



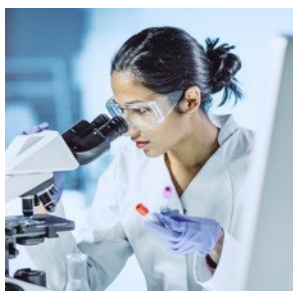
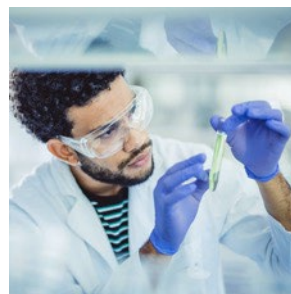
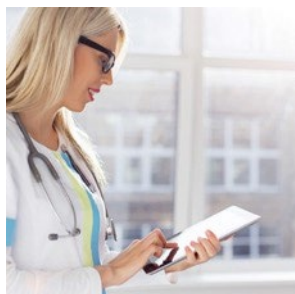
European Federation of Pharmaceutical
Industries and Associations



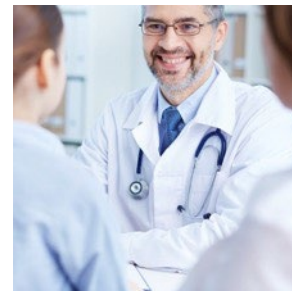
EFPIA Day 2026 Press Conference

Pharmaceutical Innovation for Japan's Growth

Implementing Policy Reforms to Support Patient Access and Investment

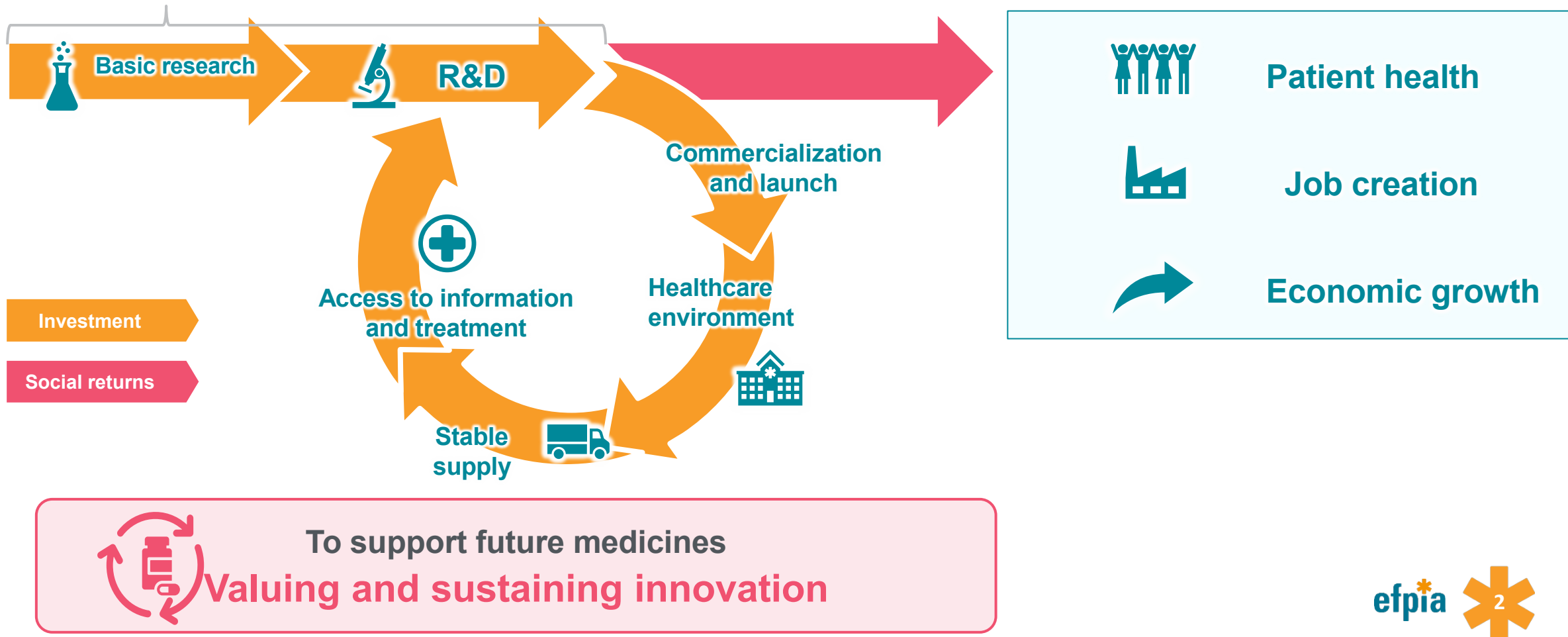


14 October 2026
EFPIA Japan
Vice Chair Kanako Kikuchi



Pharmaceutical companies benefit patients, society and the economy

Developing new medicines requires long-term investment and managing high uncertainty



The growing importance of the pharmaceutical industry

Economic returns from innovative medicines



Evidence from Europe (EU)

€1 → €5.67

Every €1 invested generates €5.67 in economic value in the EU (EFPIA 2026 study)

