European Federation of Pharmaceutical Industries and Associations

Press Release

October 01, 2026

EFPIA Japan Publishes Results of Member Survey on Investment in Japan

– Drug Pricing Reform and Growth Prospects for Patented Medicines Are Critical for Japan to Remain a Major Player in Global Innovation –

European Pharmaceutical Industry Association (EFPIA Japan, Chairman: John Paul Pullicino) announced today the results of an "Investment in Japan Survey" conducted among its member companies.

The survey results reveal a shared industry-wide consensus that while the Japanese market currently holds high strategic importance in global business operations, its future strategic position will be influenced by the direction of drug pricing policy and market conditions. At the same time, the findings suggest that policy reforms which appropriately value and reward innovation could enhance Japan's attractiveness as a destination for pharmaceutical investment and reinforce its competitiveness in the global pharmaceutical landscape.
EFPIA Japan seeks to widely share these results with all stakeholders and accelerate discussions to ensure that Japan remains "a country chosen as an investment destination for innovative pharmaceuticals."

■ Survey Summary -The Time for Policy Reform Is Now -

- Japan is positioned as a leading destination for innovative pharmaceutical investment, with most member companies ranking it highly among their key global markets.
- Policy direction that values innovation, supports patented market growth, and ensures predictable drug pricing can unlock significantly greater investment and strengthen Japan's strategic position globally.
- Member companies are ready to expand investment across clinical trials, manufacturing, and technology licensing and partnerships when policy reforms are realized.
- Conversely, the survey indicates that, in the absence of meaningful policy reform, companies may reduce investments in areas such as clinical trials, manufacturing, and technology transfer.
- By clearly defining the direction of pharmaceutical policy and regulatory reform, Japan can secure its position as "a country chosen as an investment destination for innovative pharmaceuticals."
- Decisive action on drug pricing and market growth will ensure Japan's place in international multi-center trials, accelerate new drug launches, and deliver innovative medicines to patients faster.

■ **Comment from EFPIA Japan Chairman John Paul Pullicino**

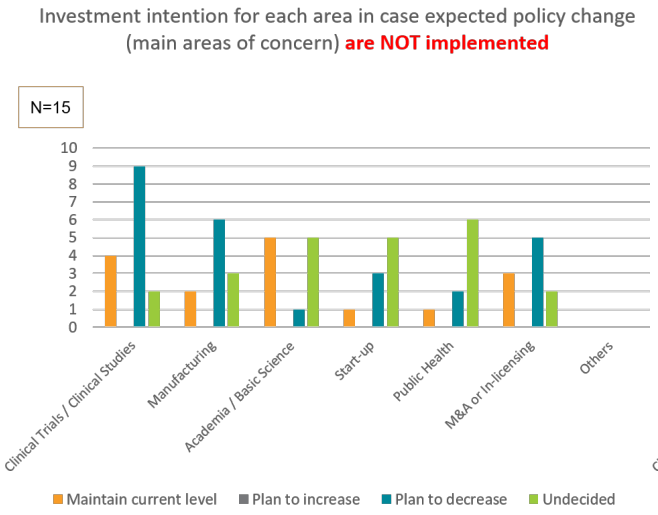
“The survey highlights both the opportunities and concerns that European research-based pharmaceutical companies see in Japan. EFPIA Japan member companies continue to regard Japan as one of their most strategically important markets globally, with a clear willingness to expand investments across clinical development, manufacturing, and technology licensing and partnerships. At the same time, the findings show that investment decisions are strongly influenced by the policy environment. Policies that appropriately value innovation, support the growth of the patented medicines market, and ensure a predictable pricing environment can unlock further investment in areas such as clinical trials, manufacturing, and technology transfer, while a lack of progress may reduce Japan’s attractiveness as a priority investment destination.

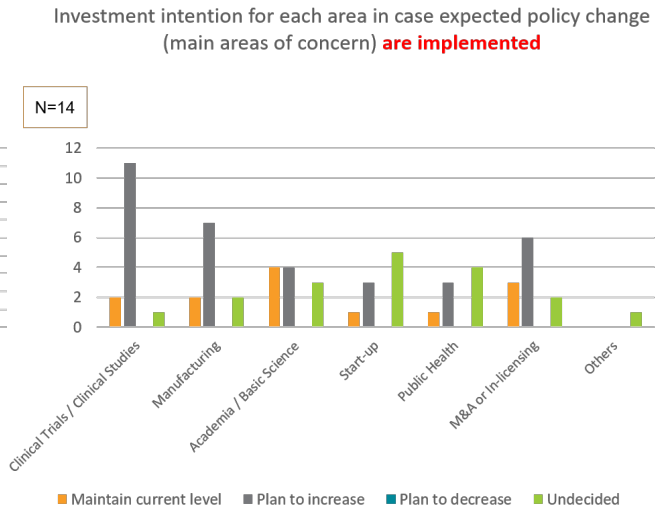
To strengthen Japan’s competitiveness in attracting global biopharmaceutical innovation, it is essential that government and industry work together to steadily implement policies that foster innovation and support sustainable growth. EFPIA Japan welcomes the policy direction currently being discussed and looks forward to its effective implementation, helping to improve patient access to innovative medicines and strengthen Japan’s innovation ecosystem. We remain committed to constructive dialogue with all stakeholders to support these goals.

