JPMA Code of Practice

(Established on January 16, 2013)
(Enforced on April 1, 2013)
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(Enforced on January 1, 2019)
Japan Pharmaceutical Manufacturers Association (JPMA)

[Preamble]

Japan Pharmaceutical Manufacturers Association (JPMA) was established in 1968 as an organization of R&D-based pharmaceutical companies. The member companies of JPMA consider it their mission to contribute to improvements in the health and welfare of people in Japan and throughout the world through the development of safer, innovative, and highly useful pharmaceuticals. To support optimal medical care that is ethical and patient-oriented, JPMA calls upon member companies to build mutual relationships of trust with researchers, healthcare professionals, and patient organizations through appropriate industry-academia collaborations.

1. History of JPMA's Efforts

To avoid inappropriate inducements of prescription in promotional activities for ethical drugs, JPMA drew up its "Code of Practices for Promotion of Ethical Drugs" in 1976. In 1981, against the backdrop of heightening social concern over the proper use of drugs, the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) perceived the establishment and implementation of a code governing promotional activities to be an important international requirement, and it established the "IFPMA Code of Pharmaceutical Marketing Practice", a code of standards for pharmaceutical companies in countries throughout the world. Then, in 1988, the World Health Organization (WHO) established its "Ethical Criteria for Medicinal Drug Promotion" (hereinafter referred to as the "WHO Ethical Criteria") for the purpose of supporting and encouraging the improvement of medical care through the rational use of drugs. IFPMA responded to this by extensively revising the IFPMA Code of Pharmaceutical Marketing Practice the same year, and it made compliance with this code a requirement for IFPMA membership. JPMA, while striving for consistency with this code as a member of IFPMA, established the "JPMA Promotion Code for Prescription Drugs" in 1993 on the basis of a consensus among its member companies. This Promotion Code is grounded in the spirit of Federation of Pharmaceutical Manufacturers' Associations of Japan (FPMAJ) "Code of Ethical Practice for Pharmaceutical Companies", and it establishes the proper nature of prescription drug promotion and the standards of conduct with which pharmaceutical companies in Japan are required to comply. This code has subsequently been revised a number of times to reflect changes in the law, etc.

Moreover, in order to ensure a high degree of ethicality throughout all corporate activities of pharmaceutical companies, "JPMA Charter for the Activities of Pharmaceutical Companies" was drawn up in November 1997 as a set of self-regulations for member companies. In April 2001, "JPMA Compliance Program Guidelines" were issued to promote more thorough legal compliance on the part of member companies. They were then revised in March 2011 to reflect the changing times. Thereafter,

based on the revision of "Charter of Corporate Behavior" by Keidanren (Japan Business Federation) in October 2017, "JPMA Charter for the Activities of Pharmaceutical Companies" and "JPMA Compliance Program Guidelines" were revised in October 2018.

In March 2012, IFPMA announced its "IFPMA Code of Practice" (hereinafter referred to as the "IFPMA Code") as a code covering not only marketing activities but also exchange with healthcare professionals, medical institutions, and patient organizations, as well as the promotion of pharmaceuticals, to replace the existing "IFPMA Code of Pharmaceutical Marketing Practices." In line with the tenor of this revision of the IFPMA Code, JPMA established its "JPMA Code of Practice" (hereinafter referred to as the "JPMA Code") in January 2013 to expand upon the existing JPMA Promotion Code for Prescription Drugs while governing exchange between all of the executives and employees of the member companies and researchers, healthcare professionals, and patient organizations, and this JPMA Code has been enforced since April of the same year and was revised in May 2017, which took effect in October 2017.

In addition, to ensure that pharmaceutical companies fulfill their responsibilities regarding information disclosure and accountability for payments to healthcare professionals and medical institutions from the standpoint of conflicts of interest, etc., JPMA established "Guidelines for Transparency of Relationship between Pharmaceutical Companies and Medical Institutions, etc." (hereinafter referred to as the "Medical Institutions Transparency Guidelines") in January 2011 and has continued to revise it as needed. In accordance with their own guiding principles based on these Guidelines, the member companies have been publicly disclosing such information since fiscal year 2013 with the consent of healthcare professionals, medical institutions, etc. Similarly, with respect to relationships with patient organizations, "Guidelines for Transparency of Relationship between Corporate Activities and Patient Organizations" (hereinafter referred to as "Patient Organization Transparency Guidelines") was established in March 2012, and such information has been publicly disclosed since fiscal year 2014.

At this time, based on the revision in June 2018 and the enforcement thereof in January 2019 of the IFPMA Code, we intend to revise the JPMA Code. The revised version is to be enforced as of January 2019.

2. Ethics of Pharmaceutical Companies

In general, competition in corporations has a natural tendency to heat up to an immoderate extent, and we cannot deny that this kind of conduct existed in drug promotion in the past. For this reason, numerous legal regulations and industry self-regulations have been established today, beginning with the "Law on Securing Quality, Efficacy and Safety of Products Including Drugs and Medical Devices" (hereinafter referred to as the "Drugs and Medical Devices Law") and including the "Fair Competition Code concerning Restriction on Premium Offers in Ethical Pharmaceutical Drugs Marketing Industry" (hereinafter referred to as the "Fair Competition Code"), "Guideline for the Preparation of Product Information Brochures of Ethical Drugs" (hereinafter referred to as the "Guideline for Brochure Preparation"), and the "Guidelines for the Training and Education of MRs". As is generally known, drugs have the following characteristics.

(1) We cannot know the nature of a drug by its appearance.
(2) Drugs have both effects and side effects, the occurrence of which differs from patient to patient.
(3) Thus, drugs that are not accompanied by correct drug information cannot truly function as medicine.
(4) Patients who require treatment are the only consumers, and consumption cannot be created by sales promotion.

It is because drugs have these characteristics that the numerous legal regulations and industry self-regulations mentioned in the opening are necessary.

At the same time, the environment surrounding pharmaceutical companies is becoming more diverse and complicated, and events that cannot be fully addressed by the philosophies and methods of the past are occurring one after another. In addition, society is calling on pharmaceutical companies to bring greater fairness and transparency to their relationships with healthcare professionals. Under these conditions, disregard for the special nature of drugs could inflict significant damage on patients and society, opening the way to health hazards or unnecessary use of drugs. It is clear that this would have miserable consequences for both society at large and the companies themselves, which would suffer a self-inflicted loss of credibility, extending to their products and the entire pharmaceutical industry. Needless to say, companies have nothing to gain – but much to lose – from such activities. This means that rather than seeing these legal regulations and self-regulations as "things with which we have to comply", member companies need to perceive them as "reflections of society's expectations for pharmaceutical companies" and adopt a broader perspective to understand and own these regulations in the context of their social background and the purpose for which it is established.

It is easy to understand that corporate activities based on this sense of ethics establish a priceless foundation in the form of "public trust" towards drugs and pharmaceutical companies. This becomes even more evident if you examine pharmaceutical companies from the vantage point of an individual patient or a member of society. As a member of a community (be it a family, a workplace, or a region), everyone has a role that he or she is naturally expected to perform. Society works on the assumption that each member performs a certain anticipated role. Any society will crumble if this premise does not hold.

The same applies to companies. And when we look at this from the standpoint of drugs, it is clear that members of society assume that high-quality drugs are being used properly when they receive healthcare, irrespective of whether or not there are laws and self-regulations in place. This is why it is particularly important for the pharmaceutical industry to perceive "Corporate Social Responsibility (CSR)" as an important mission.

The character "rin" used as the first component of the Japanese word "rinri" (meaning "ethics") signifies our mutual expectations with regard to human and social relationships. This means that member companies are called upon not simply to comply with legal regulations and self-regulations, but also to adopt the stance of proactively responding to society's demands and expectations.

3. Basic Principles

Advances in medical and pharmaceutical science and improvements in public health depend on the information-sharing interactions by the entire medical community, which embraces researchers, healthcare professionals, patients, wholesalers, and JPMA member companies. Integrity is essential to these interactions, and there must be confidence that decisions are made on an ethical and patient focused basis.

JPMA sets forth the basic principles of corporate behavior in the JPMA Code to ensure appropriate interactions between the member companies and external stakeholders (hereinafter referred to as "stakeholders").

The JPMA Code helps member companies accomplish their mission of making great contributions to public health in Japan and throughout the world while complying with a code of conduct based on high ethical standards. The Code's standards of behavior apply to all interactions between member companies and stakeholders.

JPMA's member companies bear the responsibility to perform their corporate activities with high ethicality and transparency. They are called upon to foster awareness of the JPMA Code throughout society, beginning with researchers, healthcare professionals, patients, and wholesalers, and to promote activities based on the Code. Each member company needs to establish its own "in-house code" that reflects the spirit of the JPMA Code but lends more concreteness and specificity to

the requirements through the addition of elements of its own management philosophy and other unique provisions.

Moreover, the criterion for judgment of the member companies' own conduct must always be whether or not that conduct conforms to the spirit of the JPMA Code, regardless of whether or not the conduct in question is concretely described in the JPMA Code.

However, at times of major natural disaster or other emergency, it shall be necessary to adopt a flexible stance that gives highest priority to respect for human life.

Composition of the JPMA Code

The composition of the JPMA Code is as follows.

- •Preamble, 1. History of JPMA's Efforts, 2. Ethics of Pharmaceutical Companies, 3. Basic Principles
- •I-1. Code of Practice
- •I-2. Promotion Code for Prescription Drugs

  I-2. Promotion Code for Prescription Drugs is part of I-1. Code of Practices, and it sets forth detailed rules for member companies to follow in promotion.
- •II-1. Commentary on the Code of Practice
- •II-2. Commentary on the JPMA Promotion Code for Prescription Drugs
- •III. Definitions and Commentary on Terms

I-1. Code of Practice

In keeping with the basic principles of the JPMA Code and in view of the fact that member companies engage in their corporate activities as members of the life sciences industry, which operates under the public medical insurance system, the member companies shall conform not only to the Drugs and Medical Devices Law and related laws and regulations but also to the industry self-regulations set forth in the "Fair Competition Code," "Code of Practice for Pharmaceutical Industry," "JPMA Charter for the Activities of Pharmaceutical Companies," and "JPMA Compliance Program Guideline," etc., and maintain high ethical standards in all their conduct.

1. Scope and Definition of Promotion

1.1 Scope

The JPMA Code applies not only to the promotion of prescription drugs but to all exchange between member companies and researchers, healthcare professionals, medical institutions, patient organizations, and wholesalers, etc. Based on the JPMA Code, member companies shall establish their own in-house codes governing all executives and employees, and while complying with their in-house code, they shall also respect the IFPMA Code, which is the code of the organization where JPMA signs up as a membership. Moreover, the criterion for judgment of the member companies' own conduct must always be whether or not the conduct conforms to the tenor of the JPMA Code, regardless of whether or not the conduct in question is concretely described in the JPMA Code.

1.2 Definition of Promotion

The word "promotion" as it is used here does not refer to "sales promotion". Rather, it means "to engage with healthcare professionals in the provision, collection, and communication of drug information and promote the proper use and adoption of prescription drugs on the basis of those interactions".

2. Responsibility of Top Management

The top management of the member companies shall execute the following.

(1) With the awareness that acting in accordance with the "Basic Principles" is their own role, top-level managers shall set an example by implementing the provisions of the JPMA Code and making them known to all as they strive to maintain and improve the internal organization. Top-level managers shall perceive the conduct of all executives and employees to be their own responsibility.

(2) When circumstances have arisen that run counter to the spirit of the JPMA Code, top-level managers shall take responsibility for resolving the problems, investigate and identify the cause, and take measures to prevent recurrence.

(3) Even in departments that are in charge of matters other than pharmaceutical products, top management shall observe the spirit of the JPMA Code in conducting corporate activities.

(4) Subsidiaries that manufacture and sell drugs in Japan shall also be required to comply with the JPMA Code.

(5) The member companies shall demonstrate their compliance with the JPMA Code to parent companies, affiliates, and subsidiaries that manufacture and market pharmaceuticals, whether in Japan or overseas, and seek their understanding of the Code.

3. Basis of Interaction

3.1 Basis of Interaction

Advances in medical and pharmaceutical science and improvements in public health depend on information-sharing interactions by the entire medical community, which embraces researchers, healthcare professionals, patients, wholesalers, and JPMA member companies, and integrity is essential for these exchanges. Society relies upon pharmaceutical companies to make decisions ethically from the standpoint of the patients when engaging in such interactions, and member companies must always conduct themselves in such a manner that government, healthcare professionals, and patients trust them to engage in ethical activities at all times.

3.2 Transparency of interactions

Pharmaceutical companies are called upon to maintain a high sense of ethics as life sciences companies, and JPMA member companies shall be accountable for interactions with researchers and healthcare professionals and ensure that collaboration with patient organizations is conducted ethically and in good faith. Member companies shall maintain transparency in their corporate activities and properly discharge their accountability to society under their own guiding principles based on the Medical Institutions Transparency Guidelines, Guidelines on Collaboration with Patient Organizations (hereinafter, “Patient Organization Collaboration Guidelines”), and Patient Organization Transparency Guidelines.

