

1 medicines' **price** is the most frequent tender selection criteria¹



price as sole criteria generates unsustainable **price erosion**

2 frequently, tenders have a **single winner**¹



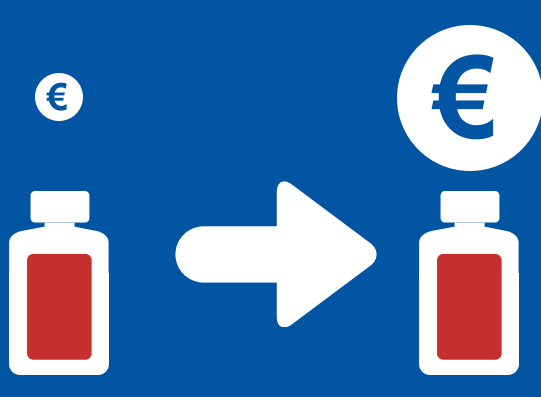
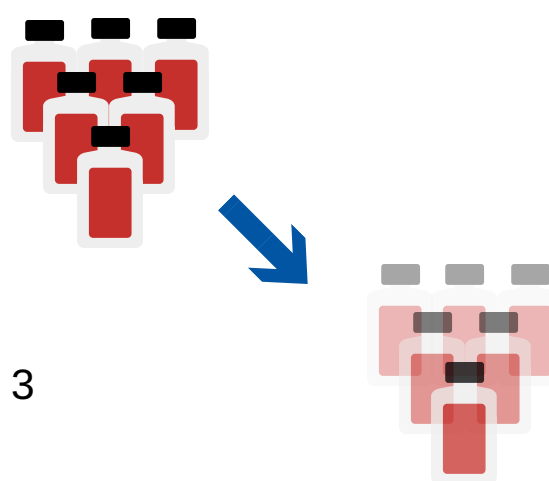
exclusivity of supply can **decrease** the number of **companies** in the market¹

3 **disproportionate penalties** for supply disruptions causes manufacturers to retract from participating in tenders



results

with fewer suppliers in the market, potential **shortages** become more **frequent and massive**^{1, 2, 3}



with fewer companies, the reduced competition can result in **de-facto monopolies** and **additional healthcare expenditure**¹

To ensure **access to medicines for patients**, tenders should ensure **competition** in the long-term by:



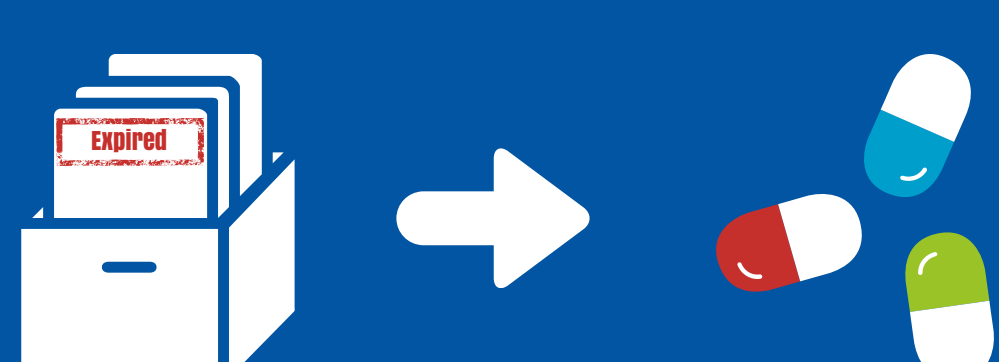
Adjusting the **number of tender winners** to the **product, market and country** characteristics



Allowing reasonable and sufficient **lead times**, adapted to **volume** and **product characteristics**



Agreeing on **proportional penalties** for supply disruptions and being flexible when demand goes beyond the agreed tender contract



Re-opening tenders for **off-patent medicines** as soon as the patent expires



Adopting a holistic view and consider **additional relevant criteria** to ensure the **best value for money**