FIND and Kountable launch impact assessment for new initiative that could unblock supply chain bottlenecks for diagnostics

- New trade finance and governance initiative conceived to optimize diagnostic supply chains, improve governance and reduce the high costs of financing that can deter many local distributors
- 12-month assessment will evaluate the impact of interventions on affordability of quality-assured diagnostic tests for COVID-19 and diabetes

KIGALI, RWANDA; NAIROBI, KENYA & GENEVA, SWITZERLAND – 28 July 2021. FIND, the global alliance for diagnostics, and Kountable, a global trade and technology platform, have teamed up on a new initiative to address challenges faced by procurement bodies related to governance, risk, liquidity, and the high costs of working capital that negatively impact diagnostic supply chains in low- and middle-income countries (LMICs).

Diagnostic developers generally negotiate and publish “ex-works” prices, being the price to the first vendor in the supply chain when the tests leave the factory. However, the tests change hands multiple times as they are imported and exported through different channels, and finally distributed within the destination country. There is often a delay between local distributors paying to receive a shipment and then subsequently being reimbursed by the local authority or hospital that is buying them, leaving the distributor out of pocket. This gap between financial outlay and receipt of payment means the distributor often must borrow working capital, which can be a time-consuming, paper-driven process, and expensive due to high interest rates charged by local banks.

With mark ups being added at each stage of the journey, the final price to the end user can be significantly higher than the procurement prices negotiated with manufacturers. The trade finance and governance initiative announced today aims to address these challenges by tracking tests all along the supply chain, to ensure transparency and governance of the process, as well as the pooling of demand to reduce the out-of-pocket costs borne by local entities.

Ben Ndungu, CEO of Biodesk, a wholesaler in Kenya, said: “Transactions are registered through Kountable’s simple-to-use application. Kountable is extremely convenient and ensured seamless execution of the project. The success of this project gave us the confidence to pursue larger deals and we are immensely lucky to have discovered Kountable when we did.”

For the 12-month impact assessment, validated buyers and distributors in Kenya and Rwanda will be connected via Kountable’s online platform, enabling them to purchase quality-assured diagnostics for COVID-19 and diabetes. For COVID-19, products will be limited to those antigen rapid tests (Ag RDTs) that have received World Health Organization Emergency Use Listing (EUL); i.e. those manufactured by Abbott, SD Biosensor and Premier Medical Corporation. For diabetes,
a range of blood-glucose monitoring products that are approved by a stringent regulatory authority and locally registered in Kenya and Rwanda will be available.

**Chris Hale**, CEO of Kountable, said: “Technology and price transparency go hand in hand. Technology platforms have reshaped markets from e-commerce to stock trading, and every time a platform brings transparency, consumers win. Kountable exists to bring accountability, governance and transparency to the most important value chains, so everyone working to improve health outcomes—from manufacturers to distributors and health care providers—can come together to ensure that the efforts they make to deliver health equity improve people’s lives. By partnering with FIND, we have the opportunity to support local businesses and their procurement processes in a sustainable way by delivering the best products at competitive prices to healthcare consumers.”

**Kartik Sharma**, Head of Market Shaping at FIND, said: “Pricing remains one of the biggest barriers to diagnostic access. The impact of investment in R&D innovation and global price negotiations are eroded due to a lack of supply chain governance, risks and inefficiencies that result in often-prohibitive prices to end users and patients. This initiative has been designed to generate evidence for solving these issues and enable fair and predictable pricing.”

The impact assessment of the trade finance and governance initiative will run for 12 months, until July 2022.

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**About Kountable**
Kountable is a global trade and technology platform that actively manages international trade between local entrepreneurs and multinational suppliers to deliver top quality goods purchased by governments, NGOs, corporations and multilateral institutions. such as UNOPS who are looking to complete large scale SDG projects. The goods Kountable helps procure are focused in the areas of healthcare, industrial development and ICT connectivity.

**About FIND**
FIND, the global alliance for diagnostics, seeks to ensure equitable access to reliable diagnosis around the world. We connect countries and communities, funders, decision-makers, healthcare providers and developers to spur diagnostic innovation and make testing an integral part of sustainable, resilient health systems. We are working to save 1 million lives through accessible, quality diagnosis, and save US$1 billion in healthcare costs to patients and health systems. We are co-convener of the Access to COVID-19 Tools (ACT) Accelerator diagnostics pillar, and a WHO Collaborating Centre for Laboratory Strengthening and Diagnostic Technology Evaluation. For more information, please visit [www.finddx.org](http://www.finddx.org)

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