4. Interactions with Healthcare Professionals

In interactions with healthcare professionals, member companies shall give the highest priority to being of benefit to patients and contributing to the health and welfare of patients. With the goal of contributing to the development of medical and pharmaceutical science and the improvement of public health, member companies' interactions shall focus on the provision of drug information, academic exchange on medical and pharmaceutical science, and support for research. When promoting industry-academia collaboration to further the development of medical and pharmaceutical science, member companies shall make efforts to build relationships of trust with researchers, healthcare professionals, and patient organizations while at the same time avoiding activities that could exert an inappropriate influence upon prescribing decisions.

5. Prohibition on Preapproval Information Provision and Recommendation of Off-Label Uses

Member companies shall not engage in promotion until approval for the drug is received in Japan. They shall also refrain from endorsing off-label uses.

6. Information Dissemination Activities

As life sciences companies, JPMA member companies shall provide scientific and objective information on drugs as needed. When providing information, they shall strive to make the content and mode of expression easy for users to understand, while also complying with legal regulations and self-regulations.

Advertisement of prescription drugs to ordinary people other than healthcare professionals is prohibited by the Drugs and Medical Devices Law and the Standard for Adequate Advertisement of Pharmaceutical Products. This means that when information is communicated, the content must be closely inspected from the planning stages onward. This applies to information disseminated through press releases as well as disease education activities targeting ordinary citizens and patients and provision of information to investors. This scrutiny is necessary so that there will be no suspicion that these types of

information transmission constitute advertisement of prescription drugs or recommendations of unapproved drugs or off-label uses. Rules governing transmission of information to healthcare professionals are set forth in I-2. Promotion Code for Prescription Drugs

6.1. Promotional Materials (Including Digital Media)

Member companies shall prepare promotional materials (including digital media; hereinafter referred to as "promotional materials") in accordance with the related laws and self-regulations such as Guidelines for Brochure Preparation.

6.2. Social Media

Member companies shall bear all responsibility for content when utilizing digital communication via social media, etc. Accordingly, compliance with the in-house code must first be confirmed with related subsidiaries, parent companies, affiliates, planning companies, agencies, employees, etc.

7. Seminars and Meetings

Member companies can hold seminars for the purpose of providing information on medical and pharmaceutical science, as well as disease education information, etc. When holding seminars, etc., they shall comply with the Fair Competition Code and the related legal regulations, which entail ensuring that the content is appropriate for a pharmaceutical company, and that an appropriate location and venue are selected.

Moreover, when holding meetings of healthcare professionals, etc., to seek expert opinions on their own company's activities, the member companies shall not use the meetings as a vehicle for sales promotion activities. The attendees should be properly selected in light of the purpose of the meeting, and the number of attendees should be kept to the minimum necessary.

8. Fee for Services

Member companies may engage researchers, healthcare professionals, medical institutions, patient organizations, etc., for services such as research, clinical studies, post-marketing surveys, consultant and adviser duties, participation in the planning of meetings, chairing or lecturing at seminars, and training instructor duties, where such participation involves fees such as honoraria. However, when making arrangements for these services, member companies must enter into a written agreement, that fulfills all of the following criteria.

(1) A written contract must be agreed which specifies the purpose of the service to be provided and the basis for payment of those services.
(2) A legitimate need for the services must be clearly identified in advance.
(3) The contractor must be directly related to the identified need and must have the expertise necessary to provide the service.
(4) The number of persons to be contracted must be reasonable to meet the specified need.
(5) The hiring must not be an inducement to prescribe, purchase, or recommend any specific drug.
(6) The compensation for the services is reasonable and reflects the fair value of the services provided.

9. Provision of Gifts, Cash, or Cash Equivalents

Member companies shall not directly or indirectly provide gifts or cash or its equivalent so as to exert an inappropriate

influence upon the decision-making of stakeholders in the medical community as a whole, including researchers, healthcare professionals, medical institutions, patient organizations, and wholesalers.

Moreover, member companies shall not provide gifts of goods, cash, or equivalent that are in poor taste or unlikely to meet with social understanding and acceptance, even if they are not of a nature to influence decision making.

10. Samples

Samples are a way of providing drug information and may be supplied to healthcare professionals to show the physical appearance of drugs or to help them confirm and evaluate the quality, efficacy, and safety.

In view of this purpose, samples shall always be supplied only in the minimum quantity necessary, together with related drug information.

11. Studies and research activities

At every phase, research activities involved in non-clinical studies, clinical research, epidemiological research, clinical studies (clinical trials and post-marketing studies), etc., must have highly ethical and appropriate scientific objectives that conform to the laws and ethical guidelines established by the national government. Moreover, information on R&D expenditures and public research subsidies shall be subject to disclosure under the "Medical Institutions Transparency Guidelines," and member companies shall bear appropriate accountability in accordance with the Guidelines.

To ensure transparency of information on clinical studies, member companies shall publicly disclose clinical study information in conformity with "Joint Position on the Disclosure of Clinical Trial Information via Clinical Trial Registries and Databases" (revised in 2017) and "Joint Position on the Publication of Clinical Trial Results in the Scientific Literature" (revised in 2017), which were jointly issued by JPMA, IFPMA, European Federation of Pharmaceutical Industries and Associations (EFPIA), and Pharmaceutical Research and Manufacturers of America (PhRMA).

Additionally, in order to minimize harm from adverse reactions to pharmaceuticals, member companies shall make efforts to develop safer, more effective drugs while at the same time promoting appropriate voluntary self-controls on the use of laboratory animals in drug development so that the R&D system is compliant from the standpoint of animal welfare.

12. Collaboration with patient organizations

In all types of collaboration with patient organizations, member companies shall maintain a strong sense of ethics and respect the independence of the patient organization. Moreover, member companies shall strive to promote sufficient mutual understanding of the objectives and content of the collaboration with the patient organizations. Accordingly, member companies who are collaborating with the patient organizations shall establish guiding principles for their own companies on the basis of the "Patient Organizations Collaboration Guidelines" and make them the standards of behavior for their own companies.

A member company providing financial or other support to a patient organization shall make its involvement known to the public to foster broad understanding of the fact that this support contributes to the activities and development of the patient organization. Moreover, the member company shall ensure transparency by securing written consent for the objectives and content of the support, and retaining records. Member companies that provide financial or other support to the patient organization shall establish its own guiding principles based on the "Patient Organization Transparency Guidelines" and make the information public.

13. Relationship with Wholesalers

The relationship between pharmaceutical companies and wholesalers must be a fair business relationship that complies with the Antimonopoly Act and other legal regulations and self-regulations. Moreover, since this relationship is expected to ensure a greater degree of ethicality and transparency than similar relationships in other industries because its transactions take place under the public medical insurance system, the member companies shall establish and conform to their own standards in cases where cash, goods, food and drink, or the like is offered to wholesalers or accepted from others.

14. Internal Procedures and Education

Member companies shall establish and maintain appropriate internal procedures in order to comply with the related laws and ordinances and the JPMA Code, and all executives and employees must be required to undergo education appropriate to their role.

15. Inquiries, Complaints, and Actions

When there has been an inquiry or complaint about the JPMA Code, or when a code violation is suspected, the Code Compliance Committee shall respond according to the separate "Procedures for Inquiries and Complaints Related to the Code". When the JPMA Code is judged to have been breached, the Code Compliance Committee shall take action against the offending Member Company, requiring them to remedy the violation in accordance with the separately established "Rules for Handling Breaches of the JPMA Code of Compliance".

16. Activities Outside Japan

16.1 Standards applied to activities outside Japan

Even in activities that take place overseas, member companies shall respect the JPMA Code while at the same time conforming to the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or to the IFPMA Code in the absence of such codes.

16.2 Provision of information on drugs overseas

Whether it is provided directly or indirectly through local agents, the information provided to overseas healthcare professionals by member companies shall be globally consistent and compliant with related laws and regulations and the codes of the relevant country.

16.3 Handling of Japanese healthcare professionals overseas and foreign healthcare professionals in Japan

Member companies shall comply with the JPMA Code in the handling of Japanese healthcare professionals participating in seminars or scientific meetings overseas. When Member companies invite healthcare professionals from overseas to seminars, etc., held in Japan, they shall comply with the related laws of the relevant country, in addition to the promotion code of the pharmaceutical industry in the relevant nation, or, if no such local code exists, to the IFPMA Code.

16.4 Overseas subsidiary companies, licensees and agencies

When an overseas subsidiary of a member company conducts activities in the relevant country, the member company shall

ensure that the overseas subsidiary adheres to the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or to the IFPMA Code in the absence of such codes. When a member company has an overseas licensee or agency conduct activities in the relevant country on the basis of a licensing agreement or agency agreement, the member company shall ensure that the overseas licensee or agency adheres to the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or to the IFPMA Code in the absence of such codes.

17. Abolition and Management of Code

17.1 The decision of the General Assembly of JPMA shall be necessary for abolition of the main body of the JPMA Code.

17.2 The management of the JPMA Code shall be performed by the Code Compliance Committee established within JPMA. However, important matters shall be reported to the chairperson.

17.3 Apart from those stipulated in the JPMA Code, items necessary for the organization and steering of the Code Compliance Committee shall be prescribed separately.

I-2. Promotion Code for Prescription Drugs

"JPMA Promotion Code for Prescription Drugs" (hereinafter referred to as the "Promotion Code") stipulates the standards of conduct that must be adhered to by all pharmaceutical companies when conducting promotional activities for prescription drugs, and it mandates that all executives and employees of member companies of the JPMA conduct their drug promotional activities in strict compliance therewith. The word "promotion" as it is used here does not refer to "sales promotion". Rather, it is defined as "engaging with healthcare professionals in the provision, collection, and communication of drug information, and promoting the proper use and adoption of prescription drugs on the basis of those interactions". Member companies must always judge whether their activities are in accordance with the spirit of the Promotion Code, regardless of whether or not the Promotion Code contains concrete stipulations or descriptions that are relevant to the activities. Any and all violations of or deviations from the respective laws and regulations and the industry's self-regulations in promotional activities of drugs shall be treated as breaches of the JPMA Promotion Code, even if such violations or deviations are not specifically mentioned in the JPMA Promotion Code.

The Promotion Code shall be revised to reflect revisions of the IFPMA Code and the establishment or revision of related laws, regulations and industry self-regulations, as well as changes in other regulations and the environment that surrounds promotional activities.

1. Responsibilities of Member Companies in Promotional Activities

Member companies are responsible for all promotional activities conducted by company personnel, beginning with their medical representatives (hereinafter referred to as "MRs"). In recognition of this principle, each member company shall establish an internal system for the proper conduct of promotional activities, and ensure that all executives and employees comply with it without exception.

The Promotion Code of course applies to promotional activities but similarly applies to other activities that are regarded as promotion, irrespective of whether the organization that performs those activities is the sales division.

(1) Appoint qualified employees as MRs and continuously provide them with the necessary training and education to support the proper use and adoption of drugs.
(2) Ensure that the evaluation/remuneration system for MRs and others is not an inducement to unethical acts.
(3) Provide drug information on indications and dosage & administration in an appropriate manner, ensuring that the approved scope is not exceeded and the information is based on the most up-to-date scientific data.
(4) Collect and disseminate drug information as accurately and promptly as possible.
(5) Establish internal systems necessary to comply with legal regulations and self-regulations.

2. Standards of Behavior for MRs

MRs must be fully aware both of their social mission as persons who play a role in healthcare and their position as employees who provide drug information as representatives of their companies. They are called upon to perform the following duties in a sincere and honest manner:

(1) Not only have knowledge of the content of the package inserts for drugs sold by their companies, but also strive to acquire familiarity with the medical and pharmaceutical science on which that information is based, and cultivate the

ability to present such information correctly.

(2) Conduct promotional activities according to the rules and methods established by their companies.

(3) Remain within the scope of approved indications and dosage & administration when providing drug information, and present information on efficacy and safety in a fair and balanced manner.

(4) Collect and disseminate drug information as accurately and promptly as possible.

(5) Refrain from slandering and/or defaming competitors or competitors' drugs.

(6) Maintain discipline when visiting a medical institution and abide by the rules of the institution.

(7) Strictly abide by legal regulations and self-regulations and behave sensibly in the full recognition that they are MRs.

3. Production and Use of Promotional Materials, Etc.

In recognition of the fact that brochures, advertisements in medical journals, websites targeting healthcare professionals, audiovisual materials such as slides and videos, and other promotional materials are important media for the dissemination of drug information, member companies shall produce and use those materials in compliance with the Drugs and Medical Devices Law, administrative notifications, and relevant self-regulations, such as the Guideline for Brochure Preparation. The statements contained therein shall be correct, fair, and objective, based on scientific data, and must comply with (1) through (8) below.

(1) Statements regarding indications, dosage and administration, etc., shall not deviate from the approved items.

(2) No false, exaggerated, or potentially misleading labels, layout, or expressions shall be used with respect to efficacy and safety. In particular, no expressions emphasizing or guaranteeing safety shall be used.

(3) Information shall be balanced and not biased toward efficacy. Information on safety, including adverse reactions, shall be presented as well.

(4) Comparisons with other drugs shall be based on scientific data and, in principle, shall be made using generic names.

(5) Competitors or competitors' drugs shall not be slandered and/or defamed.

(6) Extraordinary data shall not be presented together with expressions that may give the impression that the data represent a universal fact.

(7) Misleading or indecent photographs and illustrations that are not befitting the socially respected role of drugs shall not be used.

(8) Member Companies shall appoint a person responsible for management of prescription drug brochures, etc., and establish an in-house oversight system so that only promotional materials and advertisements that have passed through a review are used.

