



European Federation of Pharmaceutical
Industries and Associations

Strengthening collaboration and innovation to address joint healthcare challenges beyond COVID

EFPIA Japan Days
6 October 2022

Mr. Hubertus von Baumbach
President of EFPIA

EFPIA's vision: work together for patients in these challenging times

Industry contributing to patients, healthcare systems and societies overall

Defeat COVID-19 and
Build Back Better



**INDUSTRY TAKES
RESPONSIBILITY TO TACKLE
CURRENT CHALLENGES
AND STRENGTHEN LONG-
TERM HEALTH RESILIENCE**

Europe and Japan as strong
drivers in life sciences



**INDUSTRY WANTS
EUROPE AND JAPAN TO
BECOME GLOBAL
INNOVATION LEADERS
FOR THE BENEFIT OF
PATIENTS**

Renewing industry's
societal contract



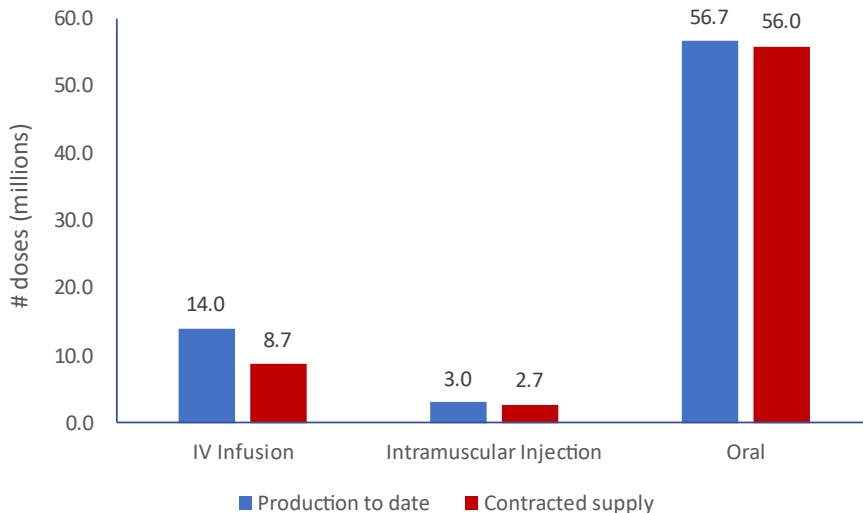
**INDUSTRY IS COMMITTED
TO ACHIEVING THE
COMMON GOAL OF
BUILDING A FUTURE-
PROOF HEALTHCARE AND
INNOVATION SYSTEM**

Industry is delivering since 2020: producing and making available COVID-19 vaccines and treatments

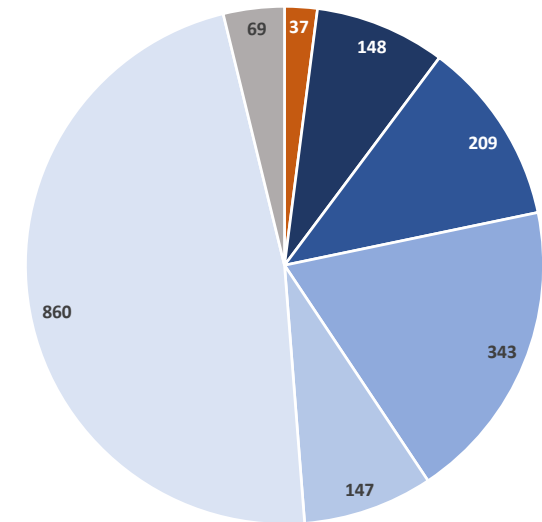
The COVID-19 pandemic

- * **Industry commitments:** 1) Unparalleled R&D efforts and cooperation; 2) Ramped up production in record time
- * **Vaccines:** Global need for vaccines has been met (15 billion to date) and R&D is ongoing
- * **Therapeutics:** Already today, there is no shortage of COVID-19 treatments and access initiatives are in place. Only 37 treatments (2.0% of all treatments in development) have received regulatory approval so far