Survey Results

■ **Policy Direction Directly Influences Future Investment Decisions**

The survey highlights the importance of policy reform in attracting pharmaceutical investment. If the expected policy changes are implemented, 11 of 14 respondents (79%) intend to increase investment in clinical trials, with increased investment intentions in manufacturing, technology licensing, and partnerships. If the changes are not implemented, 9 of 15 respondents (60%) anticipate reducing areas such as clinical trial investment. The findings suggest that policy reform could strengthen Japan’s role in pharmaceutical innovation and support patient access to new medicines.

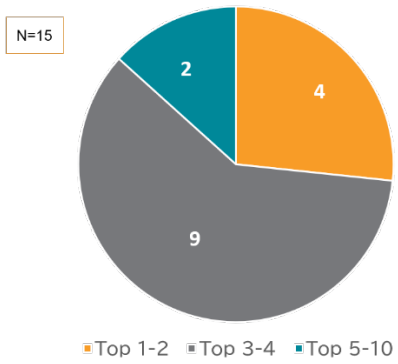




■ Current Investment Trends: All Respondents Conduct Clinical Trials, with Active Investment in Manufacturing and Technology Licensing

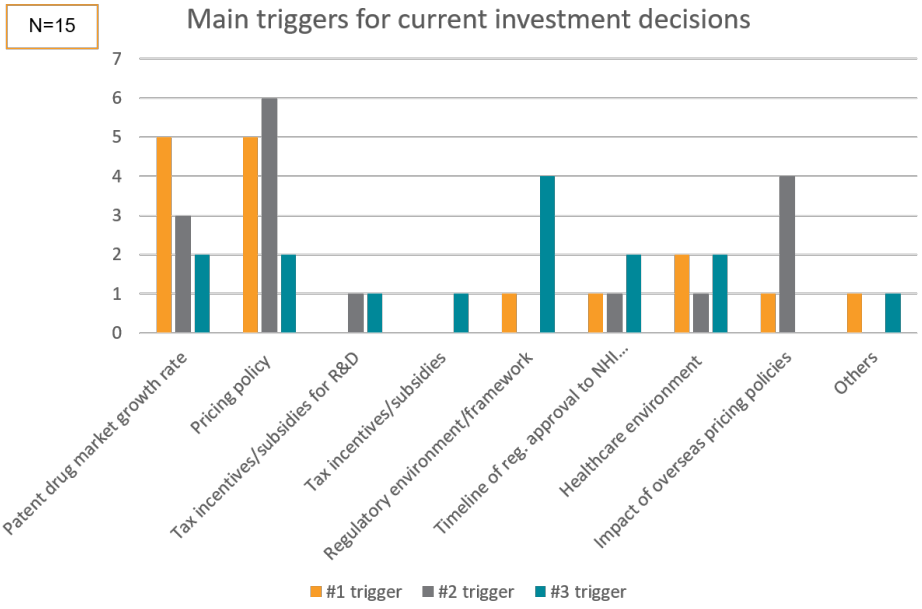
All 16 companies responding to this survey reported conducting clinical trials in Japan, while eight reported investments in manufacturing and seven in technology licensing.
Japan also ranks highly among respondents' global business priorities: four companies ranked Japan among their top one or two markets, nine among their top three or four, and two among their top five to ten. The results confirm that the majority of respondents regard Japan as a key global market.

Priority of the Japanese Market in Global Business Operations (# of company)



■ Future Investment Concerns: Drug Pricing Policy Identified as the Greatest Barrier

Regarding concerns about future investment, drug pricing policy emerged as the overwhelming top concern. Specifically, 11 companies cited "appropriate initial drug pricing and maintenance of prices for patented pharmaceuticals under the MFN (Most Favored Nation) policy" as their greatest concern. This was followed by "growth rate of the patented pharmaceutical market" as the second-highest concern.



These results clearly demonstrate that improvements to the regulatory environment — including drug pricing policy — would directly and substantially drive investment expansion across all areas in Japan, including clinical trials, manufacturing, and technology transfer. Conversely, should the expected policy reforms fail to materialize, multiple member companies have indicated their intention to reduce investment in Japan, raising serious concerns about the broader impact on healthcare innovation, job creation, and economic growth in the country.

■ **Survey Overview**

- Survey Period: July 28 – August 27, 2026
- Responding Companies: 17 EFPIA Japan member companies
- Responses have been aggregated and anonymized. The number of companies responding varies by question.

About EFPIA Japan

Established in April 2002, EFPIA Japan represents 23 R&D-based European pharmaceutical companies operating in Japan. In 2025, combined sales from the member companies accounted for approximately 32.4% of the pharmaceutical market in Japan. The mission of EFPIA Japan is to "Contribute to healthcare and patients in Japan through the early introduction of innovative medicines and vaccines." EFPIA Japan aims to strengthen dialogue with decision-makers in order to improve Japanese healthcare for all. http://efpia.jp/

About EFPIA (The European Federation of Pharmaceutical Industries and Associations)

The European Federation of Pharmaceutical Industries and Associations (EFPIA) represents the biopharmaceutical industry operating in Europe. Through its direct membership of 36 national associations, 40 leading pharmaceutical companies, and growing number of small and medium sized enterprises (SMEs), EFPIA's mission is to create a collaborative environment that enables our members to innovate, discover, develop, and deliver new therapies and vaccines for people across Europe, as well as contribute to the European economy. http://www.efpia.eu

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