4. Fee for Services

Member companies may engage with healthcare professionals and others for services such as lectures, writing papers, conducting surveys or research, taking part in meetings systematically held by member companies, or providing training, etc., where such participation involves fees such as honoraria. However, fees that are remarkably high given the nature of the services cannot be paid.

5. Implementation of post-marketing safety management operations and post-marketing surveillance

Member companies need to have a proper understanding of the objectives behind the establishment of proper methods of

use for post-launch drugs. Post-marketing safety management operations and post-marketing surveillance must be based on scientific evidence and conducted in compliance with legal regulations and self-regulations. These activities should never be used as tools of sales promotion.

6. Supply and Management of Samples

Samples are a means of providing drug information. There are two types: “product samples” for showing the external characteristics of prescription drugs to healthcare professionals and “trial-use samples”, which physicians can use to confirm and evaluate the quality, efficacy, safety, and other pharmaceutical particulars of a drug before using it in clinical practice.

Whichever type of sample is provided, it must be accompanied by the relevant prescription drug information, and only the minimum necessary amount should be provided.

In particular, since “trial-use samples” are used in actual clinical practice, a strict system of management shall be constructed and appropriately implemented.

7. Seminars and Study Meetings

Seminars held by member companies for healthcare professionals shall be conducted for the objective to provide specialized academic and scientific information. Appropriate locations and venues for holding seminars and study meetings shall be selected depending on the purpose, and in principle they shall be within Japan. If food and drinks are offered in association with a seminar, they shall not be extravagant and shall not tarnish the dignity of pharmaceutical companies. Payments in cash or cash equivalents that are made in connection with holding a seminar shall be limited to travel expenses (transportation expenses, accommodation expenses, etc.) and lecture fees for the lecturer.

Individuals accompanying invited healthcare professionals shall not receive travel expenses or participate in the social-gathering event.

In planning of seminars for the purpose of providing disease awareness information to ordinary consumers who are not healthcare professionals, consideration shall be given to the Drugs and Medical Devices Law and the Standard for Adequate Advertisement of Pharmaceutical Products.

8. Provision of Gifts

Member Companies shall not offer to healthcare professionals, medical institutions, etc. any gift that could potentially affect the appropriate use of drugs or any gift that is not in good taste.

9. Provision of cash or its equivalents

Member Companies shall not offer, either directly or indirectly, any cash or its equivalents to health professionals, medical institutions, etc., for the purpose of potentially influencing the appropriate use of drugs.

10. Relationship to Fair Competition Code

Member companies shall comply with the Fair Competition Code more proactively and strictly.

Member companies shall conduct themselves according to high ethical standards without limiting themselves to mere compliance with the Fair Competition Code.

II-1. Commentary on the Code of Practice

1. Scope and Definition of Promotion

1.1 Scope

The JPMA Code applies not only to the promotion of prescription drugs but to all exchange between member companies and researchers, healthcare professionals, medical institutions, patient organizations, and wholesalers, etc. Based on the JPMA Code, member companies shall establish their own in-house codes governing all executives and employees, and while complying with their in-house code, they shall also respect the IFPMA Code, which is the code of the organization where JPMA signs up as a membership. Moreover, the criterion for judgment of the member companies' own conduct must always be whether or not the conduct conforms to the tenor of the JPMA Code, regardless of whether or not the conduct in question is concretely described in the JPMA Code.

(Commentary)

At member companies, non-MR employees and executives also have interactions with healthcare professionals. For example, employees in divisions that conduct clinical trials and clinical studies explain protocols to healthcare professionals at study sites and confirm progress, etc. Moreover, when member companies conduct joint research with academic institutions such as universities, the employees in the research division interact with researchers, healthcare professionals, and others. In March 2012, IFPMA announced its IFPMA Code covering not only marketing activities but also interactions with healthcare professionals, medical institutions, and patient organizations. The new IFPMA Code superseded the existing "IFPMA Code of Pharmaceutical Marketing Practices". JPMA responded by newly establishing the JPMA Code as a further development of the Promotion Code for Prescription Drugs, which had been applied to promotional activities that were conducted by MRs or the sales and marketing divisions and were directed toward healthcare professionals and medical institutions. With a broader scope encompassing researchers and wholesalers, the JPMA Code is a code of behavior that governs all interactions between member company personnel and researchers, healthcare professionals, medical institutions, patient organizations, and wholesalers, etc.

In 1993, when the Promotion Code for Prescription Drugs was first implemented, information provided to healthcare professionals by pharmaceutical companies was mainly in the form of paper media, and seminar participants generally met together in one place. The content of the original Code's provisions was premised on these usual practices. However, with the development of information technology, it has become common to provide information via the Internet or through video content, and web delivery of seminars has made it possible for healthcare professionals to participate while remaining in their own offices. Thus, it is entirely possible that promotions of a nature not envisioned by the JPMA Code will be implementable in the future.

In such instances, member companies should not engage in activities that run counter to the tenor of the JPMA Code simply because they are not specifically mentioned. As stated in the Preamble, pharmaceutical companies are called upon not merely to comply with legal regulations and self-regulations, but also to adopt the stance of proactively responding to society's demands and expectations. It is important to judge behaviors from the standpoint of whether they might distort proper use of prescription drugs, even if they are not specifically mentioned in the JPMA Code.

1.2 Definition of Promotion

The word “promotion” as it is used here does not refer to “sales promotion”. Rather, it means “to engage with healthcare professionals in the provision, collection, and communication of drug information and promote the proper use and adoption of prescription drugs on the basis of those interactions”.

(Commentary)

In the WHO Ethical Criteria, promotion refers to “all informational and persuasive activities by manufacturers and distributors, the effect of which is to induce the prescription, supply, purchase and/or use of medicinal drugs”.

To “induce the use of” means “to convince someone to use”. Even if we can encourage the use of medicines, the reality is that we cannot create the demand. This is because consumers of prescription drugs are limited to patients who need treatment, and sales promotion cannot create patients. Inducing the use of medicinal drugs is permissible only when proper drug information is provided, because without it, the products cannot function as “medicine”. In other words, optimal prescribing tailored to the patient’s condition cannot take place unless healthcare professionals are given a correct understanding of the products through the provision of accurate drug information. Activities that unfairly promote the use of a company’s products, such as supplying inappropriate information to mislead healthcare professionals, will impede this optimal, patient-matched prescribing and cannot be considered to be proper promotion.

The reason why promotion does not mean “sales promotion” in the context of the JPMA Code has its basis in the nature of drugs as summed up in the following statements: “the consumers of prescription drugs are limited to the patients who need treatment, and sales promotion cannot create patients” and “without the supply of proper drug information, products cannot function as ‘medicine’.”

On the basis of this philosophy, “promotion” in the context of the JPMA Code has been defined as follows: “engaging with healthcare professionals in the provision, collection, and communication of drug information and promoting the proper use and adoption of prescription drugs on the basis of those interactions”.

The “drug information” referred to here includes information on adverse reactions, etc. The expression “all information” used in the WHO Ethical Criteria naturally includes information on ADRs in light of the “rational use of medicinal drugs” that is the stated objective of the criteria. In promotion, information on adverse reactions is plainly presented so that healthcare professionals using the drugs will use the drug properly with an understanding of the associated ADRs. Ultimately this prudent approach reinforces trust in drugs and pharmaceutical companies. Moreover, although the WHO Ethical Criteria do not explicitly describe the relationship between promotion and the collection of information on ADRs, etc., the meaning of the word promotion includes “collection” of drug information as well, because the collection of ADR information occurs within a series of activities that lead through analysis and evaluation of results and culminate in communication.

The IFPMA Code defines promotion as “any activity undertaken, organized or sponsored by a member company which is directed at healthcare professionals to promote the prescription, recommendation, supply, administration or consumption of its pharmaceutical product(s) through all means for transmitting information, including the Internet,” and describes the ethical nature of promotion and its standards.

2. Responsibility of Top Management

The top management of the member companies shall execute the following.

(1) With the awareness that acting in accordance with the "Basic Principles" is their own role, top-level managers shall set an example by implementing the provisions of the JPMA Code and making them known to all as they strive to maintain and improve the internal organization. Top-level managers shall perceive the conduct of all executives and employees to be their own responsibility.

(2) When circumstances arise that run counter to the spirit of the JPMA Code, top-level managers shall take responsibility for resolving the problems, investigate and identify the cause, and take measures to prevent recurrence.

(3) Even in departments that are in charge of matters other than pharmaceutical products, top management shall observe the spirit of the JPMA Code in conducting corporate activities.

(4) Subsidiaries that manufacture and sell drugs in Japan shall also be required to comply with the JPMA Code.

(5) Member companies shall demonstrate their compliance with the JPMA Code to parent companies, affiliates, and subsidiaries that manufacture and market pharmaceuticals, whether in Japan or overseas, and seek their understanding of the Code.

(Commentary)

In the "Charter for the Activities of Pharmaceutical Companies", enacted by JPMA in November 1997 to increase awareness of corporate ethics of pharmaceutical companies and establish public trust in the pharmaceutical industry, "activities of top management" are clearly described as follows.

- Top management perceive the implementation of the spirit of the Charter to be their own role, and while setting an example, they ensure thorough compliance with the Charter in their own company and other members of the corporate group, and encourage business partners to comply with it as well. Moreover, they harken to voices within and outside of the company at all times and respond by establishing an effective internal system.
- When a situation has arisen that violates the Charter, the top management themselves shall make efforts to resolve the problems, as well as investigate and identify the cause and take measures to prevent recurrence. Moreover, the top management shall promptly and accurately disclose the information to the public and exercise accountability. After making it clear where authority and responsibility lie, they shall take disciplinary action, which must extend to themselves as well.

Inclusion of the "Responsibilities of Top Management" in the JPMA Code is based on the understanding that the attitude of top management is extremely important for compliance with this Code.

Moreover, member companies are called upon to maintain an internal system in which all executives and employees work as one with the parent company, affiliates, and subsidiaries, etc., under the leadership of top management, and everyone involved is made fully aware of the necessity of respecting and complying with the internal code of conduct. The most important elements of constructing such a system are for top management to declare a policy of compliance and assign clear responsibilities to managers, including executives. This will lead to earnest efforts on the part of employees.

3. Basis of Interaction

3.1 Basis of Interaction

Advances in medical and pharmaceutical science and improvements in public health depend on information-sharing interactions by the entire medical community, which embraces researchers, healthcare professionals, patients, wholesalers, and JPMA member companies, and integrity is essential for these exchanges. Society relies upon pharmaceutical companies to make decisions ethically from the standpoint of the patients when engaging in such interactions, and the member companies must always conduct themselves in such a manner that government, healthcare professionals, and patients trust them to engage in ethical activities at all times.

3.2 Transparency of interactions

Pharmaceutical companies are called upon to maintain a high sense of ethics as life sciences companies, and JPMA member companies shall be accountable for interactions with researchers and healthcare professionals and ensure that collaboration with patient organizations is conducted ethically and in good faith. Member companies shall maintain transparency in their corporate activities and properly discharge their accountability to society under their own guiding principles based on the Medical Institutions Transparency Guidelines, Guidelines on Collaboration with Patient Organizations (hereinafter, "Patient Organization Collaboration Guidelines"), and Patient Organization Transparency Guidelines.

(Commentary)

3.1 Fundamentals of Interaction

The word integrity as it is used in this context refers to "good faith and a condition in which a firm sense of ethics can be maintained". As life sciences companies, pharmaceutical companies are called upon to have the highest sense of ethics. It goes without saying that unless drugs are used properly, the effects they exhibit can even be dangerous. The precondition for the proper use of drugs is the patient's trust in healthcare providers, beginning with doctors and other healthcare professionals, but also including researchers and pharmaceutical companies. Fundamentally, there must always be confidence in the society that decisions are always made on an ethical and patient-focused basis

3.2 Transparency of interactions

Invested as they are with the mission to create new value through the provision of innovative drugs and services and contribute to medical care and the health of people throughout the world, JPMA's member companies conduct medical and pharmaceutical research, find practical uses for their discoveries, and propagate proper use of prescription drugs. In all of these activities, collaboration between industry and academia is indispensable. However, the more extensive this collaboration, the more deeply involved medical institutions and healthcare professionals may become in specific companies and products, raising concerns that pharmaceutical companies may have some sort of influence on the judgment of medical institutions and healthcare professionals. Transparency of activities is more important in the pharmaceutical industry than in other industries because of the impact that life sciences companies have upon the lives and health of patients and ordinary citizens, as well the position of the industry under the Japanese national health insurance system. The Medical Institutions Transparency Guidelines was established to ensure the kind of transparency that fosters a broad understanding of the fact that member companies conduct their activities under the highest ethical standards, and that the pharmaceutical industry contributes to the development of life sciences, beginning with medical and pharmaceutical sciences.

Moreover, member companies are called upon to understand and respond to the needs and worries of patients and their families and supporters in all situations involving drugs and patients, from the discovery of new drugs to the promotion of proper use and post-marketing safety measures. There are also a growing number of opportunities for member companies to work together with the patient organizations that represent the voices of the patients and their families. These include activities where funding is provided to patient organizations either directly or indirectly. Like the medical community, the government also attaches increasing importance to the "voice of patients", and in a growing number of cases, representatives of patient organizations are taking part in committee meetings and discussion meetings of administrative authorities. However, as patient organizations become more vocal and influential, we cannot rule out the potential for concern that the deeper relationships between member companies and patient organizations that result from more extensive collaboration will influence the judgment of these groups in some way. The Patient Organizations Collaboration Guidelines and Patient Organization Transparency Guideline were established to help the member companies contribute to the activities and development of patient organizations through collaboration with the guarantee of transparency and high ethical standards.