Importance of Japan's pharmaceutical industry



Approx. ¥30 trillion

Sales Already Supported by Japan's Pharmaceutical-Related Industries

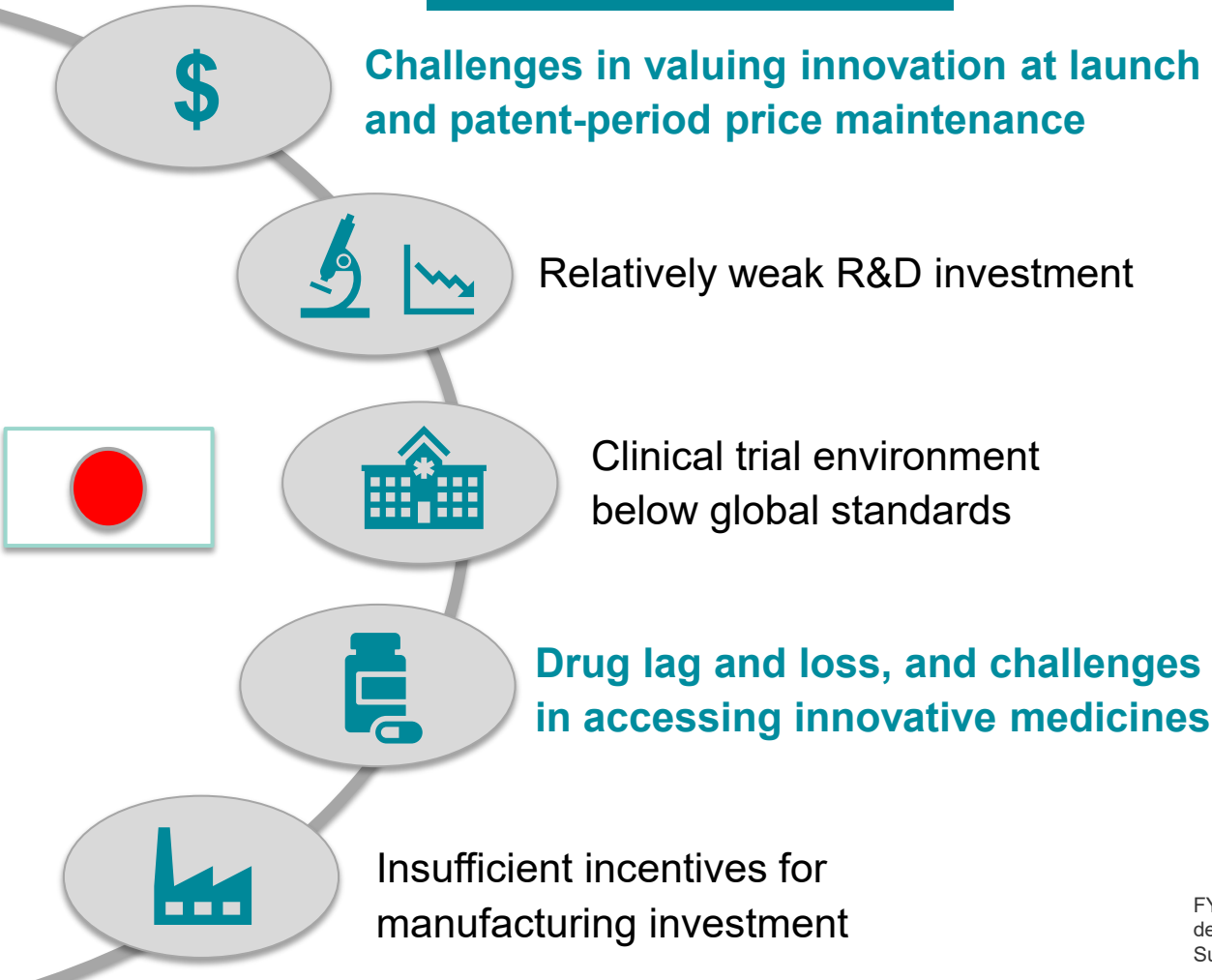
+¥12.8 trillion / 1 million+

Added value and jobs that could be created by 2040 under a growth scenario

“Drug discovery and advanced medicine” selected as one of 17 strategic fields in Japan's Growth Strategy

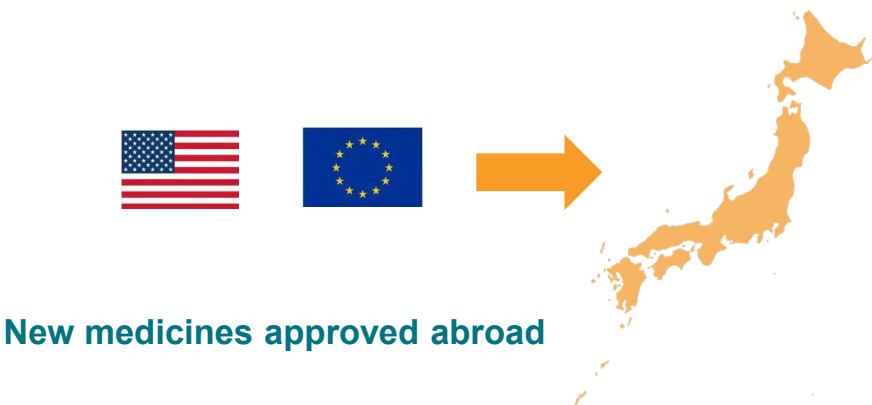
Urgent challenges facing the pharmaceutical industry

