARDIS will increase
access to finance and provide post disaster recovery lending to rural families and smallholder
farmers who live below the poverty line and participate in VisionFund’s microfinance network. In its
first year, ARDIS protection will be provided to VisionFund’s clients in Kenya, Malawi, Mali, Zambia,
Cambodia and Myanmar, of which around 80% are women. This program will effectively meet one
per cent of the G7 goal to increase access for up to 400 million uninsured people in developing
countries to insurance products that protect against climate risk.

The ARDIS program allows beneficiaries to receive swift access to much-needed credit required by
farmers and small businesses after a climate shock. Recovery lending, essentially small loans with
special terms, is provided through VisionFund’s microfinance institutions. Such loans are disbursed
immediately during and after disasters to help clients maintain or restart economic activities,
complementing relief aid which is required for urgent survival needs in disaster situations.

Fast recovery lending to the client is enabled by the provision of liquidity to the microfinance
institution in order to bolster its resources to cope with increased demand. Global Parametrics’
advanced climate-based data modelling verifies the climate event and triggers access to both
contingent liquidity and risk capital by VisionFund’s microfinance institutions. This injection of funds
to the microfinance institutions restores their balance sheets, thus ensuring business continuity or
enhancement of operations and services despite the common disruptions created by such
calamities. For example, typically in disasters when clients cannot repay loans and there is higher
demand for lending, microfinance institutions suffer a reduction in the amount of capital they hold
and are therefore required to curtail their lending.

To read the complete article, please follow this LINK.
Interview with Michael Mithika, CEO of VisionFund International

To listen to the interview of Michael ahead of his upcoming visit to the USA, please click on the following LINK.

For Your Calendars

Michael Mithika Visit to the USA – contact Kim Barta at kbarta@worldvision.org for more information

- Houston, TX – 22, 23 January
- Dallas, TX – 24, 25 January
- Fort Myers and Naples, FL – 26-28 January
- San Diego/Orange County, CA – 29 January
- San Francisco, CA – 30 January
- Seattle, WA – 31 January – 2 February
- Chicago, IL – 3-4 February
- New York, NY – 5-6 February
- Washington, DC – 7-9 February
Each year, God brings together over 300 like-minded women and men from all over the United States who share the desire to learn more, to do more, and to be more for the Kingdom. Join us February 23-24, 2018 in Carlsbad, CA as we gather to learn about what World Vision is doing to lead the way in the global effort to end extreme poverty and to reach the world's most vulnerable, especially children. You'll be inspired and challenged by stories of need, transformation, and triumph. You'll have the chance to ask questions, connect with a room full of people a lot like you, and experience hope as we unite to pray, to praise God for what he has enabled us to do, and to boldly seek his favor as we forge ahead to reach every last one.

More Information about the Every Last One Conference

Vision Trips

Vision Trips are a great way to see the impact of our work and the transition from poverty to prosperity. We invite you to join our staff and beneficiaries in the field on the following trips!
Join our Chief Development Officer, Christopher Shore, on one of three trips coming up this Spring/Summer:

1. May 4-12 2018 - Zambia  
2. June 25-29 2018 (dates tentative at this time) - Honduras  

For more information regarding one of these three trips, please click here: 

More Information about one of the Vision Trips

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**Prayer Requests**

**PRAISE**

- For the breakthroughs on insurance by VisionFund International.

**REQUESTS**

- For many new relationships to be made during the Michael Mithika visit.  
- For good weather for planting for our East African farmer friends.  
- For continued peace and stability in Honduras after the elections.
World Vision is a Christian humanitarian organization dedicated to working with children, families, and their communities worldwide to reach their full potential by tackling the causes of poverty and injustice. World Vision serves all people, regardless of religion, race, ethnicity, or gender.

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