

Most-favoured-nation pricing and the company agreements

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The third instrument concerned prices. Part G, Chapter IV described the executive order of May 2025 on "most-favoured-nation" pricing, under which the price paid in the United States for a medicine should not exceed the lowest price paid in a group of comparable developed countries.¹ In July 2025 the President sent letters to the chief executives of seventeen pharmaceutical companies asking them to commit to such pricing for Medicaid and for new medicines. From the autumn of 2025 the administration concluded agreements with individual manufacturers, beginning with Pfizer and AstraZeneca. In December 2025 it announced agreements with nine further companies, among them Novartis and Genentech, the American subsidiary of Roche.²

According to contemporary reports, the agreements combined commitments to most-favoured-nation prices in Medicaid and for future launches, sales through a government-sponsored direct-to-consumer platform, confirmation of the investment pledges already made, and in return a period of relief of about three years from pharmaceutical tariffs.³ Their texts were not published in full, which makes it difficult to assess their legal force. They resemble a negotiated settlement between a regulator and a regulated industry, enforced by the threat of tariffs and administrative measures, whose enforceability before a court is doubtful. Such arrangements are fragile in two directions: a future administration may abandon them, and the present one may reopen them if it considers the companies' performance insufficient.

The consequences for Europe and Switzerland follow from the mechanics described in Part G, Chapter IV. If the American price is linked to the lowest price in a reference group, every European price concession can cost a company many times as much in the United States. Companies therefore have a reason to delay or forgo launches in low-price countries, to insist on

higher list prices in reference markets and to rely more heavily on confidential discounts.⁴ Switzerland is particularly exposed because its prices serve as references for other countries and because its own cost-containment policy pushes in the opposite direction. The scenarios below treat the durability of most-favoured-nation pricing as one of the critical uncertainties of the decade, because it determines how much of the value created by the Basel groups will continue to be earned in the United States at American prices.

1 Notes

1. Executive Order of 12 May 2025, "Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients"; see Part G, Chapter IV, section "American pricing pressure since 2025". Status to be verified. ↩
2. Announcement of the White House of 19 December 2025 on most-favoured-nation pricing agreements with nine pharmaceutical manufacturers, including Novartis and Genentech (Roche); see also SRF, "Deal mit Novartis und Roche: Das steckt hinter den neuen Preisvereinbarungen mit Trump", December 2025. Details to be verified. ↩
3. On the content of the agreements of December 2025 (MFN pricing in Medicaid and for new launches, sales via the "TrumpRx" platform, confirmation of investment commitments, three-year relief from Section 232 tariffs), see the White House announcement and the reporting of SRF and the trade press. The texts of the agreements were not published in full. Status to be verified. ↩
4. On the reported reactions of companies to US MFN pricing, including delayed European launches and demands for higher list prices, see the statements of the European Federation of Pharmaceutical Industries and Associations (EFPIA) and of Interpharma in 2025–2026. Status to be verified. ↩

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