

IMPACT OF PROCUREMENT DEREGULATION  
ON THE GOVERNMENT PHARMACEUTICAL ORGANIZATION's  
PRODUCTS AND STRUCTURE



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A Thesis Submitted in Partial Fulfillment of the Requirements  
for the Degree of Master of Science in Health Economics

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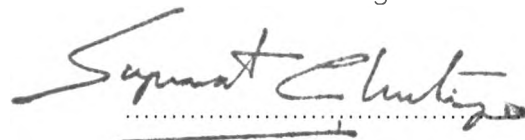
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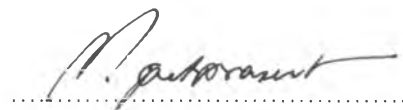
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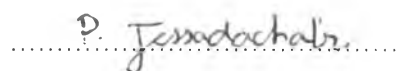
  
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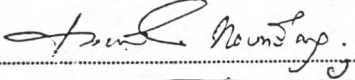
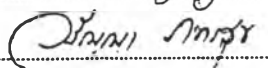
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This study attempts to investigate the impact of deregulation of the purchasing procurement in the part of pharmaceutical and medical products on the Government Pharmaceutical Organization (GPO) products and structure with related to the public sector under the Ministry of Public Health.

Forecasting method using "opinion survey" conducted by GPO and other institutes was the main concern to evaluate the impact on product sale and earning of GPO as well as GPO structure in response to the product change.

It is found that after deregulation the GPO's sales in the public sector under the Ministry of Public Health will decrease to at least 43% of the former level in 1997 resulting in a loss of earnings up to 59.53% for the same period. Sales can be increased only if the GPO improves its sales promotion/advertising, customer services and delivery systems to be able to compete with the private sector. GPO must also expand its production and further develop R&D function to produce new drugs using indigenous raw materials available in the country.

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## Abbreviations

AFTA	=	ASEAN Free Trade Area
ASEM	=	Asia-Europe Meeting
AZT	=	Azidothymidine
BCG	=	Boston Consulting Group
BP	=	British Pharmacopoeia
BPC	=	British Pharmacopoeia Codex
BVQI	=	Bureau Veritas Quality International
ED	=	Essential Drugs
FDA	=	The Food and Drug Administration
FTI	=	The Federation of Thailand Industry
GDP	=	Gross Domestic Products
GMP	=	Good Manufacturing Practices
GNP	=	Gross National Products
GPO	=	The Government Pharmaceutical Organization
HSRI	=	The Health Systems Research Institute
IMS	=	The Infopharma Media Services
ISO	=	International Organization of Standardization
LAD	=	The Legal Affairs Divisions
MNCs	=	Multinational Corporations
MOF	=	Ministry of Finance
MPF	=	Military Pharmaceutical Factory
MOPH	=	The Ministry of Public Health
NEDL	=	The National Essential Drug List
NED	=	Non Essential Drugs
NF	=	National Formulary

ORS	=	Oral Rehydrated Solution
OTC	=	Over the Counter
PHD	=	The Provincial Hospitals Division
PPA	=	The Pharmaceutical Products Association
R&D	=	Research and Development
SWOT	=	Strength, Weakness, Opportunity, Threat
TPMA	=	The Thai Pharmaceutical Manufacturers Association
UNICEF	=	United Nations Children's Fund
USP	=	United States Pharmacopoeia
WHO	=	World Health Organization