4. Interactions with Healthcare Professionals

In interactions with healthcare professionals, member companies shall give the highest priority to being of benefit to patients and contributing to the health and welfare of patients. With the goal of contributing to the development of medical and pharmaceutical science and the improvement of public health, member companies' interactions shall focus on the provision of drug information, academic exchange on medical and pharmaceutical science, and support for research. When promoting industry-academia collaboration to further the development of medical and pharmaceutical science, member companies shall make efforts to build relationships of trust with researchers, healthcare professionals, and patient organizations while at the same time avoiding activities that could exert an inappropriate influence upon prescribing decisions.

(Commentary)

The matters of the greatest priority for pharmaceutical companies are health and the development of medical and pharmaceutical science, and this coincides with the objectives of healthcare professionals. Close cooperation between pharmaceutical companies and healthcare professionals is indispensable to achieving these objectives. In order for this cooperation to continuously expand and develop, the most important thing is for society to trust in the fact that both pharmaceutical companies and healthcare professionals make the interests of patients their highest priority in their interactions. Past incidents that sowed doubt about the relationship between these parties sprang from interactions that did not put the interests of the patients first but instead gave priority to the interests of corporations or healthcare professionals. Incidents such as these cause society to lose confidence in the interactions between pharmaceutical companies and healthcare professionals, leading to the introduction of stricter regulations and further limitation of these interactions. This can reduce opportunities to contribute to patients and make the existence of pharmaceutical companies less meaningful. The pharmaceutical industry is bound by numerous legal regulations and self-regulations with which we naturally need to comply. At the same time, we need to ask ourselves, "What is society asking of us?" and make that an important standard of judgment. In order to be trusted by society, we need to make giving the highest priority to the interests of patients at all times the basis for our interactions with healthcare professionals while maintaining ethicality and transparency.

Patients' interests are the objective that is common to the pharmaceutical industry and the medical community. In 2014, the "Consensus Framework for Ethical Collaboration between Patients' Organizations, Healthcare Professionals and the

Pharmaceutical Industry" was established by consensus of 5 global organizations: International Alliance of Patients' Organizations, World Medical Association, International Pharmaceutical Federation, International Council of Nurses, and IFPMA. This document declares that cooperation among all stakeholders is essential in order to reliably deliver optimal care to patients throughout the world and that the further promotion of this cooperation requires that each stakeholder engage in highly ethical and transparent interactions. Furthermore, in Japan in 2018, "Japanese Consensus Framework for Ethical Collaboration" was agreed upon and signed by among the Ministry of Health, Labour and Welfare, Japan Patients Association, Japan Federation of Cancer Patient Groups, Japan Medical Association, Japan Pharmaceutical Association, Japanese Nursing Association, The Federation of Pharmaceutical Manufacturers' Associations of Japan, and The Japan Federation of Medical Devices Associations.

Interactions with healthcare professionals also include wholesalers' promotional activities directed at healthcare professionals and medical institutions.

5. Prohibition on Preapproval Information Provision and Recommendation of Off-Label Uses

Member companies shall not engage in promotion until approval for the drug is received in Japan. They shall also refrain from endorsing off-label uses.

(Commentary)

Article 68 of the Drugs and Medical Devices Law prohibits advertising of drug before marketing approval is received. Moreover, Article 66 of the same law prohibits false or exaggerated advertising of products, whether explicit or implicit. On the basis of these provisions, advertising of indications or dosage and administration that exceeds the scope of approval is prohibited by "Standards for Fair Advertising Practices (PAB Notification No. 1339 by the director of the Pharmaceutical Affairs Bureau, Ministry of Health and Welfare, dated October 9, 1980)" (hereinafter referred to as the "Standards for Fair Advertising Practices"). Accordingly, it is not permissible to engage in promotion before marketing approval is obtained, or in promotion that recommends off-label use for other than the approved indications or dosage and administration.

Healthcare professionals and ordinary people have the right to know about advances in medical and pharmaceutical sciences, so in this provision, specific cases are explained in the commentary in Paragraph (3) under Subsection 1. ("Responsibilities of members companies in promotional activities") of Section II-2 ("Promotion Code for Prescription Drugs").

6. Information Dissemination Activities

As life sciences companies, JPMA member companies shall provide scientific and objective information on drugs as needed. When providing information, they shall strive to make the content and mode of expression easy for users to understand, while also complying with legal regulations and self-regulations.

Advertisement of prescription drugs to ordinary people other than healthcare professionals is prohibited by the Drugs and Medical Devices Law and the Standard for Adequate Advertisement of Pharmaceutical Products. This means that when information is communicated, the content must be closely inspected from the planning stages onward. This applies to information disseminated through press releases as well as disease education activities targeting ordinary citizens and patients and provision of information to investors. This scrutiny is necessary so that there will be no suspicion that these types of information transmission constitute advertisement of prescription drugs or recommendations of unapproved drugs or off-label uses. Rules governing transmission of information to healthcare professionals are set forth in I-2. Promotion Code for Prescription Drugs

(Commentary)

Pharmaceutical companies are called upon by society to issue scientific, objective, and accurate information as appropriate to help prevent health injuries caused by drugs and promote the spread of proper use on the basis of the unique nature of drugs ((1) We cannot know the nature of a drug by its appearance, (2) Drugs have both effects and side effects, the occurrence of which differs from patient to patient, (3) Accordingly, drugs cannot function as medicine without accurate drug information, (4) The consumers of prescription drugs are limited to the patients who need treatment, and sales promotion cannot create demand). On the other hand, the Standard for Adequate Advertisement of Pharmaceutical Products states that advertising to ordinary people other than healthcare professionals is prohibited for all prescription drugs. In particular, as concerns drugs specified by MHLW ministerial ordinance among drugs used in cancer and other specific diseases (sarcoma and leukemia), advertising to ordinary consumers other than healthcare professionals is prohibited by Article 67 of the Drugs and Medical Devices Law, as the risk of harm is considered to be particularly great unless they are used under the guidance of a physician or dentist. For this reason, even if the purpose is a press release, patient education activity, or provision of information to an investor, it is necessary to closely examine the content beforehand so that the content will not be taken for an advertisement of a prescription drug to ordinary people. Regarding relevance to advertising described here, the then the Ministry of Health and Welfare issued a notification stating that content that "fulfills any of the following requirements is judged to correspond to advertising" (PMSB-IGD Notification No. 148, dated September 29, 1998).

- When the intention of inducing customers (whetting customers' will to purchase) is clear.
- When the brand name of a specific pharmaceutical, etc., has been made clear.
- When it is a condition that can be recognized by ordinary people.

6.1. Promotional Materials (Including Digital Media)

Member companies shall prepare promotional materials (including digital media; hereinafter referred to as "promotional materials") in accordance with the related laws and self-regulations such as Guidelines for Brochure Preparation.

(Commentary)

Drug information is the sine qua non of a prescription drug. Because the product information brochure for prescription drugs (hereinafter referred to as "product information brochure") and advertisements are important tools for supplying drug information, they must be prepared properly to ensure the appropriateness of the content, expression, and usage of such materials and avoid misinterpretation by healthcare professionals.

Details of promotional materials are specified in I-2. Promotion Code for Prescription Drugs.

6.2. Social Media

Member companies shall bear all responsibility for content when utilizing digital communication via social media, etc. Accordingly, compliance with the in-house code must first be confirmed with related subsidiaries, parent companies, affiliates, planning companies, agencies, employees, etc.

(Commentary)

When utilizing digital communication via social media, etc., pay particular attention to the following.

(1) Compliance with the Drugs and Medical Devices Law and the advertising regulations of the Standard for Adequate Advertisement of Pharmaceutical Products

(2) When planning or supporting social media, etc., each member company shall take responsibility for confirming the

appropriateness of the content of postings, including the content of contributions made by third parties. In the event that there has been a posting of inappropriate information, such as information on unapproved use or slander of other companies' products, or a posting of information on adverse events, the member company shall take responsibility for taking the appropriate measures.

(3) Only information that has passed scrutiny by the appropriate department within the member company shall be released by the member company.

(4) When a member company is acting as a sponsor, it shall clearly indicate the name of the company.

7. Seminars and Meetings

Member companies can hold seminars for the purpose of providing information on medical and pharmaceutical science, as well as disease education information, etc. When holding seminars, etc., they shall comply with the Fair Competition Code and the related legal regulations, which entail ensuring that the content is appropriate for a pharmaceutical company, and that an appropriate location and venue are selected.

Moreover, when holding meetings of healthcare professionals, etc., to seek expert opinions on their own company's activities, the member companies shall not use the meetings as a vehicle for sales promotion activities. The attendees should be properly selected in light of the purpose of the meeting, and the number of attendees should be kept to the minimum necessary.

(Commentary)

Seminars, etc., include ordinary seminars that are held to provide information on medical and pharmaceutical science to healthcare professionals, and open lectures held to educate ordinary people about diseases. Details of seminars, etc., are specified in I-2. Promotion Code for Prescription Drugs.

Meetings also include advisory meetings held to obtain advice when formulating product strategy, and meetings associated with clinical trials and other studies.

When healthcare professionals are asked to play a role, compensation must be within the scope that is appropriate and commensurate with the value of the work. Details of seminars, etc., and meetings are specified in I-2. Promotion Code for Prescription Drugs.

8. Fee for Services

Member companies may engage researchers, healthcare professionals, medical institutions, patient organizations, etc., for services such as research, clinical studies, post-marketing surveys, consultant and adviser duties, participation in the planning of meetings, chairing or lecturing at seminars, and training instructor duties, where such participation involves fees such as honoraria. However, when making arrangements for these services, member companies must enter into a written agreement, that fulfills all of the following criteria.

(1) A written contract must be agreed which specifies the purpose of the service to be provided and the basis for payment of those services.

(2) A legitimate need for the services must be clearly identified in advance.

(3) The contractor must be directly related to the identified need and must have the expertise necessary to provide the service.

(4) The number of persons to be contracted must be reasonable to meet the specified need.

(5) The hiring must not be an inducement to prescribe, purchase, or recommend any specific drug.

(6) The compensation for the services is reasonable and reflect the fair value of the services provided.

(Commentary)

When making arrangements, it is necessary to observe the contractor's rules and also exercise care to see that the National Public Service Ethics Code is not violated. Particularly when making arrangements for operations related to drugs, which are life-related products, it is necessary to observe any guidelines on the management of conflicts of interest that have been established by the institutions, scientific society, or other organization, and to avoid agreements that would allow member companies to exert an influence on the contractor. The compensation and expenses associated with outsourcing of operations shall be appropriately made public in accordance with the company's own guiding principles based on the "Medical Institutions Transparency Guidelines". Moreover, engagements with patient organizations shall be performed appropriately in accordance with the company's own guiding principles based on the "Patient Organization Collaboration Guidelines", and funding and other payments shall be made public in accordance with the company's own guiding principles based on the "Patient Organization Transparency Guidelines".

9. Provision of Gifts, Cash, or Cash Equivalents

Member companies shall not directly or indirectly provide gifts or cash or its equivalent which could exert inappropriate influence upon the decision-making of stakeholders in the medical community as a whole, including researchers, healthcare professionals, medical institutions, patient organizations, and wholesalers.

Moreover, member companies shall not provide items, cash, or equivalent that are in poor taste or unlikely to meet with social understanding and acceptance, even if they are not of a nature to influence decision making.

(Commentary)

Advances in medical and pharmaceutical science and improvements in public health depend on information-sharing interactions by the entire medical community, which embraces researchers, healthcare professionals, medical institutions, patients, wholesalers, and JPMA member companies. Integrity is essential to these interactions, and there must be confidence that decisions are made on an ethical and patient focused basis.

10. Samples

Samples are a way of providing drug information and may be supplied to healthcare professionals to show the physical appearance of drugs or to help them confirm and evaluate the quality, efficacy, and safety.

In view of this purpose, samples shall always be supplied only in the minimum quantity necessary, together with related drug information.

(Commentary)

Samples take the form of either "product samples", which communicate the external characteristics of prescription drugs to healthcare professionals, or "trial-use samples" that physicians can use to confirm and evaluate the quality, efficacy, safety, and other pharmaceutical particulars of drugs before using them in clinical practice.

When samples are provided, they must be accompanied by information on the drug. Only the minimum necessary amount of samples may be provided, and the relevant provisions of the Fair Competition Code and I-2 Promotion Code for Prescription Drugs must be observed.

11. Studies and research activities

At every phase, research activities involved in non-clinical studies, clinical research, epidemiological research, clinical studies (clinical trials and post-marketing studies), etc., must have highly ethical and appropriate scientific objectives that conform to the laws and ethical guidelines established by the national government. Moreover, information on R&D expenditures and public research subsidies shall be subject to disclosure under the "Medical Institutions Transparency Guidelines," and member companies shall bear appropriate accountability in accordance with the Guidelines.

