Announcement of the 12th National Centralized Volume-Based Procurement of Pharmaceuticals

China – National Joint Office for Centralized Pharmaceutical Procurement

Main information

Scope of Application:

Launch the 12th round of Centralized Volume-Based Procurement of drugs

Effective Date:

June 23rd, 2026

Related Provisions:

- Opinions of the CPC Central Committee and the State Council on Deepening the Reform of the Medical Insurance System
- State Council General Office's Opinions on Promoting the Institutionalization and Regularization of Centralized Drug Procurement (Guo Ban Fa [2021] No. 2)

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Key Topics

Framework

- The 12th batch covers 65 drug varieties, selected from an initial pool of 77 pre-declared varieties. These cover multiple therapeutic areas including hypertension, diabetes, oncology, organ transplant anti-rejection, anti-infection, and others, spanning chronic outpatient medications, inpatient acute care, surgery, and imaging.

- The process follows a structured sequence: (1) pre-declaration of drug information (completed May 2026), (2) formal application and information filing (June 23–26, 2026), (3) enterprise bidding registration (June 23–July 13, 2026), (4) hospital volume reporting by manufacturer, and (5) bid opening.

What's new

- **"No-Volume Revival" Mechanism for Reference-Listed Drugs**: For the first time, the procurement introduces a **revival pathway** for original reference-listed drugs that fail to win in the initial bidding round. Such drugs may still obtain **"winning bidder" status (with zero committed volume)** if they voluntarily lower their price to no more than 3times the "anchor" price and below the maximum declared price, preserving hospital access rights even without guaranteed volume.

- Patent Compliance "Red Line": Eight varieties are marked with "★" in the procurement list, indicating they are subject to patent disputes. Enterprises must submit a "no-infringement commitment" before the bidding deadline.

Sensitive Factors

- Anti-"Involuted" Pricing Rules: The 12th batch refines the "anchor pricing" mechanism from the 11th batch. The "anchor" is the higher of (a) the lowest bid price and (b) the average of all winning bids minus 1 standard deviation. Any bid below the average minus 2 standard deviations is deemed an "**abnormally low price**" and will: (i) receive zero allocated volume, (ii) not count toward the winning quota, and (iii) not affect the "anchor" calculation.

Drivers

- **Patent Risk Pre-Clearance:** Enterprises with products in the 8 "★" varieties must urgently secure legal opinions and file patent commitments before the July 13, 2026, bidding deadline. Failure to do so means not just losing the bid but losing market access entirely—delisting from all provincial procurement platforms

- **Strategic Pricing Under the Anti-"Involution" Framework:** The refined "anchor" mechanism means that extremely low bids not only yield zero volume but also do not count as "winning" slots, negating the strategic value of ultra-low pricing. Enterprises should calculate bid prices above the "average minus 2 standard deviations" threshold to avoid losing volume while still competing on price

- **Quality and Compliance as Competitive Differentiators:** With added quality prerequisites (GMP inspection records, production line history, packaging standards), the compliance barrier has been raised. Companies with established manufacturing track records and robust quality systems have a competitive advantage over "short-term" market entrants.