



World Vision

# Creating Shared Value

## Case study

Fire protection reimaged: Using shared value to protect people and their assets from shack fires

## Cape Town, South Africa - Dhaka, Bangladesh

Across the world, one person in every ten lives in a slum.

As the global population rises, this number is expected to grow.

Every day, people living in slums face a deadly risk to their health and safety ... fire.

The combination of houses built closely together, amongst dangerous electrical connections, and open flames used for heating and cooking, create the perfect conditions for quickly spreading fires.



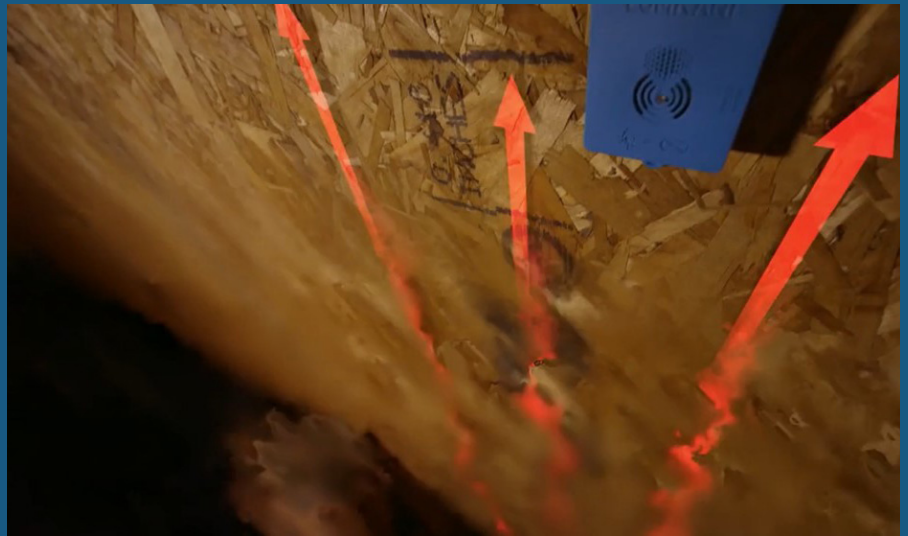
# The detector

Without appropriate warning and response systems, these fires are capable of turning hundreds of homes to ash within minutes ... devastating communities, killing thousands each year and further entrenching a generation into poverty.

To address this growing issue, international development organisation World Vision formed a partnership with Lumkani, an innovative social enterprise in South Africa.

Together they implemented the prototype test of Lumkani's rapid-fire alarm system across 1000 slum households to alert families and the community of the ignition or spreading fire.

The Lumkani device detects the rise and intensity of heat. When the heat energy triggers the detector, an alarm sounds to alert families of a fire. A signal is also sent to all other detectors within a 60-metre radius, along with phone text messages to alert the community.



The Lumkani device detects a rapid rise in temperature instead of smoke or particles in the air.



When a fire is detected, Lumkani's network of connected devices can enable a community-wide alert.

## Achievement highlights



### Since 2014, Lumkani has scaled up the roll out of the detector

90 percent of homes fitted with the device have been protected from destruction by fire.

Today there are almost 11,000 Lumkani detectors installed across South Africa.

*“We heard the Lumkani sound and all went out to see where the fire was coming from ... We tried to get it out by using water from the taps using buckets and we called the firefighters. When they arrived, we had already put the fire out.”*

– Asipha, Cape Town

# The partnership

Non-profits like World Vision are working in increasingly complex environments to address the causes of poverty. To build sustainability into aid and development, there is an increasing need to leverage investment and the expertise of the private sector.

World Vision's partnership with Lumkani supports their work by providing project implementation expertise. Our close ties to the community and geographical connections provides the perfect partner for Lumkani to test the device with the community and then roll it out to scale in targeted locations.

