

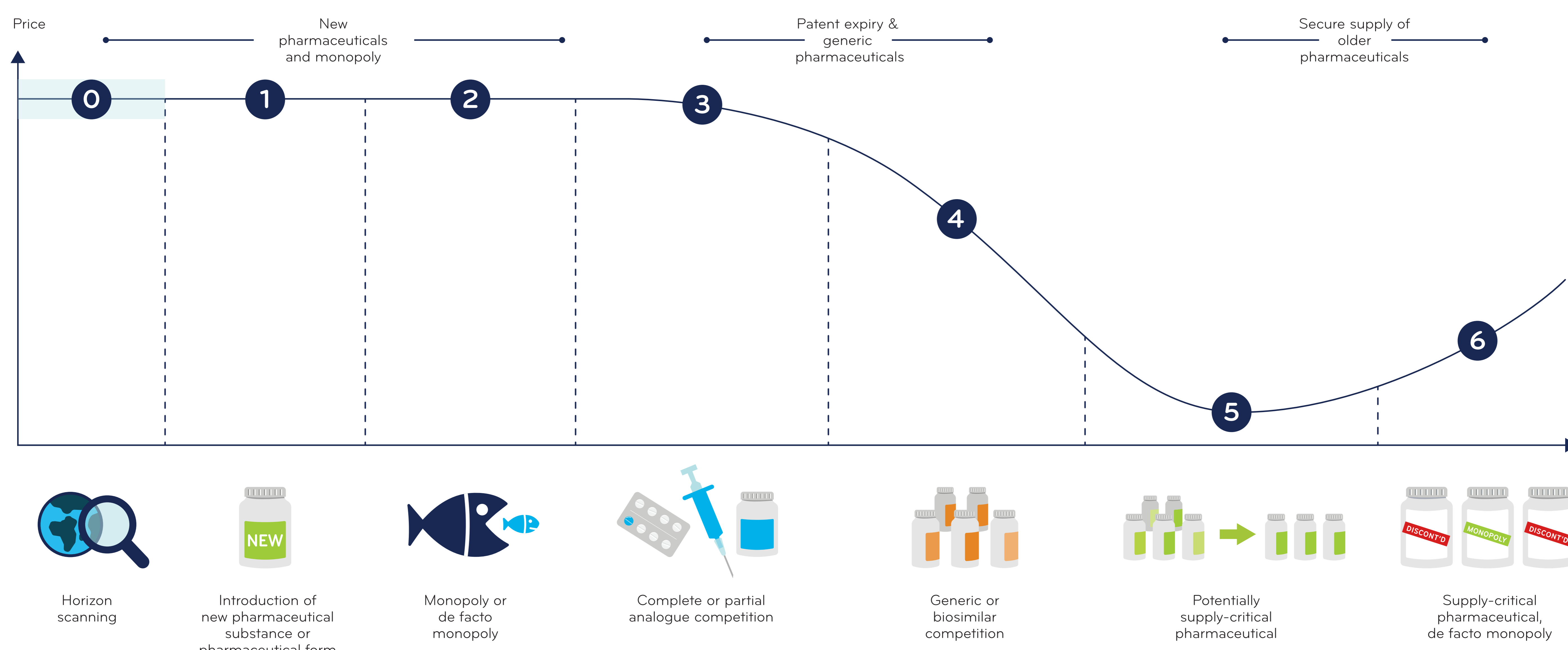
JOINT PROCUREMENT

– LEARNINGS FROM A PILOT ON JOINT PROCUREMENT OF OLDER PRODUCTS

Joint procurement pilot with partner countries in the Nordic countries resulted in efficient competition for older pharmaceuticals, with potential future benefits for constrained supply

THE CHALLENGES ARE THE SAME THROUGHOUT THE WORLD

FIGUR 1 PRODUCT LIFE CYCLE OF PHARMACEUTICALS



BACKGROUND AND OBJECTIVE

Increasing supply shortages in Denmark and across the Nordic countries were the background for piloting a joint procurement.

There was a need for solutions to supply issues in Denmark, Norway and Iceland.

One observation was that size of market and the consequence of being a small-volume market impacted efficient competition for older products.

Partner countries in the Nordic alliance decided to pilot joint procurement of older pharmaceuticals.

METHODOLOGY

- Mapping synergies and differences between Nordic partners
- Profiling products by using the Product Life Cycle model supported identification of relevant pharmaceuticals
- A joint procurement pilot was set up between the countries and led by Amgros, a national procurement organisation

- A political framework agreement was signed between the countries for shared foundation
- The design was tested during the design phase with all the parties involved
- A consultation with the suppliers was established to modify the tender materials

CONCLUSIONS AND LESSONS LEARNED

- Announced tender criteria were either price alone or price in combination with qualitative criteria
- One of the tenders included a mandatory bid for all three markets, the rest of the tenders were mandatory for Denmark and Norway with optional submission for Iceland
- The complexity of including more markets was countered by the supplier options of delivering to more markets

- Evaluation of the submissions to the pilot showed that a majority of joint tenders had efficient competition with a representative amount of suppliers bidding
- It took two years from start to announcement of the tender
- A key conclusion, is the need for collaboration with stakeholders and collection of proper insights from involved parties prior to announcement of tender

NEXT STEPS

- A joint evaluation of supply compliance within the tender agreement period will be performed
- Improvement in supply situation will be tracked during pilot evaluation period

- Future logistic challenges and strategic solutions to these will be assessed in the early tender planning phase for any future joint procurements

Questions on Joint Procurement Pilot? Amgros@amgros.dk



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