






Inter-country Pooled Procurement of Medicines

Koray Parmaksiz

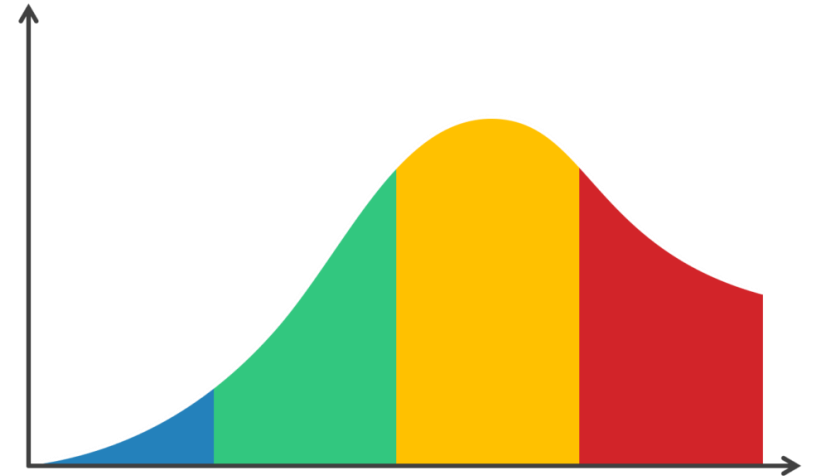
ADB Procurement Webinar – May 6th, 2022

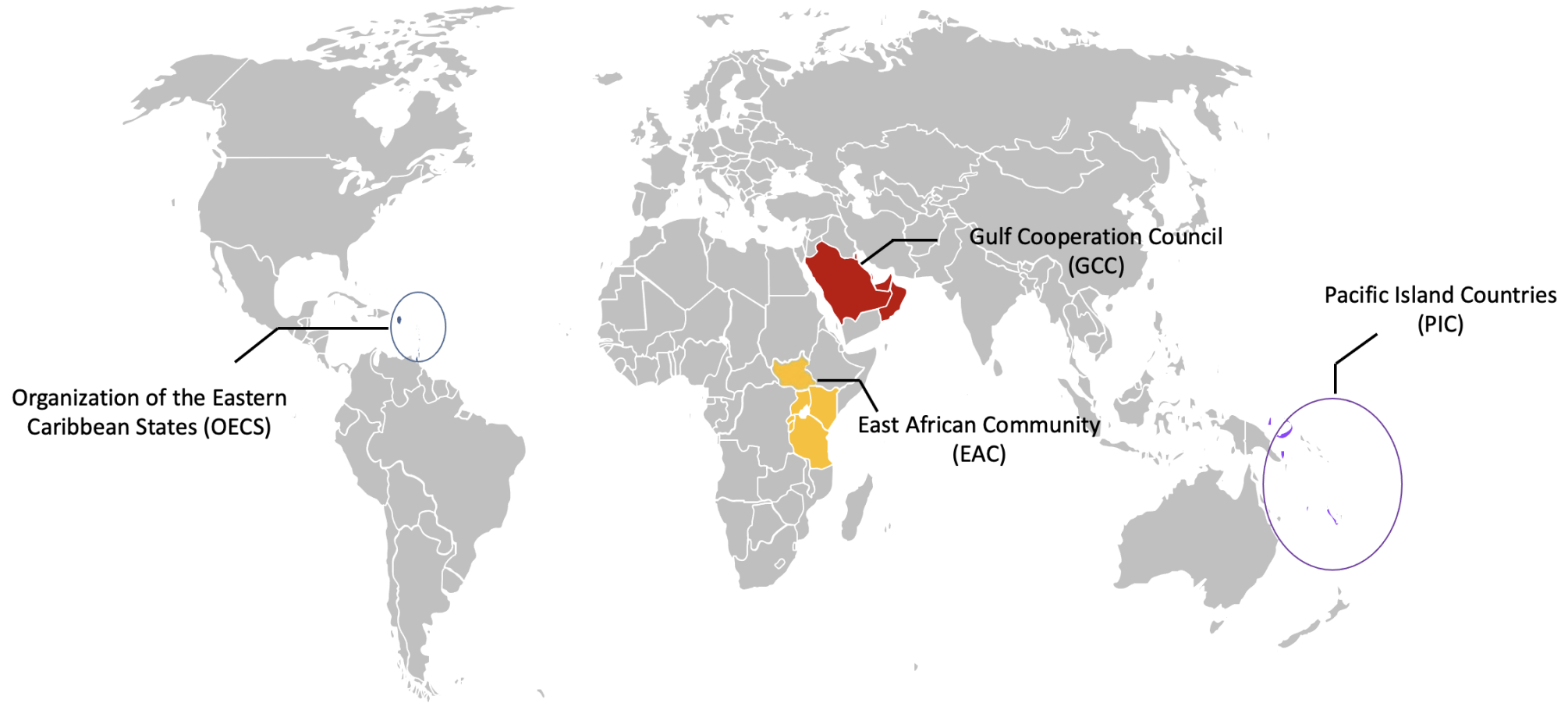
Characteristics of PPMs

-  • Different levels of collaboration
 - Informed buying, coordinated informed buying, group contracting & central contracting
-  • Structural form
 - Ranging from a buyer's mechanism to third-party pooled procurement mechanism
-  • Geographical level
 - Sub-national, national, inter-country, global
-  • Type of products to be pooled
 - Single disease (e.g., HIV, TB), single product type (e.g., vaccines, orphan drugs, paediatrics), single source (e.g., patented), & multiple products (e.g., essential medicines)
-  • Motivations, goals and purpose of the pooled procurement mechanism
 - Buyers can have multiple and diverse motivations and goals, which is not a problem as long as they are compatible with the proposed solution

Developmental stages of PPMs

- Stage 1: Promise stage
- Stage 2: Creation stage
- Stage 3: Early operational stage
- Stage 4: Mature Stage
- End Stage





Characteristics of selected inter-country PPM

	Gulf Cooperation Council	East African Community	Organization of the Eastern Caribbean States	Pacific Island Countries
Current status	Active	Inactive	Active	Inactive
Stage	Mature	Creation	Mature	Creation
Collaboration level	Group contracting	[Group contracting]	Central contracting	Group contracting
Structural form	Buyer's	Buyer's	Buyer's	Buyer's
Geographical level	Inter-country	Inter-country	Inter-country	Inter-country
Type of products	Essential medicines [multi-product]	(Essential medicines) [multi-product]	Essential medicines [multi-product]	(Essential medicines) [multi-product]

Comparison OECS vs PICs

	Organization of the Eastern Caribbean States	Pacific Island Countries
