



TECHNICAL SYMPOSIUM

Access to Medicines: Pricing and Procurement Practices

Summary and key issues

THE POLICY CONTEXT

Access to health depends to a large extent on prices that have to be paid for pharmaceuticals. Strategies for procuring reliable and affordable supplies of medicine are therefore important factors in determining how easy or difficult it is for patients, especially in poorer countries, to receive the treatment they need. The access to medicines framework includes four key components:

- rational selection;
- affordable prices;
- sustainable and adequate financing; and
- reliable health care and supply systems.

Within these four pillars, different determinants play a role, including the legal framework, intellectual property, procurement and competition policies, taxes and tariffs, as well as regulatory matters ensuring the quality, safety and efficacy of medicines. Practical experiences relating to these factors contribute to a better understanding of the impact of procur

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WHO is engaged in making existing drug price information widely available to improve equity in access to essential medicines in health systems and to provide support to Member States⁴. The WHO web site on Medicines Price Information⁵ provides links to a broad range of information resources from the WHO and WHO Regions^{6 7 8}, Member States^{9 10}, organizations^{11 12}, such as Health Action International (HAI)¹³ and the WHO/HAI Medicines prices survey¹⁴, as well as information in respect of certain diseases, such as

national regulations, e.g. be authorized by the national drug regulatory authority. The implementation of the plan and the performance of the project will be closely monitored.

A competitive and transparent procurement process based on prequalification is key for the Global Fund. Reporting is mandatory. The data obtained through the Price and Quality Reporting System³⁰ are published and provide a solid source of information about prices, suppliers and quality of tested products.³¹ This information can contribute to building up procurement capacity and improving access to health by obtaining better value for money.

Experiences from some WHO regions show some advantage in centralized procurement. Centralized procurement is able to create economies of scale resulting in low transaction costs and better leverage in pricing negotiations and contract terms. Centralized procurement is an option for different levels, be it the public sector or the private sector, and be it in a district, a region or even between countries. A common feature of centralized procurement is the goal to streamline procurement procedures and improve the capacity in the acquisition of medicines, to advance quality assurance and to negotiate competitive prices by consolidating demand and achieving

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throughout the world. The search query in one language will be translated at best into several other languages by special software which has been developed by WIPO. CLIR has extensive coverage in English, French, German and good coverage for Japanese and Spanish. The next languages to be considered are Chinese and Portuguese.

TRADE INFORMATION

The international trade system is largely shaped by the various Agreements that form the basis of the WTO. A joint study by the WHO and WTO

food borne risks and plant/animal carried diseases. While there appears little connection with essential medicines and primary pharmaceutical products for human health, there is considerable information on medicinal food products such as tea or herbs and functional foods with nutritional additives.

The impact of the General Agreement on Trade in Services (GATS)⁴⁷ on trade in health services remains insignificant due to the low level of commitments in this sector that mostly only binds existing levels of market access. GATS leaves a high flexibility in defining obligations undertaken in a given service sector, whether or not to open the market to foreign suppliers at all, the scope and conditions of such opening and whether to bind it in GATS specific commitments. GATS also maintains the ability to regulate service quality and accommodate other domestic policy concerns and emphasizes the need for government regulations to protect the interests of its citizens.

Article 63 of the TRIPS Agreement⁴⁸ provides for extensive publication and notification obligations of WTO Members with the goal to achieve the

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The Center serves as a resource for rules, contract clauses, and neutrals. It gives procedural guidance and offers tailored dispute resolution services, provides training and organizes conferences.

CONCERNS ADDRESSED

A number of political and practical concerns were