To ensure transparency of information on clinical studies, member companies shall publicly disclose clinical study information in conformity with "Joint Position on the Disclosure of Clinical Trial Information via Clinical Trial Registries and Databases" (revised in 2017) and "Joint Position on the Publication of Clinical Trial Results in the Scientific Literature" (revised in 2017), which were jointly issued by JPMA, IFPMA, European Federation of Pharmaceutical Industries and Associations (EFPIA), and Pharmaceutical Research and Manufacturers of America (PhRMA).Additionally, in order to minimize harm from adverse reactions to pharmaceuticals, member companies shall make efforts to develop safer, more effective drugs while at the same time promoting appropriate voluntary self-controls on the use of laboratory animals in drug development so that the R&D system is compliant from the standpoint of animal welfare.

(Commentary)

It goes without saying that in order to keep studies and research fair and impartial, member companies must comply with laws and the various guidelines, and the research institutions that conduct the studies must cooperate in acting in compliance with these. The laws referred to here include the Drugs and Medical Devices Law, Personal Information Protection Law, Act on Regulation of Human Cloning Techniques, and related governmental and ministerial ordinances, and the ethical guidelines include "Ethical guidelines on medical research involving humans (MEXT, MHLW)", "Ethical guidelines on human genome and genetic analysis research (MEXT, MHLW, METI)", "Guidelines on the handling of specified embryos (MEXT)", "Guidelines on the establishment of human ES cells (MEXT, MHLW), "Guidelines on the distribution and use of human ES cells (MEXT)", "Guidelines on research on preparing germ cells from human iPS cells or human tissue stem cells (METI, MHLW)", and "Guidelines on assisted reproductive technology for preparing human fertilized embryos (METI, MHLW)", etc.

In addition, in order to increase the transparency of funding provided to medical institutions by member companies, JPMA has established Medical Institutions Transparency Guidelines, etc., and member companies are promoting information disclosure in accordance with these guidelines. Moreover, JPMA published "Basic position on the ideal nature of support for clinical research by pharmaceutical companies" on April 22, 2014 for the purpose of deliberating on the ideal form of support for clinical research by member companies.

In 2009, four organizations (IFPMA, Pharmaceutical Research and Manufacturers of America (PhRMA), European Federation of Pharmaceutical Industries and Associations (EFPIA), and JPMA) prepared the "Joint Position on the Disclosure of Clinical Trial Information via Clinical Trial Registries and Databases" in the form of a joint statement calling for disclosure of all clinical study registration (except for exploratory studies), and in Japan this is disclosed through Japan Pharmaceutical Information Center (JAPIC)'s "Clinical Study Information" open database (Japic CTI) and each company's website. This database basically covers and discloses concise study titles, explanations of studies in nontechnical terms, study phase, study type (interventional research, etc.), present status of study, study objectives (treatment, diagnosis, prevention, etc.), type of intervention (drugs, vaccine, etc.), target disease (names of symptoms,), main eligibility criteria (gender, age, etc.), region where the study was conducted, and information on liaison.

In 2010, the IFPMA "Joint Position on the Publication of Clinical Trial Results in the Scientific Literature" were approved and issued by IFPMA. Beginning with JPMA, each of the organizations, including Pharmaceutical Research and Manufacturers of America (PhRMA) and European Federation of Pharmaceutical Industries and Associations (EFPIA), and their member companies promised in these guidelines to contribute to peer-reviewed medical journals the results of at least all phase 3 clinical studies sponsored by the company, as well as other study results deemed to be medically important. These joint guidelines obligate member companies to contribute the results of all studies within the scope of application, regardless of whether or not the results are favorable.

12. Collaboration with patient organizations

In all types of collaboration with patient organizations, the member companies shall maintain a strong sense of ethics and respect the independence of the patient organization. Moreover, they shall strive to promote sufficient mutual understanding of the objectives and content of the collaboration with the patient organizations. Accordingly, the member companies who are collaborating with the patient organizations shall establish guiding principles for their own companies on the basis of the "Patient Organization Collaboration Guidelines" and make them the standards of behavior for their own companies.

A member company providing financial or other support to a patient organization shall make its involvement known to the public to foster broad understanding of the fact that this support contributes to the activities and development of the patient organization. Moreover, the member company shall ensure transparency by securing written consent for the objectives and content of the support, and retaining records. The member company that is providing financial or other support to the patient organization shall establish its own guiding principles based on the "Patient Organization Transparency Guidelines" and make the information public.

(Commentary)

In order to further improve medical care in Japan, it will be necessary for pharmaceutical companies to contribute to the realization of patient-participatory medical care, in which the parties receiving medical care walk hand in hand with the parties that provide it.

Member companies are called upon to understand and respond to the needs and worries of patients and their families in all situations involving drugs and patients, from the discovery of new drugs, to the promotion of proper use and post-marketing safety measures. For this reason, there are a growing number of opportunities for member companies to work together with the patient organizations that represent the voices of the patients and their families and supporters. Moreover, like the medical community, the government is also attaching greater importance to the "voice of patients", and in a growing number of cases, representatives of patient organizations are taking part in committee meetings and discussion meetings of administrative authorities.

Thus, as patient organizations become more vocal and influential, opportunities for pharmaceutical companies to work together with patient organizations have increased, and it has become increasingly important to ensure transparency in order to secure the correct understanding of society.

In all types of collaboration with patient organizations, it is important that the member companies maintain a strong sense of ethics and respect the autonomy and independence of the activities of the patient organization. JPMA established the "Guidelines on Collaboration with Patient Organizations" on January 16, 2013 so that the objectives and content of collaboration with patient organizations would be mutually understood. Member companies who are collaborating with the

patient organizations shall establish guiding principles for their own companies with reference to these Guidelines and make them the standards of behavior for their own companies.

It is important that the public understand that the financial support JPMA member companies provide to patient organizations contributes to the activities and development of these groups and is conducted with the guarantee of the highest ethical standards. To foster this broad understanding by ensuring further transparency, JPMA established "Guidelines for Transparency of Relationship between Corporate Activities and Patient Organizations" on March 14, 2012. These guidelines promote transparency by requiring information on financial support to be disclosed under set criteria.

13. Relationship with Wholesalers

The relationship between pharmaceutical companies and wholesalers must be a fair business relationship that complies with the Antimonopoly Act and other legal regulations and self-regulations. Moreover, since this relationship is expected to ensure a greater degree of ethicality and transparency than similar relationships in other industries because its transactions take place under the public medical insurance system, the member companies shall establish and conform to their own standards in cases where cash, goods, food and drink, or the like is offered to wholesalers or accepted from others.

(Commentary)

The IFPMA Code "covers interactions with healthcare professionals, medical institutions and patient organizations, and the promotion of pharmaceutical products" and it does not extend to wholesalers. However, wholesalers are covered by the JPMA Code.

The reason for this is that the functions of Japanese wholesalers differ from those of wholesalers in the United States and Europe. Broadly speaking, the functions of Japanese wholesalers are of 4 kinds: physical distribution functions, sales functions, information functions, and financial functions. Unlike wholesalers in the US and EU, Japanese wholesalers have the unique function of "information provision", and they perform duties pertaining to proper use, such as providing information on adverse reactions to medical institutions, etc. In this way, Japanese wholesalers shoulder part of the promotional activities of pharmaceutical companies, and in this they differ greatly from wholesalers in the US and EU.

It is because Japanese wholesalers have these functions unique to Japan that wholesalers are covered by the JPMA Code. Although the relationship between pharmaceutical companies and wholesalers is a transaction between fellow private companies, JPMA member companies must establish and abide by their own appropriate standards for interactions with wholesalers in consideration of the wholesalers' functions and the fact that these are transactions conducted under the National Health Insurance system.

14. Internal Procedures and Education

Member companies shall establish and maintain appropriate internal procedures in order to comply with the related laws and ordinances and the JPMA Code, and all executives and employees must be required to undergo education appropriate to their role.

(Commentary)

In order to clarify the management structure for compliance and observance of the JPMA Code, member companies establish a person responsible for compliance management, a person in charge of compliance-related business, a person responsible for code management, and a person in charge of code-related business within the company and register them in the JPMA Code Compliance Committee.

The role of the person responsible for compliance management and the person in charge of compliance-related business is to promote compliance within the company. At the same time, the person responsible for code management and the person in charge of compliance-related business play the roles of promoting understanding of the JPMA Code within the company, ensuring thorough compliance, promoting establishment of their own company's code, and contact and coordination with other member companies, etc. It is important for the person responsible for compliance management and the person responsible for code management to maintain close contact when implementing internal operations.

In order to clarify the administrative system for compliance with preparation guidelines, member companies shall register with JPMA the following designated employees: a "Promotional Materials Officer" (PMO), who is responsible for management of product information brochures for prescription drugs, and a "Practical Operations Supervisor" (POS), who is the person responsible for practical operations regarding product information brochures for prescription drugs.

The PMO bears supervisory responsibility for the general management of the following matters pertaining to promotional materials, etc.

1) Ensuring company-wide knowledge of and compliance with the standards established by the Committee for the Review of "Guidelines for the Preparation of Product Information Brochure for Prescription Drugs" and product information brochures for prescription drugs (hereinafter, "Product Information Brochure Review Committee")
2) Optimization of content of description in promotional materials, etc., and maintenance of internal review system for these materials
3) Matters pertaining to replies and response based on the results of review by the Product Information Brochure Review Committee and reporting to the review committee

The POS assists the PMO in performing business operations related to 1) through 3) above.

Please provide appropriate education commensurate with role to all executives and employees for the purpose of promoting understanding of and ensuring compliance with the JPMA Code and internal company code.

(Note) A designated company employee ("Promotional Materials Officer"), with sufficient knowledge and appropriate academic qualifications shall be responsible for the management of product information brochure. A senior manager could be PMO, provided there is access to advice from qualified medical experts.

15. Inquiries, Complaints, and Actions

When there has been an inquiry or complaint about the JPMA Code, or when a code violation is suspected, the Code Compliance Committee shall respond according to the separate "Procedures for Inquiries and Complaints Related to the Code". When the JPMA Code is judged to have been breached, the Code Compliance Committee shall take action against the offending Member Company, requiring them to remedy the violation in accordance with the separately established "Rules for Handling Breaches of the JPMA Code of Compliance".

(Commentary)

"Action" refers to the Code Compliance Committee calling upon a member company that has violated the JPMA Code to make voluntary improvements. Assessment of the violation and decision on action are performed by the same committee.

The "inquiries" referred to here refers to inquiries about the interpretation of uncertain aspects of the JPMA Code as it pertains to the company's corporate activities, and "complaints" refers to complaints regarding suspicion of code violation regarding the corporation activities of other companies.

Before filing a “complaint”, member companies must talk it over thoroughly with the other company and make efforts to achieve a swift resolution. Matters pertaining to “inquiries” and “complaints” are specified in the “Procedures for Inquiries and Complaints Related to the Code”.

16. Activities Outside Japan

16.1 Standards applied to member companies’ activities outside Japan

Even in activities that take place overseas, the member companies shall respect the JPMA Code while at the same time conforming to the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or to the IFPMA Code in the absence of such codes.

(Commentary)

When a member company is active outside of Japan, it needs to respect not only the legal regulations of the country but also the JPMA Code, and comply with the code of the pharmaceutical organization effective in the country or the IFPMA Code, in addition to the related laws of the country.

16.2 Provision of information on drugs overseas

Whether it is provided directly or indirectly through local agents, the information provided to overseas healthcare professionals by member companies shall be globally consistent and compliant with related laws and regulations and the codes of the relevant country.

(Commentary)

In particular, member companies shall provide to overseas healthcare professionals, either directly or indirectly through local agents, information on drugs that is globally consistent and in accordance with related laws and regulations and the codes of the relevant country.

Within a scope that does not deviate from the regulations and self-regulations, the information on indications, dosage and administration, contraindications, warnings, precautions and ADRs that is provided by member companies should be uniform and globally consistent wherever possible. In particular, information concerning safety should be appropriate and consistent.

The IFPMA Code also establishes the following standard: “Respecting the requirement that promotion should be consistent with the label and approved uses locally, healthcare professionals in developing countries should have access to similar data to those being communicated in developed countries.”

Safety-related significant information such as the information on serious and previously unknown ADRs must be reported to the regulatory authorities of the relevant nation on a priority basis.

16.3 Handling of Japanese healthcare professionals overseas and foreign healthcare professionals in Japan

Member companies shall comply with the JPMA Code in the handling of Japanese healthcare professionals participating in seminars or scientific meetings overseas. When Member companies invite healthcare professionals from overseas to seminars, etc., held in Japan, they shall comply with the related laws of the relevant country, in addition to the code of the pharmaceutical industry in the relevant nation, or, if no such local code exists, to the IFPMA Code.

(Commentary)

Member companies must also comply with the JPMA Code when engaging in exchange with or offering gifts, cash or cash equivalents or food and drinks to Japanese healthcare professionals at seminars, etc., held in foreign countries.

When member companies invite healthcare professionals from overseas to seminars, etc., held in Japan, and offer gifts, cash or cash equivalents or food and drinks, they shall comply with the legal regulations of the relevant country, in addition to the code of the pharmaceutical industry in the relevant nation, or, if no such local code exists, to the IFPMA Code. In addition, offers of unjustifiable interest to foreign public officers are prohibited in the Unfair Competition Prevention Law, and this shall also be borne in mind as regards interactions with foreign public officers.