Production of therapeutics exceeds demand for all variants, disease severity levels and patient settings



COVID-19 treatments pipeline (n = 1,813)



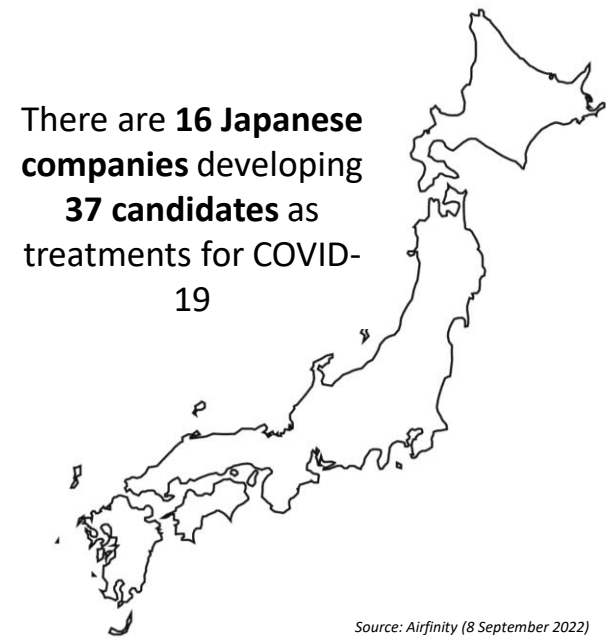
■ Approved
 ■ CT Phase IV
 ■ CT Phase III
 ■ CT Phase II
 ■ CT Phase I
 ■ Preclinical
 ■ Unknown

Weakening IP through an extension of the TRIPS waiver to therapeutics and diagnostics damages innovation

- * In June WTO members agreed to **waive IP rights (“TRIPS Waiver”)** for COVID-19 vaccines “to try to speed up their production and improve equitable access globally”.
- * But COVID-19 vaccine production already exceeded global demand and IP was not a bottleneck.
- * For therapeutics today: there is no shortage of COVID-19 treatments and access programs are already successfully in place. So: **there is no problem to solve** for a waiver extension.

What are the effects of an extension?

- * It can **hurt patients**
- * Its scope will **spill-over to other therapy areas**
- * It will **damage innovation in countries with strong IP**
- * It will have a **negative impact on growth, jobs, investments, and exports.**
- * It serves some waiver proponents with **domestic industrial policy agendas.**
- * It sets a **precedent** that can spread to other key sectors including digital and green technologies.

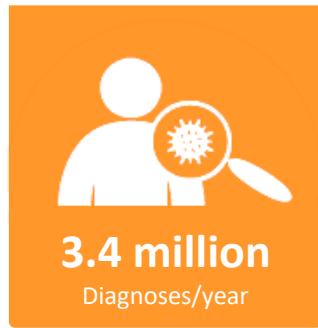


R&D is needed to meet broader patient needs

Other diseases did not go away

- * Growing global populations and ageing societies
- * Chronic diseases are expected to make up 70% of all illnesses
- * Rare diseases and cancer need R&D to find treatments and cures

CANCER



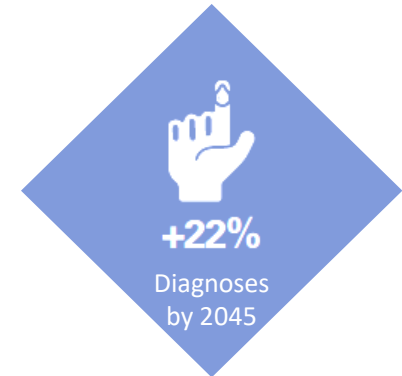
- * **EU:** Beating Cancer Plan
- * **Japan:** Cancer control programmes

