

# Public Procurement of Medicines: A Taxonomy of Procurement Systems in Europe

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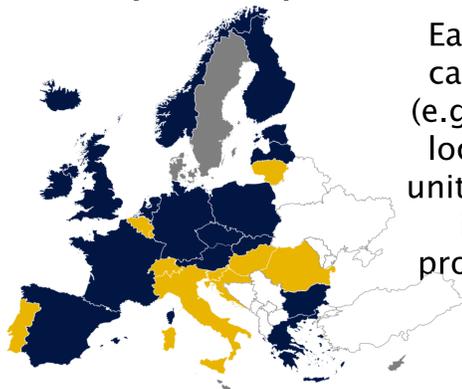
## What did we do?

- Public procurement of medicines (e.g. through tendering) attracts attention by policy-makers seeking to achieve better patient access to affordable medicines. However, it is unclear how public procurement procedures are organised in European countries and how these systems perform.
- We mapped public procurement practices for medicines in 32 European countries (all European Union member states, Iceland, Liechtenstein, Norway, Switzerland, United Kingdom) using the following sources:
  - Targeted literature searches
  - Expert interviews
  - Tenders European Daily (TED) database

## What did we find?

We identified four core organisational forms for public procurement of medicines in Europe (see figures). Countries often apply several of these forms simultaneously and to various extent, e.g. one form for all medicines used in hospitals, and another form only for vaccines used in national immunisation programmes.

### Facility-based procurement



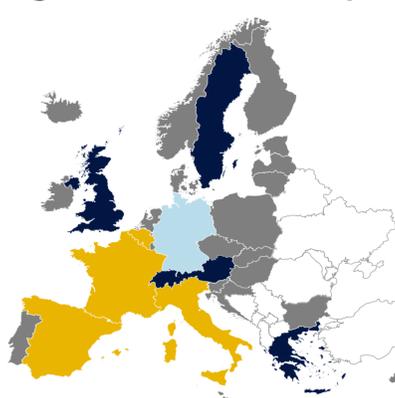
Each health care facility (e.g. hospital, local health unit) conducts its own procurement

### Group (joint) procurement



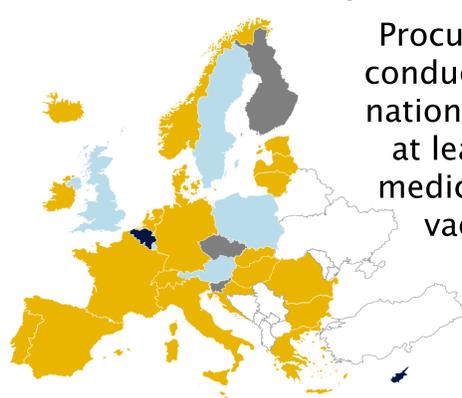
Voluntary collaborations of purchasers to conduct joint procurement

### Regional centralised procurement



Procurement is conducted at regional level or for a group of facilities by a centralised purchasing body (CPB)

### National centralised procurement



Procurement is conducted at the national level for at least some medicines (e.g. vaccines)

In addition to procurement within countries, European countries engage in cross-country joint procurement, including for COVID-19 vaccines and therapeutics (all EU member states), and in some cases for other vaccines (Baltic Procurement Initiative) and hospital medicines (joint Nordic tenders).

#### Legend:

- Applied in outpatient and inpatient sectors
- Applied only in inpatient sector
- Applied only in outpatient sector
- Not applied
- No information / Country not included in study

## What does this mean?

- Countries typically apply a mix of organisational forms for procurement of medicines. While joint procurement within countries and across countries may hold some advantages, such as greater purchasing power and increasing the attractiveness of the market for suppliers, European countries continue to procure large volumes of medicines at sub-national and, in many cases, at facility-level.
- There is scope for optimising public procurement of medicines in Europe through strategic use of different organisational forms of procurement.

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