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# Joint procurement of the Baltic states

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National Health Service of the Republic of Latvia

2019



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# The Baltic states





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# Partnership Agreement

- between the Ministry of Health of the Republic of Latvia, the Ministry of Social Affairs of the Republic of Estonia and the Ministry of Health of the Republic of Lithuania ***on Joint Procurements of Medicinal Products and Medical Devices and Lending of Medicinal Products and Medical Devices Procurable Centrally*** was signed on 2 May 2012.

The purpose:

- to facilitate procurements of medicinal products and medical devices
- to reduce the expenditure of the State
- to reduce administrative burden
- to avoid duplication
- to ensure the continuity of the access to the medicinal products and medical devices procurable centrally.



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# Procurement planning

Leading partner- *Latvia*

The first object- *Tuberculosis vaccine (BCG) for infants*

On April 2, 2015 - announcement of the Open Procedure

On May 29, 2015 - a decision was taken

***no result, because no proposal***



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# Problems

1. Only one registered vaccine (one manufacturer)
2. Manufacturer wasn't interested- small market and small amount.
3. Manufacturer didn't want to arrange a single packaging for all the three Baltic States
4. Long and complicated process of preparing the tender documents
5. Language of the tender documents
6. To achieve economical advantage in the joint procurement - a risk of the higher price than expected.
7. Differences in logistics – in Latvia a vaccine price includes also its storage and distribution.



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# Why it did not work?

## Summary

Only one vaccine registered  
- only one manufacturer



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# National vs. joint Baltic procurement – what is the difference?

<b><i>Joint procurement of the Baltic states</i></b>	<b><i>National procurement</i></b>
1) Bigger amount	1) Smaller amount
2) Guarantee purchasing 90% of the planned amount	2) Do not guarantee purchasing whole planned amount
3) Buy only vaccine, logistics excluded	3) Buy vaccine with logistics included
4) Tender documents in English and local language	4) Tender documents are drawn up only in Latvian
5) Framework Agreement and three contracts (one for each state)	5) Just one contract



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# National vs. joint Baltic procurement- what is the difference?

<b><i>Joint procurement of the Baltic states</i></b>	<b><i>National procurement</i></b>
6) Large procurement commission- time-consuming procedures	6) Smaller procurement commission, which can meet urgently
7) Existing supply contracts - different expiration time	7) A new tender is arranged by the end of the previous contract term
8) Longer term of tender documents preparation	8) Shorter term of tender documents preparation
9) Longer terms for tender submission	9) Shorter terms for tender submission



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# Next joint procurements of Baltic states

Vaccine	Lead	Period	Benefit joint vs local
Rotavirus	Estonia	2018/ 2019	11% ; 25%
Pneumococcal	Lithuania	2018/ 2019	20%
Rotavirus	Estonia	2020/ 2021	<i>one offer, higher price + 10%</i>
Hexavalent	Estonia	2020/ 2021	14%
Pneumococcal	Lithuania	2020	<i>ongoing</i>



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# Thank you for your attention

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