ALZHEIMER'S



- * **EU:** Act on Dementia plan
- * **Japan:** New Orange Plan

DIABETES

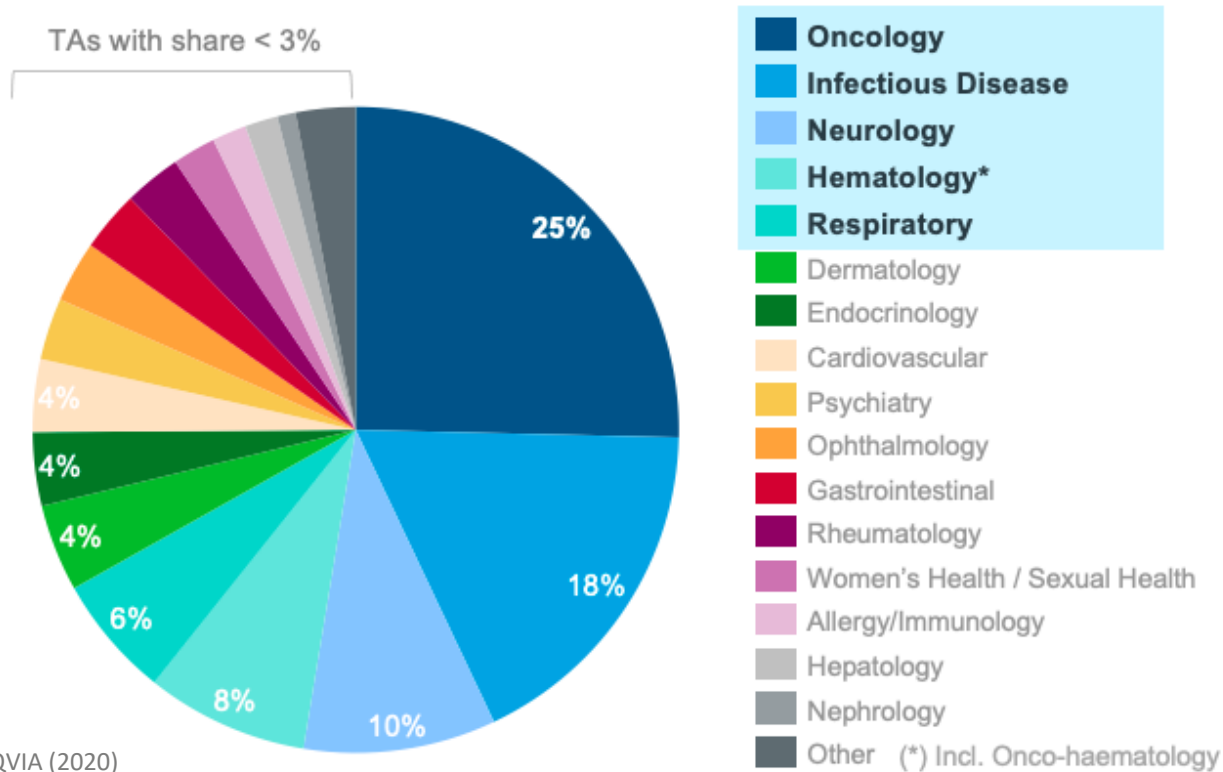


- * **Japan:** Diabetes control programs ('hidden scourge' – Japan Times)
- * **EU:** Joint Action on Chronic Diseases and Promoting Healthy Ageing across the Life cycle

Innovation pipeline is exciting and transformative

Illness never sleeps, so neither do we

5.000 clinical trials started in 2020 alone, across many therapeutic areas, from those with high societal impact to rare diseases – driven by patient need.



Opportunities for collaboration in R&D and innovation.