16.4 Overseas subsidiary companies, licensees and agencies

When an overseas subsidiary of a member company conducts activities in the relevant country, the member company shall ensure that the overseas subsidiary adheres to the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or to the IFPMA Code in the absence of such codes. When a member company has an overseas licensee or agency conduct activities in the relevant country on the basis of a licensing agreement or agency agreement, the member company shall ensure that the overseas licensee or agency adheres to the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or to the IFPMA Code in the absence of such codes.

(Commentary)

When a subsidiary established by corporate law or other party over which a member company exercises substantial control engages in activities outside Japan, the member company must see that the subsidiary, etc., complies with the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or the IFPMA Code in the absence of such codes. Moreover, when dealing with licensees and agencies outside Japan, member companies need to require them to comply with the related laws and regulations of the relevant country, in addition to whatever pharmaceutical organization codes are in existence within the relevant country, or the IFPMA Code in the absence of such codes, and it is desirable to clearly state that the other party is obligated to comply with these law, regulations, and codes in the license agreement or agency agreement.

17. Abolition and Management of Code

17.1 The decision of the General Assembly of JPMA shall be necessary for abolition of the main body of the JPMA Code.

17.2 The management of the JPMA Code shall be performed by the Code Compliance Committee established within JPMA. However, important matters shall be reported to the chairperson.

17.3 Apart from those stipulated in the JPMA Code, items necessary for the organization and steering of the Code Compliance Committee shall be prescribed separately.

II-2. Commentary on the JPMA Promotion Code for Prescription Drugs

1. Responsibilities of Member Companies in Promotional Activities

Member companies shall assume responsibility for all promotional activities conducted by the companies, beginning with their medical representatives (hereinafter called MRs). In thorough recognition of this principle, member companies shall be required to establish an in-house system to conduct appropriate promotional activities and ensure that all executives and employees comply with it without exception.

The Promotion Code of course applies to promotional activities but similarly applies to other activities that are regarded as promotion, irrespective of whether the organization that performs those activities is the sales division.

(Commentary)

The definition of the word "promotion" is "to engage with healthcare professionals in the provision, collection, and communication of drug information and promote the proper use and adoption of prescription drugs on the basis of those interactions". This includes a broad range of activities, such as the drug information activities that MRs perform to raise awareness and understanding of drugs, surveys and information collection activities to ensure the quality and safety of rugs, and support for studies and research useful in promoting proper use. In other words, the current situation is one where it not only the sales division and the MRs that bear the role of promotion. Rather, many organizations within a single pharmaceutical company are involved in promotion under the great objective of realizing optimal prescribing tailored to the condition of the patient. In particular, new approaches to the provision of information to healthcare professionals and the ideal mode of support for the healthcare community are now being sought, and it has become necessary for the various organizations in each of the member companies to respond to these needs.

Whatever the name of the division or organization in charge of the activities, it is considered a promotion unit as long as the member company's executives and employees perform activities that meet the definition of "promotion", and the member company needs to be fully aware that it bears all responsibility for those activities. In addition, member companies must establish their own codes adapted to their own activities and organization in order to ensure that the activities are in line with the tenor of the Promotion Code and to clarify transparency and accountability as a company. They must also establish the internal organization for conducting proper promotion, which should include the following requirements.

(1) Appoint qualified employees as MRs and continuously provide them with the necessary training and education to support the proper use and adoption of drugs.

(Commentary)

Pharmaceutical companies are required to ensure continuous provision, collection, and dissemination of all requisite information on quality, efficacy and safety, related to the use of drugs to health professionals.

This responsibility is mainly borne by the MRs. MRs bring to their daily activities a keen awareness of the importance of their duties and the high expectations that others have of them. For this reason, in 1979, the "Education and Training Guidelines for Medical Representatives" was established and is still effective as detailed in the "Comprehensive Report Relating to the Research regarding the Status of Medical Representatives of Pharmaceutical Manufacturers" prepared by the Health Science Council Research Project for fiscal year 1990-91 (hereinafter referred to as the "Summary Report").

Only appropriate persons should be assigned to serve as MRs, and continuous education & training for MRs are necessary to ensure continuous improvement of the quality of MRs.

It is to be noted that, as an effective means for ensuring further improvement of the quality of MRs, an "MR Certification System" has been introduced.

Improvement in the quality of MRs cannot be realized solely through the introduction of training programs provided by companies or the "MR Certification System". It can be realized only when MRs are always conscious of the significance of their roles and the company has appropriate management policies and an appropriate marketing attitude.

(2) Ensure that the evaluation/remuneration system for MRs and others is not an inducement to unethical acts.

(Commentary)

Pharmaceutical companies also have the responsibility to establish fair performance evaluation and remuneration systems for MRs to promote proper promotional activities.

The attitude and actions of MRs engaged in promotional activities at the frontlines is the key for the company to carry out proper promotional activities. The performance evaluation/remuneration system of MRs is likely to have substantial effects on the attitude and actions of MRs.

Therefore, not only performance but also the attitude and behavior to comply with statutory and regulatory requirements and self-regulations such as the JPMA Code should be reflected in personnel appraisal of MRs. Member companies must avoid adopting an evaluation/remuneration system that may induce MRs to commit any excessive sales promotional activities or any actions that may have a negative effect on the proper use of drugs.

(3) Provide drug information on indications and dosage & administration in an appropriate manner, ensuring that the approved scope is not exceeded and the information is based on the most up-to-date scientific data.

(Commentary)

Drugs may be recognized as drugs only after manufacturing and marketing approval is granted, and drug information must be supplied within the scope of the approval while complying with the related laws and regulations such as the Drugs and Medical Devices Law.

Therefore, member companies must refrain from starting promotional activities until the marketing approval or approval for the extended indication is granted.

However, this cannot deprive medical/pharmaceutical experts, as well as the general public, of the right to know about scientific/medical advancements. For instance, this provision does not restrict:

(1) The adequate and appropriate exchange of scientific information about a drug as exemplified by the presentation of research findings in a meeting of any academic society or scientific journal. However, luncheon seminars, etc. sponsored by pharmaceutical companies are not included in these cases.

(2) The display of scientific exhibition materials about an unapproved drug in accordance with the separate "Guidelines on the Display of Scientific Exhibition Materials for Unapproved Drugs" in a meeting of an international academic society. However, even unapproved drugs must have been approved at least in one other country. They cannot be exhibited if they have not been approved in any country. In addition, such an exhibition may be permitted as an exceptional case, and associated scientific literature and related literature cannot be distributed.

(3) Scientific literature provided in response to request of a healthcare professional, etc. However, member companies must refrain from making active approaches to induce a healthcare professional, etc. to request such scientific literature, etc.; or

(4) The disclosure of medical information to stockholders in accordance with laws and ordinances.

Even when providing such information, member companies must pay sufficient attention to avoiding involvement in inappropriate promotional activities for the purpose of generating profit for pharmaceutical companies. Also, if the information disclosed to shareholders concerns a product under development, member companies must pay sufficient attention so that it is not used for promotional activities that will not be perceived as information for investors (FPMAJ Notification No. 590, dated September 14, 2011).

Moreover, even in Summary Reports, it is often pointed out that drug information "only emphasizes the advantages of the product and does not touch upon the weaknesses". It is also pointed out that "baseless and ambiguous explanations are occasionally presented" and that "healthcare professionals are occasionally encouraged to use products without being provided with adequate explanation".

At the same time that they assemble data so that MRs and others can engage in proper information activities, member companies must bear responsibility for the method of provision. Improper information provision compromises trust, not only in the MR but also in the company.

Therefore, it is necessary for drug information to be supplied based on scientific evidence and up-to-date data, in an appropriate manner.

Efficacy and safety of drugs are to be further verified through post-marketing safety management operations and post-marketing surveillance. This data should always be updated.

Scientific data supporting promotional presentation or usage must be provided to healthcare professionals upon their request.

(4) Collect and disseminate drug information as accurately and promptly as possible.

(Commentary)

The collection of drug information and communication of the collected results is extremely important since pharmaceutical companies have legal and ethical responsibilities to establish the proper use of drugs. It is essential for pharmaceutical companies to establish the Safety Control Management Department, assign the Safety Control Manager, establish the SOP for post-marketing safety management operations, and carry out post-marketing safety management operations properly and rapidly as specified in the "Ministerial Ordinance on Good Vigilance Practice (GVP Ordinance)". Although it is the responsibility of MRs to collect drug information, appropriate direction by the Safety Management Implementation Manager is important for MRs to "properly and rapidly" implement the activities.

It is essential to assign the Post-Marketing Surveillance Manager, establish the SOP for Post Marketing Surveillance Operations and correctly perform post-marketing surveillances and studies in accordance with the "Ministerial Ordinance on Good Post-Marketing Surveillance Practice (GPSP Ordinance)". These are all important responsibilities of pharmaceutical companies.

Pharmaceutical companies also have the responsibility to ensure complete and immediate supply of important information about ADRs, precautions for use or warnings to healthcare professionals.

(5) Establish the internal systems necessary to comply with legal regulations and self-regulations.

(Commentary)

It is necessary to establish an internal system to ensure compliance with related laws and regulations and self-regulations for carrying out proper promotional activities.

In 2000, multiple member companies faced criminal penalties for the improper promotion of prescription drugs. Responding to this scandal, JPMA presented the Compliance Program/Guideline in 2001. In 2011, the JPMA revised this Compliance Program/Guideline reflecting the subsequent legal changes and trends of compliance in society, and called for member companies to establish their compliance system. The JPMA Code Compliance Committee requested member companies to establish positions responsible for the management of the JPMA Promotion Code and for practical operations for the JPMA Promotion Code to promote definition of the responsibility system and a system to ensure compliance with the JPMA Promotion Code.

Establishing internal systems does not necessarily mean establishing an organization. The internal system may be established through periodical review by related departments, and declaration of compliance policies by the top management, preparation of the practical manual, establishment of the training system and internal auditing of the status of compliance may also mean establishing an internal system.

Ongoing review and maintenance of an internal system is also necessary. It is desirable to review and maintain an internal system referring to the "Guidance for the Maintenance of the Internal System for the Compliance with the JPMA Promotion Code" issued by the president of the JPMA Promotion Code Committee (January 24, 2001; JPMA Notification No. 112).

Related laws and ordinances include the Drug and Medical Devices Law, "Good Vigilance Practice (GVP) Ordinance", "Good Post-marketing Surveillance Practice (GPSP) Ordinance", Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (hereinafter, "Antimonopoly Law"), Act against Unjustifiable Premiums and Misleading Representations (hereinafter, "Premiums and Representations Act"), and "Act on the Protection of Personal Information" (hereinafter, "Personal Information Protection Law").

In addition to these laws and regulations, it is specified in the National Public Service Ethics Act and the National Public Service Ethics Code that national public officers are prohibited to commit activities that may cause public suspicion or distrust from the citizens in regard to the fairness of execution of their duties when interacting with parties who have interests with their duties. Therefore, pharmaceutical companies must maintain stronger morality when approaching public officers who may have an interest in pharmaceutical companies.

And while it goes without saying that member companies must comply with the JPMA Code, compliance with other voluntary regulations, such as the Fair Competition Code, preparation guidelines, and general plan for education and training of MRs, is also mandatory.

2. Standards of Behavior for MRs

MRs must be fully aware both of their social mission as persons who play a role in healthcare and their position as employees who provide drug information as representatives of their companies. They are called upon to perform the following duties in a sincere and honest manner:

(Commentary)

In the "Summary Report", MRs are positioned as the "persons sharing responsibilities in healthcare". In both the "Summary Report" and the results of the questionnaire survey conducted by the Japan RAD-AR Council, MRs are the most commonly acknowledged source of drug information for healthcare professionals. The importance of MRs' roles has always been recognized in the results of various questionnaires conducted after that. MRs are strongly expected to play the role of "persons sharing in the responsibilities of healthcare".

In March 1997, the JPMA Training Committee established the "Roles MRs Should Play". This document states as follows:

“As ‘partners in pharmaceutical treatment’, MRs are expected to promote proper use of drugs through the ethical provision, collection, and dissemination of information that is useful to patients and the medical field.” The “Roles of MRs” compiled by Medical Representative Education Center (currently renamed MR Certification Center) in March 2005 also says that “activities of MRs must all be based on thinking (leading to ethical behavior) that focuses on ‘benefits for patients’ in addition to the above purpose”.

MRs must also be well aware that the attitude and behavior of MRs have substantial effects on the image external parties such as healthcare professionals have of pharmaceutical companies.

Furthermore, MRs must also be conscious of the word “faithfully” in the statement “faithfully carry out”. “Faith” means sincerity and cordiality. MRs should implement the 7 action standards for MRs described in the subparagraphs given the full awareness of their mission and position. They must implement these action standards with sincerity and cordiality, whether seen by others or not.

(1) Not only have knowledge of the content of the package inserts for drugs sold by their companies, but also strive to acquire familiarity with the medical and pharmaceutical science on which that information is based, and cultivate the ability to present such information correctly.

(Commentary)

Package inserts specify the basic information for health professionals in using pharmaceuticals, and the matters to be specified are determined by the Drugs and Medical Devices Law. MRs are obligated to acquire knowledge of package inserts for their own company's products.

Simply acquiring knowledge, however, does not fully discharge the duty of MRs. They must be able to provide it correctly to healthcare professionals. The Summary Report mentions accuracy based on scientific backing and absence of bias in efficacy and safety, as aspects of "correctness".

(2) Conduct promotional activities according to the rules and methods established by their companies.