Domestic challenges



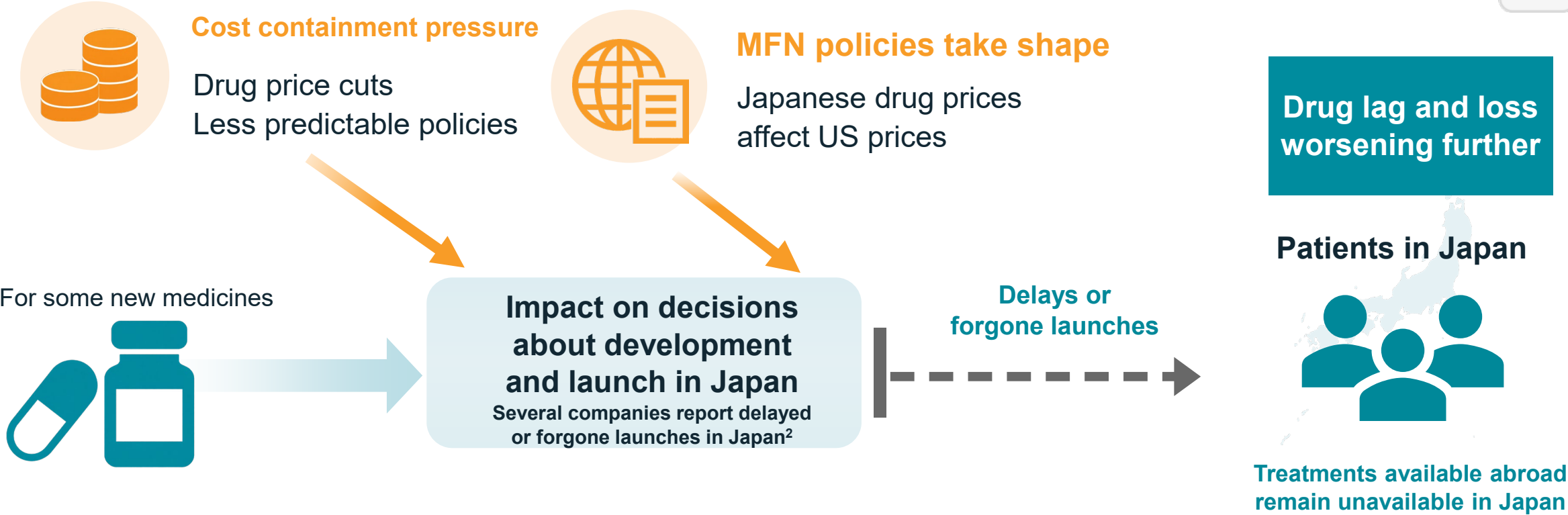
Impact on patient access

Drug lag and loss delay access to treatment



New medicines approved abroad
140+ medicines
remain unapproved in Japan¹

Drug lag and loss are worsening further



Urgent action is needed ahead of the FY2027 reforms

² PhRMA survey (July 2026, 15 member companies). Three associations' presentation to the Chuikyo Drug Pricing Subcommittee (26 August 2026), pp. 8–9.

Diagram: based on EFPIA DAY 2025 materials and EFPIA recommendations. Illustrates impacts on some new medicines.

EFPIA Japan “Survey on Drug Discovery-Related Investment”