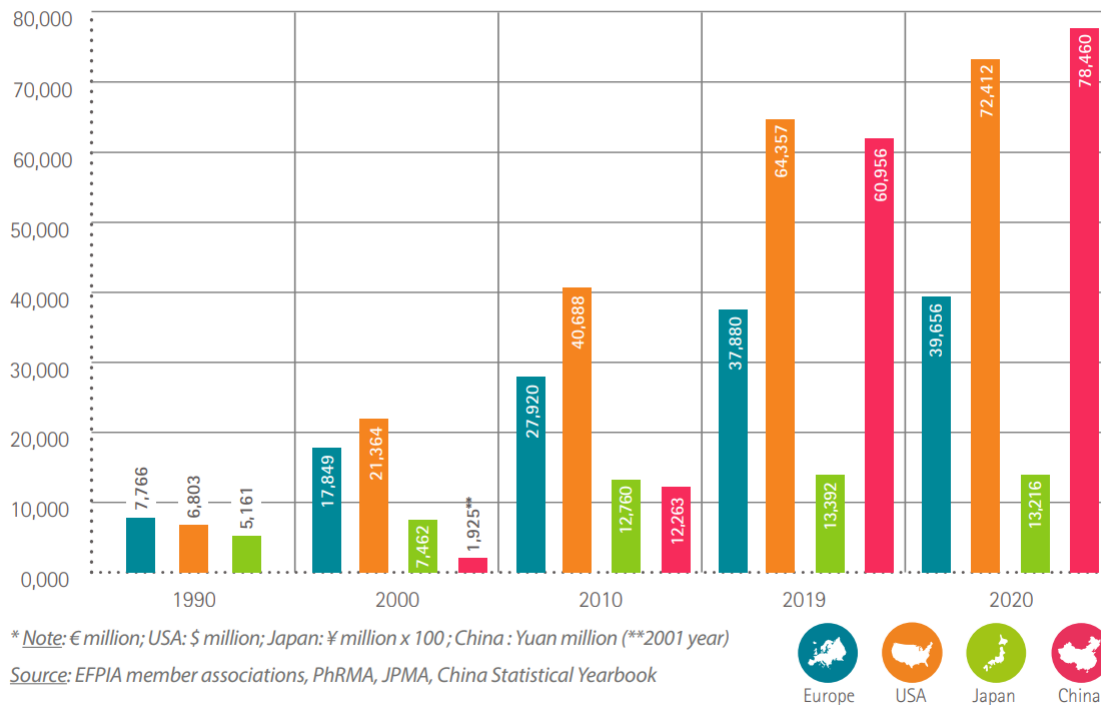
Collaboration between the EU and Japan

- * No one country, sector or stakeholder can solve the current healthcare challenges alone: **cooperation and joint research are key.**
- * EU: **Innovative Health Initiative (IHI)**, a Public-Private Partnership (50% paid by industry; 50% by the EU), part of the EU “Horizon Europe” research programme
- * **Horizon Europe and the Innovative Health Initiative** are open to the Japanese research community. **Japan and EU are now exploring possibility of Japan joining Horizon Europe as an association country**, the closest form of international cooperation on research and innovation.
- * **EFPIA welcomes the EU-Japan Digital Partnership**, launched during the EU-Japan Summit in May 2022 and will work with EU and Japanese stakeholders to leverage opportunities in research, innovation and healthcare efficiency.

The global R&D landscape has been changing

R&D investments

PHARMACEUTICAL R&D EXPENDITURE IN EUROPE, USA, JAPAN AND CHINA
(MILLION OF NATIONAL CURRENCY UNITS*), 1990-2020



- * Big changes in shares of R&D investments occurred between 2001 and 2020:
 - * Japan from 14% to 9%
 - * EU+UK+CH from 41% to 31%
 - * US from 44% to 52%
 - * China from 1% to 8%

- * The EU and Japan should take (joint) actions to up their R&D and investment attractiveness or risk continue to lose R&D investment shares to global competitors.

International collaboration is more than ever needed to deliver solutions for patients

Borderless Partnership



- Develop new medicines in global partnerships
- Create value for the healthcare system in Japan
- Create value for patients with new medicines and treatments

Industry capability and Global Leadership



- Strengthen R&D environment for the innovative pharmaceutical industry in Japan
- Japan and EU should create value as global leaders with their top-level regulatory frameworks

Driving growth and societal health



- Create economic growth and investments via a stable, predictable and pro-innovation environment
- Create societal value by promoting access and supporting a healthier society

By joining forces, the EU and Japan will be stronger together. Industry offers its commitment to the EU and Japanese markets to create synergies for patients, healthcare systems and both societies.



For further questions or inquiries, please contact:

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