(Commentary)

MRs must never prepare materials by themselves and use them in promotion. Such practice is problematic since it is not known if the data provided in this manner is objective and comprehensive. It also sometimes happens that data prepared for internal use only, which are inappropriate as promotional materials, are externally used for promotion. Data prepared for internal use must be limited to internal use.

Although originality and ingenuity of MRs is encouraged, MRs must follow the procedures for proposing those ideas with originality and ingenuity to the company and implementing them under the responsibility and authorization of the company.

(3) Remain within the scope of approved indications and dosage & administration when providing drug information, and present information on efficacy and safety in a fair and balanced manner.

(Commentary)

This subparagraph describes the activities of MRs corresponding to (3) of “responsibilities of member companies in promotional activities”. No matter how much the companies prepare the latest evidence-based data, it will become meaningless unless the MRs use it properly.

In their activities, MRs must not provide information on unapproved drugs or unapproved indications, and it is important

that what is written in documents prepared by the company not merely emphasize efficacy but also impartially provide safety-related information, including the information on ADRs.

This is because the supply of information by MRs is to help healthcare professionals provide the best available drug therapy to patients, whereas the supply of information about unapproved drugs which have not been evaluated publicly or unapproved indications or partial supply of information may impede optimal prescribing decisions.

(4) Collect and disseminate drug information as accurately and promptly as possible.

(Commentary)

Delay of MRs' collection of unfavorable information or time-consuming collection of information for reasons of sticking to the promotion of use of drugs may impair the proper use of drugs and an irredeemable situation may arise.

Efficacy-/safety-related information at the time of approval of a drug has been obtained under certain restrictive conditions,[Note] and since conditions such as number of cases differ from the information on ADRs/infections seen under varying post-marketing conditions or extensive use, provision only of efficacy and safety information from the time of approval could not be said to be adequate for proper use. For this reason, continued post-marketing surveillance/monitoring is necessary. At the same time, it is also necessary for reviewed/analyzed information to be disseminated to healthcare professionals in an appropriate manner to contribute to proper use of drugs. Moreover, establishment of a Risk Management Plan (RMP) is required for some of the prescription drugs for which applications are submitted in or after April 2013, and consistent risk management from development through post-marketing is practiced.

Based on an adequate understanding of the characteristics of drugs, MRs need to collect safety control information and properly and smoothly implement safety assurance measures based on the results as directed by the Safety Control Implementation Manager according to the SOP for post-marketing safety management operations.

Also post-marketing surveillances and studies must be performed correctly as directed by the Post-Marketing Surveillance Manager according to the SOP for PMS Operations. These are also important duties of MRs.

Note) Examples of "under certain restrictive conditions":

(1) The data is obtained from a limited number of subjects.

(2) The data is obtained from the patient populations with restrictions of concomitant medications, complications or age.

(3) The treatment period is not long.

(4) The physician in charge of the investigation is a specialist for the targeted disease.

(5) Refrain from slandering and/or defaming competitors or competitors' drugs.

(Commentary)

The reasons that this subject is being taken up are that since MRs handle prescription drugs, which are life-related products, they must conduct themselves as conscientious members of society, and must provide, collect and disseminate appropriate information.

Slandering and/or defaming other companies and products for the promotion of use of the company's product will damage the dignity of drugs and pharmaceutical companies, and no decent member of society is expected to commit such an action.

A large volume of accurate information on competitors and competitors' drugs is owned by the company concerned. Thus it is that company that can provide, collect and disseminate accurate information, and it is their duty to perform these activities in a responsible manner.

The supply of information about other companies or products distributed by other companies by an MR who has partial information about the companies or products may mislead healthcare professionals and impair the provision of the best available drug therapy. Supply of negative information about other companies or their products as exemplified by the behavior of supplying a copy of a newspaper article describing the ADR to such products is deemed to be slander and/or defamation. Moreover, there must never be cases where companies incorporate expressions unsuitable for inclusion in promotional printed materials in materials for "internal use only", and they must not provide comparative data emphasizing the superiority of the company product compared to the competing product to healthcare professionals under the pretext that it is "confidential". Such provision of information using "internal-use-only" data can be deemed slander and/or defamation of products distributed by other companies.

(6) Maintain discipline when visiting a medical institution and abide by the rules of the institution.
(7) Strictly abide by legal regulations and self-regulations and behave sensibly in the full recognition that they are MRs.

(Commentary)

Both subparagraphs require MRs to conduct themselves in a decent manner. As already stressed, the attitude and behavior of MRs have substantial effects on trust in the company and in the drug. JPMA established the "Council for the Improvement of MRs Activities in Hospitals" to assess and ensure the improvement of problematic areas regarding MRs activities in large hospitals, and compiled a report.

This report includes the following comment: "Pharmaceutical companies comprise an industry that is highly social and public in nature and that contributes to healthcare. Based on an understanding of this, MRs are required to comply with laws and regulations, maintain a level of dignity that a member of society is expected to have, and to have high ethical awareness and decency. Establishing a mutual and trustful relationship with healthcare professionals is essential to bring about a smooth exchange of information about the proper use of the products."

MRs, who handle drugs as life-related products, must understand related laws and regulations and self-imposed industry rules and act in compliance with them.

Also, the full understanding shall be shared that national public officers, other public officers and "deemed public officers" are subject to the code of ethics restricting the supply and receipt of gifts and cash and cash equivalents.

Apart from public officers, original codes of ethics may be established for specific organizations, and MRs are called upon to be aware of and considerate of these codes in their behavior.

MRs should be always conscious that hospitals and clinics are places of medical care and medical research, and MRs should refrain from activities and behaviors that may be unpleasant to hospital staff or patients. MRs shall conduct themselves politely as visitors.

3. Production and Use of Promotional Materials, Etc.

In recognition of the fact that brochures, advertisements in medical journals, websites targeting healthcare professionals, audiovisual materials such as slides and videos, and other promotional materials are important media for the dissemination of drug information, member companies shall produce and use those materials in compliance with the Drugs and Medical Devices Law, administrative notifications, and relevant self-regulations, such as the Guideline for Brochure Preparation. The statements contained therein shall be correct, fair, and objective, based on scientific data, and must comply with (1) through (8) below.

(Commentary)

Regulatory requirements for acceptable scope and proper nature of drug advertisements are provided in Articles 66 to 68 of the Drugs and Medical Devices Law and the "Standards for Proper Drug Advertisements". On the basis of this, the pharmaceutical industry established preparation guidelines and other voluntary regulations to ensure that product information brochures and advertisements are properly prepared.

As repeatedly emphasized, drug information is indispensable to the use of drugs. The product information brochure for prescription drugs (hereinafter referred to as "product information brochure") and advertisements are important tools for supplying drug information but must be prepared properly to ensure the appropriateness of the contents, expression, and usage and avoid misinterpretation by healthcare professionals. Other promotional materials include visual aids, tablet-type digital content, poster displays or exhibition panels at academic conference venues, and electronic media (e.g., DVD, CD-ROM, internet content, email).

In the preparation guidelines, materials in routine use are positioned as "drug information materials intended to be proactively provided to healthcare professionals" or "drug information materials not intended to be proactively provided to healthcare professionals", and basic items to be included in preparation of these materials are established. Member companies are called upon to bear in mind that even materials that are not mentioned in the preparation guidelines are subject not only to the Drugs and Medical Devices Law but also to the JPMA Code.

Timely provision of information presented at scientific conferences to healthcare professionals upon request is permitted. Data presented at scientific conferences that is not published in articles can only be published in "collected abstracts of scientific conferences" as materials for information provision, and here again, the materials must be prepared with attention to the Drugs and Medical Devices Law and other relevant laws, administrative notifications, and voluntary regulations. The preparation guidelines must be followed with respect to the method of preparation for collected abstracts of scientific conferences.

Cited data (including figures and tables) in promotional materials including advertisements should correctly convey the true meaning of original articles and must be carefully written to avoid distortion, exaggeration, unfair emphasis or deletion that may cause a misunderstanding. They must always be accompanied by notes indicating the sources. Moreover, when using the results of questionnaires (in particular, questionnaires on safety and efficacy that are conducted after marketing approval has been obtained), it is necessary to pay attention to the content of "Re introduction of results of questionnaire surveys on the efficacy and safety of one's own company's drugs" (JPMA Notification No. 106 by the Chairperson of the Promotion Code Committee, dated February 22, 2010).

Furthermore, it is essential that the contents and expression in the Product Information Brochures and advertisements inserted in scientific journals (papers) be proper in accordance with the "review board report" of the Review Committee for Product Information Brochures, in addition to the preparation guidelines.

Promotional materials such as advertising in direct mail or specialized journals (paper media) must not be such as to misrepresent the inherent content. As an example of promotional materials that misrepresent this inherent content, we may mention advertisements that are displayed as if they were part of an article in a medical journal, and it is therefore necessary that a clear distinction be drawn between advertising and articles or editorial content. In particular, because editorial advertising is a type of pharmaceutical company advertisement, member companies must strictly refrain from placing editorial advertisements that recommend off-label use or dosage & administration, or slander/defame the products of other companies. Moreover, inclusion of reference information (on secondary effects, etc.) in editorial advertising is prohibited by the

preparation guidelines.

While complying with the preparation guidelines for materials that provide drug information to wholesalers, member companies need to cooperate with wholesalers and provide guidance so that the “materials for product promotion” that are prepared and distributed by wholesalers are appropriate.

In recent years, product-related information provision through the Internet has become popular. The Internet has from the first been a means by which all people can freely access information, but when a pharmaceutical manufacturer uses its website to provide health professionals with product-related information, it is required, in connection with Standards for Proper Advertising of Drugs, to restrict access by persons who are not healthcare professionals. However, when it fulfills the conditions set forth below, the website concerned, so long as it does not infringe the laws of Japan (meaning does not appeal to patients or the general public), is recognized as appropriate provision of information even if it does not use any particular method of establishing passwords.

(1) If the name of the pharmaceutical company is provided and it is noted that the information is targeted at healthcare professionals and the access is allowed only if the person who intends to access the website confirms that the information is targeted at healthcare professionals;
(2) If the information is appropriate for healthcare professionals;
(3) If the company website targeting healthcare professionals is linked with any external website, the content and the website are appropriate for healthcare professionals and the owner (author) of the linked website is apparently recognized.

As with printed matter, it is necessary to comply with the JPMA Code and voluntary regulations when preparing content to be provided through websites oriented toward healthcare professionals.

On the basis of the “Proposal regarding reconsideration of the proper form of advertising for prescription drugs” compiled in November 2014 by the “Study Group on Regulatory Compliance by Pharmaceutical Companies”, “Guidelines for posting of content on web pages” (JPMA Notification No. 497, dated July 15, 2016) was established on July 15, 2016. The content posted on the web pages of members companies is truly varied. The related department that prepare content need to make efforts to understand the tenor of these guidelines.

Product Information Brochures or advertisements about prescription drugs cannot be delivered to the general public other than healthcare professionals (Standards for Proper Drug Advertisements). Therefore, adequate caution must be exercised to prevent exposure of calendars and posters containing product names to the general public when distributing the materials. On the other hand, disease awareness advertising using television or newspapers and tie-up articles (advertisements) are considered useful in raising awareness of diseases that are not well known, as well as in protecting the health of the citizens and contributing to public health. However, depending on how these are presented, they could correspond to the kind of advertising that is prohibited by the Drugs and Medical Devices Law, so “Points to pay attention to in disease awareness advertising and tie-up articles (advertisements)” have been cited in a notification by the chairperson of the Code Compliance Committee (JPMA Notification No. 6, dated January 6, 2015).

(1) Statements regarding indications, dosage and administration, etc., shall not deviate from the approved items.

(Commentary)

Drugs are only permitted to be referred to as "drugs" within the scope for which they are approved, so there must never be

any descriptions that deviate from this.

However, even when the way a drug is described does not deviate from the approved scope, there do actually seem to be some examples where description is lacking in balance, such as when it uses exaggerated expressions or presents unfavorable information in small letters. This is how misconceptions can be formed.

The basic nature of this subparagraph, therefore, is to regulate deviating expressions, and items (2) and to follow specify concrete means of expression and representative examples of matters to bear in mind.

It is further required that important items conforming to the approval, such as warnings and precautions, including contraindications (target of administration, dosage, adverse reactions, interactions, etc.), be in agreement with the content specified in product information summaries, and it is important that they be specified in accordance with the preparation guidelines.

With the November 1998 revision of the IFPMA Code, based on the separately established Guidelines Concerning the Display of Academic Materials for Unapproved Drugs, it is stated that in displaying scientific materials at international scientific meetings, reference may also be made to unapproved drugs. Although described as unapproved drugs, they must have been approved at least in one country. If they have not been approved by any country, no such reference can be made. In addition, such an exhibition may be permitted as an exceptional case, and associated scientific literature and related literature cannot be distributed. This does not apply to scientific literature provided at the request of a healthcare professional.

(2) No false, exaggerated, or potentially misleading labels, layout, or expressions shall be used with respect to efficacy and safety. In particular, no expressions emphasizing or guaranteeing safety shall be used.

(Commentary)

Emphasis by means of expression that guarantees efficacy or safety, or is superlative or equivalent thereto, is not appropriate. Specifically, it is necessary to pay the most careful attention to phraseology pertaining to safety, and it is not permissible to use ambiguous phrases like "highly safe", "few adverse reactions", "no deleterious effects", or “as safe as placebo” as characteristics or catch phrases that emphasize safety.