Similar in characteristics?	✓	✗
Similar problems?	✓	✓
Relative alignment on needs, purpose and operations?	✓	✗
Other essential elements include	<ul style="list-style-type: none"> • Political and financial commitment • Dedicated secretariat • Efficient payment mechanism through Central Bank and single currency 	—

✓ Present; ✓ Partially Present; ✗ Absent



Gulf Cooperation Council (GCC)

	Gulf Joint Procurement Program
Shared cultural factors & language?	✓
Dedicated procurement secretariat?	✓
Sufficient supplier incentives?	✓
Relative alignment on needs, purpose and operations?	✓
Other essential elements include	<ul style="list-style-type: none">• Central registration system• Effective quality assurance• Timely payment mechanism• Organization structure with clear roles and responsibilities

✓ Present; ✓ Partially Present; ✗ Absent



East African Community (EAC)

	East African Community
Similar characteristics and technical capacity?	✓
Relative alignment on needs, purpose and operations?	✓
Dedicated procurement secretariat?	X
Current status	The EAC Partner States are in the process of: <ul style="list-style-type: none">• Identifying needs• Increasing information sharing

✓ Present; ✓ Partially Present; X Absent





Take-home messages

- Pooled procurement mechanisms are complex and diverse mechanisms, and not one-size-fits-all solutions
- And to successfully procure affordable and quality-assured medicines:
 - There needs to be relative alignment of procurement goals, motivations and purpose;
 - Sufficient, predictable and timely budget is required at all levels, both to procure the medicines and to cover organization expenses;
 - And sufficient incentives are needed both for buyers and suppliers to participate in the mechanism

Thank you

Contact:

parmaksiz@eshpm.eur.nl