*“At World Vision, we’re looking for innovative ways to partner with the private sector to increase our impact. We’ve found that strategic technologies and new and innovative ways of working often coming out of the private sector, can be combined with our development approach to create scaled impact.”*

– Claire Rogers, World Vision Australia CEO

*“Lumkani is an exciting example of the type of innovative partnership that can exist between the development sector and the private sector to create shared value on a global scale.”*

– Ross Piper, Chief Field Impact Officer, World Vision Australia

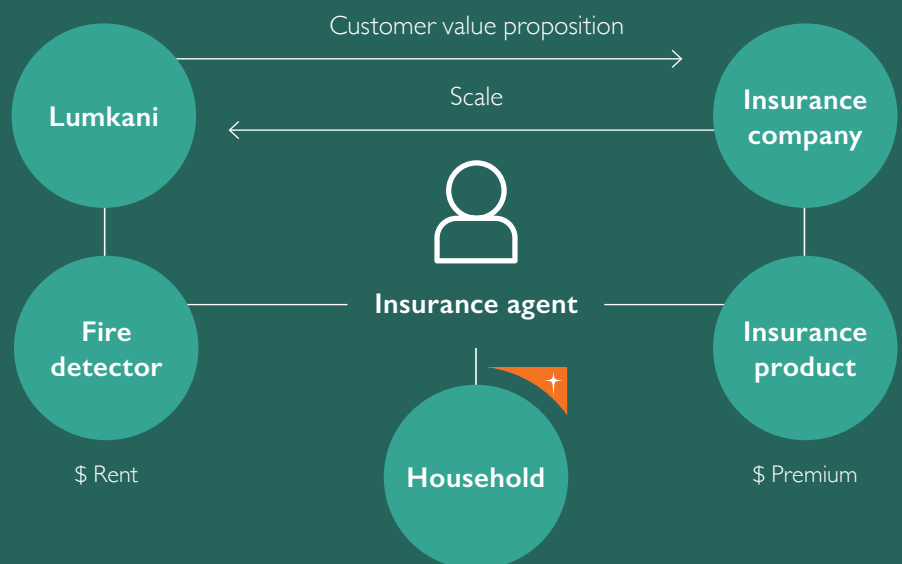
# The business model

Since the initial pilot program, World Vision and Lumkani have together accessed seed funding through the Google Impact Challenge. Lumkani has gone on to refine their revenue model.

Rental of the detector includes a household micro-insurance product offering, a partnership between Lumkani and a large locally known and trusted insurance company.

This allows households to pay directly for the value they receive from Lumkani detectors. For the insurer the value of the partnership with Lumkani comes in the form of InsureTech – a mitigation technology coupled with digital and geo-located real time policy holder information related to fire related claims.

**Insurance agents act as first responders to fire.** They're trained to capture household client data onto the Lumkani system. Take payments, educate households on fire prevention methods and safe practices, install the Lumkani detector and alert households



of any fire hazards that need mitigating. This distributor revenue sharing model is critical to the overall success and sustainability of the partnership.

**Currently in Johannesburg and Cape Town, Lumkani will be offered in six additional locations across South Africa by the end of 2017.**

To date this partnership covers Rand 2.2 million (AU\$200,000) worth

of household assets in informal settlements (both structure and contents) and is Lumkani's primary recurring revenue model. Breaking even on the current detector will be reached by the insurance model at 6,000 households. Lumkani is also exploring other models to create scale and enhance their impact.

# The journey

Innovative partnerships between the not-for-profit and private sectors can create a world of opportunity for the most vulnerable people on the planet. By accessing new markets and developing value chains we can combine forces to build a better, safer world for children and their families in every corner of the globe.



*“The journey of Lumkani has been an incredible one. We rolled out our first system in 2014 in a community locally. And since then ... we’re moving into Bangladesh, Kenya and other countries around the world.”*

– Francois Petousis, Director, Lumkani



For more information, please visit [worldvision.com.au](http://worldvision.com.au) or call **+61 3 9287 2954**

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