Congress of the United States
House of Representatives
Washington, DC 20515

July 14, 2025

Ambassador Jamieson Greer
United States Trade Representative
Office of the United States Trade Representative
600 17th Street NW, Washington DC, 20508

Dear Ambassador Greer,

We write to applaud you for demonstrating strong leadership by issuing the "*Request for Comments Regarding Foreign Nations Freeloading on American-Financed Innovation*"[1] to address discriminatory policies and practices by foreign entities that cause American patients to pay a disproportionate share of the cost of global pharmaceutical research and development (R&D). We believe this is unsustainable because it both threatens the resiliency of the U.S. biopharmaceutical supply chain and increases costs for American patients.

The American health care system bears the burden of subsidizing pharmaceutical R&D that is used across the world. In fact, despite the U.S. having less than 5 percent of the world's population, the American patients fund approximately 75 percent of global pharmaceutical profits.[2]

Pharmaceutical R&D is both a costly and risky endeavor. For example, in 2019, the pharmaceutical industry spent $83 billion on R&D, with $62 billion spent domestically across all companies operating within the U.S. When adjusted for inflation, this is 10 times what the biopharmaceutical industry spent on R&D in the 1980s. In 2023, manufacturers invested over $96 billion in R&D, with over $71 billion in U.S. investments alone. This has led to an increased number of new medicines and potential cures for patients. Yet, only about 10 percent of assets that are in development are ultimately approved by world-wide regulatory bodies, and the expected cost to develop and bring a new drug to market can range from $1 billion to $2 billion.[3,4]

The U.S. is the world leader in biopharmaceutical innovation. New medicines are most often developed and launched first in the U.S., including life-saving therapies for cancers and rare diseases. Nearly 90 percent of all medicines launched between 2012 and 2021 were reimbursed in and available to patients in America; however, fewer patients had access to the same medicines abroad—for example, 48 percent of new medicines in the United Kingdom, 24

[1] Request for Comments Regarding Foreign Nations Freeloading on American-Financed Innovation, 90 Fed. Reg. 23,105 (May 30, 2025).
[2] "*Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients"* Executive Order (May 2025).
[3] Congressional Budget Office (CBO), "Research and Development in the Pharmaceutical Industry" (April 2021), *available at* https://www.cbo.gov/publication/57126.
[4] PhRMA, "2024 PhRMA Annual Membership Survey," *available at* https://cdn.aglty.io/phrma/global/resources/import/pdfs/PhRMA_2024%20Annual%20Membership%20Survey.pdf.

percent in Australia and 21 percent in Canada.[5] Anti-innovation policies in other countries not only end up costing American patients more, but they threaten global access to medicines and potential cures.

We are encouraged by USTR's public comment process on this important issue, and we support utilizing the full force of the U.S. government to ensure other countries appropriately value American innovation. We look forward to working collaboratively with the Executive Branch to address foreign freeloading while ensuring the U.S. remains the clear world leaders when it comes to innovative pharmaceutical products. One Congressional proposal worth considering is the creation of a Chief Pharmaceutical Negotiator within USTR. This role would be specifically tasked with ensuring trade negotiations prioritize reimbursement for innovative medicines and our trading partners are held accountable when they adopt price control measures or other discriminatory practices that shift a disproportionate share of R&D costs back onto American patients.

The price setting policies that other countries frequently adopt both undervalue medicines in the non-U.S. market and ultimately make life-saving therapies more expensive for U.S. patients. We applaud the Trump Administration for highlighting the impact foreign "freeloaders" have on drug prices for American patients. Simply put: the U.S. should not be forced to subsidize medicine costs for the rest of the world at the expense of American patients.

Sincerely,

Vern Buchanan
Member of Congress

Jodey C. Arrington
Member of Congress

Adrian Smith
Member of Congress

Aaron Bean
Member of Congress

[5] Pharmaceutical Research Manufacturers of America (PhRMA), "Global Access to New Medicines Report" (April 2023), *available at* https://phrma.org/resources/global-access-to-new-medicines-report.

Nicole Malliotakis
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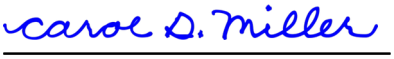

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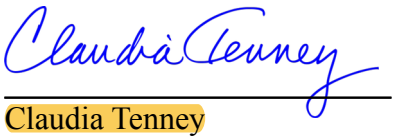

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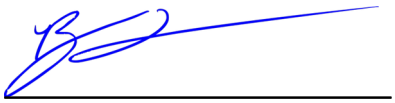

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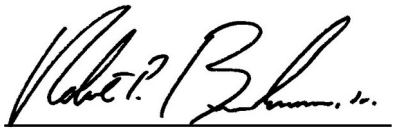

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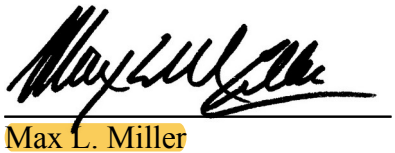

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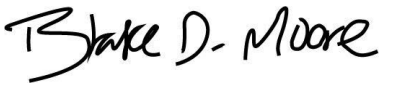

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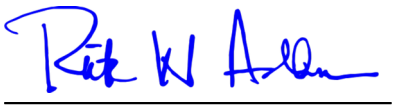

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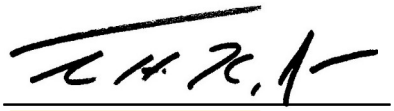

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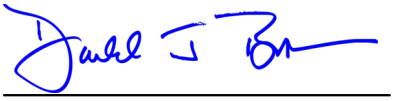

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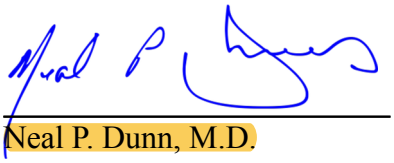

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