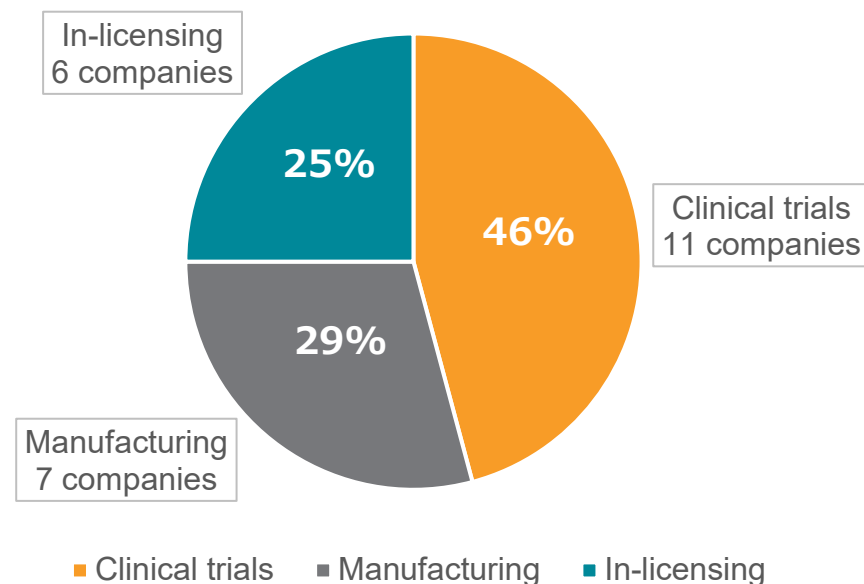
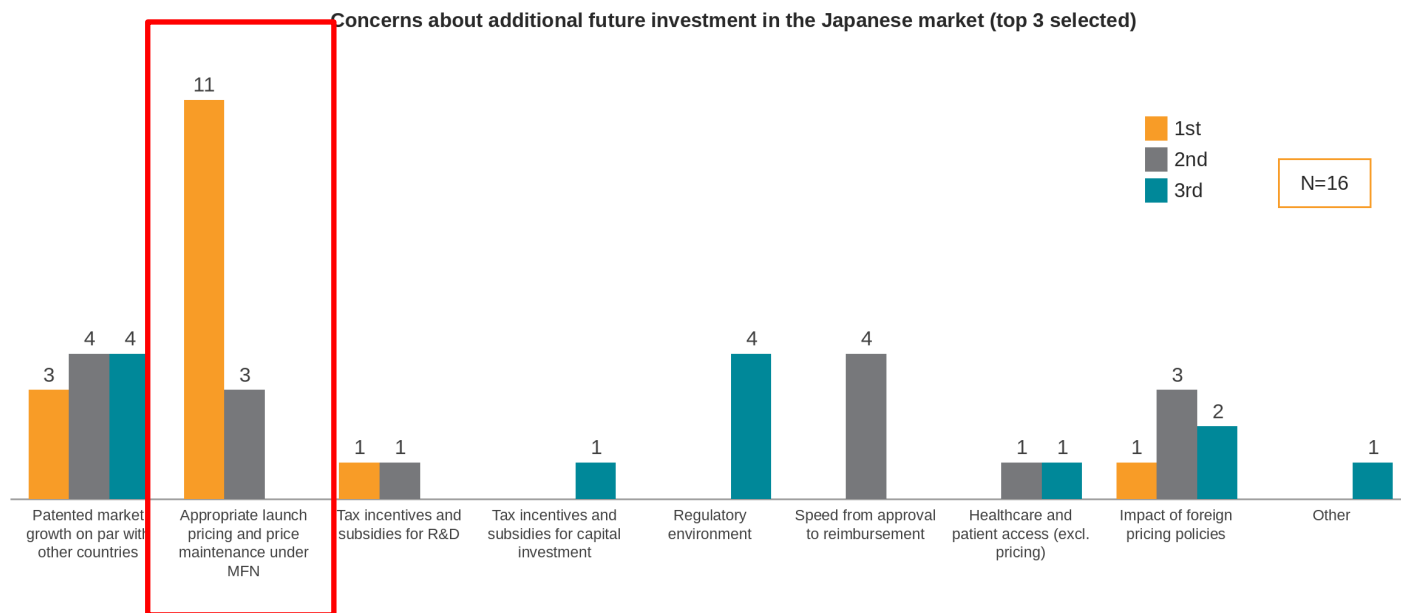
– Policy changes affect future investment decisions –

Companies indicating intention to reduce or expand investment (16 companies) *Multiple answers allowed

Future investment concerns: drug pricing policy is the biggest barrier

If desired policy changes are implemented – intention to expand investment

n=14



Note: Investment intentions under hypothetical conditions. The number of respondents differs between the left and right charts; the figures do not show changes in the same companies' intentions.

Source: EFPIA Japan “Survey on Drug Discovery-Related Investment” (July 2026)

Desired policy changes

Appropriate launch pricing under MFN policies and price maintenance during the patent period

Four policies advocated by EFPIA Japan



1

Patented medicines market growth on par with global levels

Target growth on par with the 9.6% average annual growth of G7 markets excluding Japan

2

Internationally competitive launch prices

Recognize the value of innovative medicines, with prices on par with major advanced economies

3

Price maintenance throughout the patent period

Ensure a predictable pricing environment that supports continued development and launches

4

Reinvest efficiencies from social security reform into innovation

Use the resources generated to recognize the value of innovative medicines and deliver them to patients

Honebuto and Growth Strategy commit to drug discovery innovation



Aiming for patented medicines market growth on par with global levels

Japan's Growth Strategy public-private investment roadmap explicitly targets growth in the domestic patented medicines market on par with global levels.



Reviewing valuation at launch and prices during the patent period

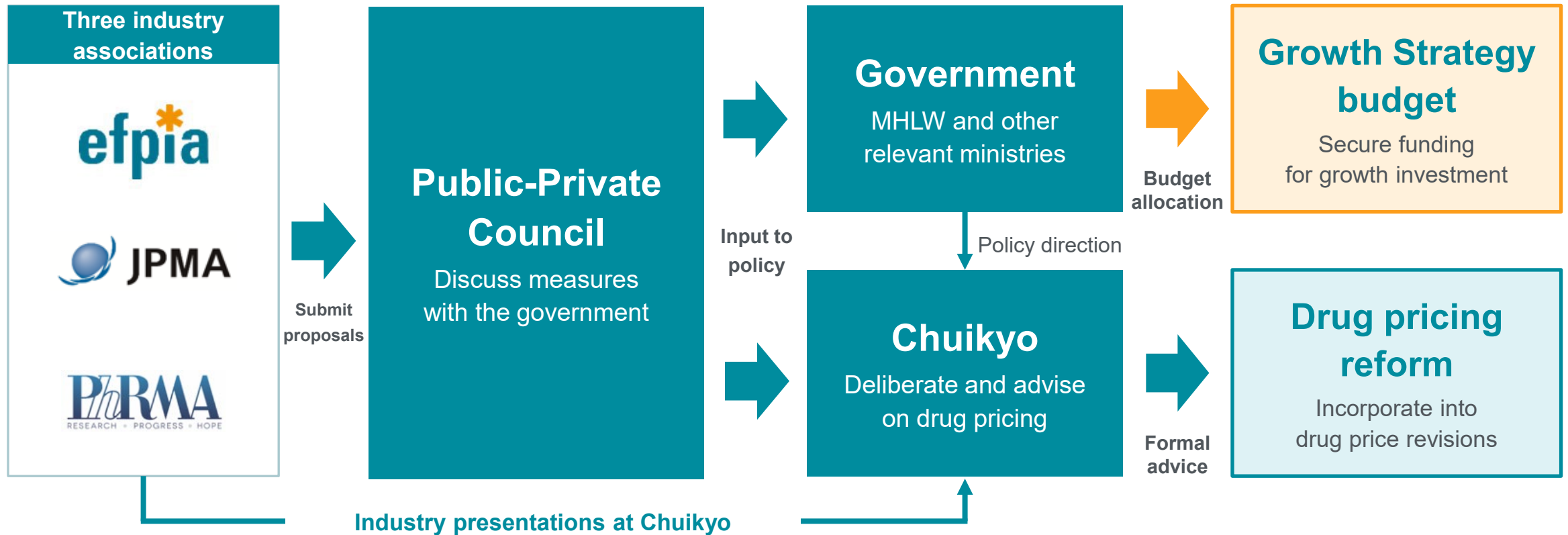
Honebuto 2026 calls for appropriate valuation at initial listing and a review of pricing during the patent period, alongside an objective review of the cost-effectiveness evaluation system.



A new public-private forum to develop concrete measures

At the July Public-Private Council meeting, the government announced plans to establish a new forum under the Council to develop concrete measures for the Growth Strategy.

Achieving Growth Investment through Drug Pricing Reform Consistent with National Strategy



We call for a market environment that attracts investment to Japan

Four policies advocated by EFPIA Japan

- 1 **Patented medicines market growth on par with global levels**
- 2 **Internationally competitive launch prices**
- 3 **Price maintenance throughout the patent period**
- 4 **Reinvest efficiencies from social security reform into innovation**



Reforms covering all patented products

Revise the Foreign Price Adjustment (FPA) methodology

Revise the methodology so that innovative medicines are appropriately valued at launch.

Freeze Market Expansion Repricing (MER)

Freeze Market Expansion Repricing, which lowers prices during the patent period.

Freeze HTA-based price adjustments

Freeze the application of HTA-based price adjustments.

Implementing reforms to support patient access and investment



Improving patient access

Deliver innovative medicines to patients and improve public health



Contributing to economic growth

Attract domestic and foreign investment to support jobs and industrial growth

EFPIA Japan – advancing concrete policy proposals and constructive dialogue with stakeholders



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Thank you