Note that when so stated, it is necessary, based on precise and objective data, to use concrete expressions such as “the incidence of adverse drug reactions for ____ (name of ADR) was 12.3%”, together with a summary of the data that backs this up.

It is also necessary, when citing results of animal studies, to specify what animal species is used, and when citing the results of in vitro tests, to make this clear. Based on such results it is impermissible to use expressions that would guarantee efficacy or safety when used by humans.

(3) Information shall be balanced and not biased toward efficacy. Information on safety, including adverse reactions, shall be presented as well.

(Commentary)

Attention must be paid to description so as to maintain a good balance between efficacy information and safety information on adverse reactions, etc., in the product information brochure or advertisement as a whole. For example, even in advertisements where space is limited, it is necessary to assure the fairness of the information by displaying warnings and precautions, including contraindications, fairly and in type as conspicuous and easy to read as that used for efficacy and the like.

(4) Comparisons with other drugs shall be based on scientific data and, in principle, shall be made using generic names.

(Commentary)

For health professionals, comparing new drugs with drugs that have been previously used and finding out where and in what way they differ is extremely important in deciding which drug to use. Thus it is imperative that they be introduced based on accurate data with scientific backing, in compliance with the separate preparation guidelines, while avoiding ambiguous expressions that could lead to misunderstandings.

When making a comparison with another drug, the drug that is being compared against shall, in principle, be referred to using its generic name.

However, when making a comparison with one's own company product, or when the agreement of the company supplying the drug that is being compared against has been obtained, it may happen that the brand name is used, so this is qualified with “in principle”.

Further, when in citing from the literature, the data of a competitor is used, the agreement of the company concerned must be obtained.

In using the results of clinical trials performed for comparison with drugs supplied by a competitor, careful attention must be paid to the contractual conditions between the companies concerned under the terms of the JPMA's "discussions regarding the supply and acceptance of drugs for comparison (comparators)" (revised and implemented on November 1, 2005; Japanese Pharmaceutical Manufacturers Association).

(5) Competitors or competitors’ drugs shall not be slandered and/or defamed.

(Commentary)

Member companies must take great care in preparing the product information brochures in accordance with the Guidelines for Brochure Preparation so that their statements will not be perceived as slander and/or defamation of competitors or competitors’ drugs. Presenting the results of scientifically, fairly, and objectively designed clinical comparative studies without emphasizing the facts does not constitute slander and/or defamation. However, caution is warranted, because depending on the expression, it may constitute defamation, such as if the inferiority of the other company’s products is emphasized.

Moreover, providing information such as inappropriate price comparisons in promotional materials and promotional activities could constitute slander and/or defamation.

Careful attention is already being paid to the introduction of clinical results, but areas where this tends to be forgotten include "background of development" and "non-clinical studies".

In "background of development", the purpose of development may in some cases be stated as “developing a drug that represents an improvement over an existing drug”. In such a case, excessive emphasis on the disadvantages of the existing drug could be taken as slander and/or defamation. If mention is made of the existing drug, the description must be carefully crafted, and the name of the drug class, etc., should be included.

When, in "non-clinical studies", particularly in pharmacological studies, data on medicinal titer or affinity with receptors is introduced, sufficient care must be taken so that it does not emphasize inferior points of competitors' drugs.

(6) Extraordinary data shall not be presented together with expressions that may give the impression that the data represent a universal fact.

(Commentary)

This subparagraph describes one aspect of the idea that drug information must be scientific, objective and fair. Presenting data that happen to be favorable to one's own company product by using expressions that represent the data as a universal fact must be avoided. Since case reports may lead to the presentation of extraordinary data, preparation of case reports or collections of case reports is not permitted, in principle. Introduction of cases that call attention to adverse reactions or cases of special diseases (e.g., treated with orphan drugs) is permitted, as well as introduction of cases that need to be introduced with diagnostic imaging using contrast agents, etc. Details are presented in the preparation guidelines.

(7) Misleading or indecent photographs and illustrations that are not befitting the socially respected role of drugs shall not be used.

(Commentary)

Materials such as photographs or illustrations, which appeal to the sense of sight, are not accurate, can mislead or have a suggestive effect on the viewer. Photographs or illustrations must not be used in a way that interferes with the correct understanding of drug information.

Drugs also have an image in society as life-related products. Maintaining and/or enhancing that image is the responsibility of persons involved in the pharmaceutical industry. When photographs or illustrations are used, emphasis must not be merely on attracting attention; there must be nothing that damages the image of the drug. Expressions that are a play on words and excessive animation are also undesirable.

As used here, "etc." refers to figures and tables, catch phrases, phrases and abbreviations.

A product advertisement that contains a portrait of healthcare professionals may give an erroneous impression that opinion leaders, etc., recommend or guarantee the product (JMPA Notification No. 573, dated November 18, 2011).

(8) Member Companies shall appoint a person responsible for management of prescription drug brochures, etc., and establish an in-house oversight system so that only promotional materials and advertisements that have passed through a review are used.

(Commentary)

With respect to product information brochure for prescription drugs and advertisements in scientific journals (paper), an in-house oversight system has been established, centered on Promotional Materials Officer. In addition to that, an oversight system must also be established to assure that other promotional materials are created and used properly. This is because once these materials are released outside a company, they will be deemed as issued by the company. Accordingly, member companies must construct solid internal systems of review with reference to the notification by the chairperson of the Code Compliance Committee (JPMA Notification No. 223, dated March 22, 2016).

The materials for in-house training which are not assumed to be used in outside promotional activities also need to be created and used properly (JPMA Notification No. 276, dated May 22, 2008.

4. Fee for Services

Member companies may engage healthcare professionals and others for services such as lectures, writing papers, conducting surveys or research, taking part in meetings systematically held by member companies, or providing training, etc., where such participation involves fees such as honoraria. However, fees that are remarkably high given the nature of

the services cannot be paid.

(Commentary)

Provision of the following is limited by the Fair Competition Code: “cash or gifts provided to individual doctors in charge, etc., as means of inducing the selection or purchasing of prescription drugs”. However, there are no limitations imposed on cash paid as remuneration for requested work, such as lecturing or writing, or as a fee, etc.

Please pay attention to the following so that a transaction nominally performed as outsourcing work will not constitute provision of cash or gifts as a means of improper inducement.

(1) A written contract must be agreed which specifies the purpose of the service to be provided and the basis for payment of those services.
(2) A legitimate need for the services must be clearly identified in advance.
(3) The contractor must be directly related to the identified need and must have the expertise necessary to provide the service.
(4) The number of persons to be contracted must be reasonable to meet the specified need.
(5) The hiring must not be an inducement to prescribe, purchase, or recommend any specific drug.
(6) The compensation for the services is reasonable and reflects the fair value of the services provided.

When making arrangements, it is necessary to observe the contractor’s rules and exercise care to see that the National Public Service Ethics Code is not violated.

In addition, IFPMA has prepared “IFPMA Note for Guidance on Fees for Services” as a practical guidance for the purpose of providing additional interpretation and further guidance towards the relevant provisions (Article 7.4 Fees for Services) of the IFPMA Code.

5. Implementation of post-marketing safety management operations and post-marketing surveillance

Member companies need to have a proper understanding of the objectives behind the establishment of proper methods of use for post-launch drugs. Post-marketing safety management operations and post-marketing surveillance must be based on scientific evidence and conducted in compliance with legal regulations and self-regulations. These activities should never be used as tools of sales promotion.

(Commentary)

Appropriate implementation of post-marketing safety control management is an important requirement for acceptance as marketing approval holders. Post-marketing safety management operations include safety assurance activities and early post-marketing phase vigilance (EPPV), etc. Safety assurance activities are defined in the GVP Ordinance as follows:” collection and review of safety management information, and necessary measures based on the review results.”

Post-marketing surveillance is defined in the GPSP Ordinance as follows; “PMS indicates drug use results surveys (including specific use results surveys) or post-marketing clinical studies which are conducted by a company to collect, obtain, verify or validate information on the quality, efficacy and safety of medicines.”

Thus, post-marketing safety management operations and post-marketing surveillance have an importance that speaks to the essential nature of drugs, and pharmaceutical companies have the social responsibility to constantly pursue more effective and safer usage in response to the actual use conditions of post-launch drugs (e.g., conditions of patient compliance, interaction with other drugs, treatment period, etc.) and changes in overall situation (e.g., advances of medical technology, changes in assessment criteria, new pathologies, clinical pictures, and changes in pathogenic microorganisms, etc.).

Needless to say, implementation of post-marketing safety management operations and post-marketing surveillance, etc.

must be based on scientific evidence and must protect the human rights of patients and seek to maintain their security and improve their welfare. If we use these data as a means of sales promotion, we mar the essential nature of drugs with our own hands and invite considerable loss of trust in drugs and pharmaceutical companies.

Compliance with the Drugs and Medical Devices Law, GVP Ordinance, GPSP Ordinance, administrative notifications, and the Fair Competition Code is necessary so that post-marketing safety control management and post-marketing surveillance, etc., are not doubted or mistaken as a disguise for sales promotion.

6. Supply and Management of Samples

Samples are a means of providing drug information. There are two types: “product samples” for showing the external characteristics of prescription drugs to healthcare professionals and “trial-use samples”, which physicians can use to confirm and evaluate the quality, efficacy, safety, and other pharmaceutical particulars of a drug before using it in clinical practice.

Whichever type of sample is provided, it must be accompanied by the relevant prescription drug information, and only the minimum necessary amount should be provided.

In particular, since “trial-use samples” are used in actual clinical practice, a strict system of management shall be constructed and appropriately implemented.

(Commentary)

The Fair Competition Code permits the provision of samples, defining the respective types as follows: “trial-use samples are intended so that physicians can confirm and evaluate the quality, efficacy, safety and pharmaceutical characteristics of the drug concerned prior to clinical use, while product samples are intended so that healthcare professionals can confirm the characteristics of their appearance such as dose form, color, taste and smell before using the prescription drug concerned”. In other words, trial-use samples are approved only for this purpose and may not be provided or used for other purposes.

Insurance claims cannot be filed for trial-use samples, but it is not the case that they are completely free of associations with business inducements. Accordingly, when pharmaceutical samples are provided, they must always be accompanied by information on the relevant drug, and to achieve the original purpose of pharmaceutical samples, only the minimum necessary quantity should be provided, even when it meets the specifications of the Fair Competition Code.

By way of a system of management, it is necessary to designate one appropriate person as the “person responsible for trial-use sample management” and establish one “trial-use sample manager” in each office to exercise appropriate management at each step; i.e., trial-use sample planning, storage, distribution, and provision.

7. Seminars and Study Meetings

Seminars held by member companies for healthcare professionals shall provide specialized academic and scientific information. Appropriate locales and venues for holding seminars and study meetings shall be selected depending on the purpose, and in principle they shall be within Japan. If food and drinks are offered in association with a seminar, they shall not be extravagant and shall not tarnish the dignity of pharmaceutical companies. Payments in cash or cash equivalents that are made in connection with holding a seminar shall be limited to travel expenses (transportation expenses, accommodation expenses, etc.) and lecture fees for the lecturer.

Individuals accompanying invited healthcare professionals shall not receive travel expenses or participate in the social-gathering event.

In planning of seminars for the purpose of providing disease awareness information to ordinary consumers who are not healthcare professionals, consideration shall be given to the Drugs and Medical Devices Law and the Standard for Adequate Advertisement of Pharmaceutical Products.

(Commentary)

Seminars and study meetings related to their own products that pharmaceutical manufacturers conduct for healthcare professionals are for the purposes of providing the latest scientific and academic information uniformly and efficiently to large numbers of healthcare professionals, and for carrying out the bidirectional exchange of information on the same site.

Whether hosting or co-hosting, it is the responsibility of member companies to fully discuss the details of presentations, for example, by checking them with lecturers beforehand, and comply with the JPMA Promotion Code when holding seminars and study meetings.

Care must be taken so that such meetings are not deemed to recommend the use of unapproved drugs or slander and/or defame competitors or competitors' drugs (JPMA Notification No. 593, dated October 6, 2010.

Events such as social gatherings held in conjunction with seminars or study meetings must be on a modest scale, so that they do not obscure the original objective of the seminar or study meeting, or appear to society as unnatural. When pharmaceutical companies are involved in seminars or study meetings organized by healthcare professionals in any form, member companies must be restrained so as not to invite the misunderstanding that the company is shouldering another's expenses.

The Fair Competition Code also defines the points to be adhered to with respect to seminars and study meetings. Thus, when holding seminars and study meetings, pharmaceutical companies must of course comply with the Fair Competition Code but must also bring greater scrutiny to bear upon conduct that does not violate the letter of the Code, assessing its suitability from the standpoint of their corporate sense of ethics.

At the same time, caution is warranted with respect to seminars for ordinary people other than healthcare professionals, so that the seminars themselves will not constitute advertisements for prescription drugs.

In addition, IFPMA has prepared "IFPMA Note for Guidance on Sponsorship of Events and Meetings" as a practical guidance for the purpose of providing additional interpretation and further guidance towards the relevant provisions (Article 7.1 Events and Meetings) of the IFPMA Code.

8. Provision of Gifts

Member Companies shall not offer to healthcare professionals, medical institutions, etc. any gift that could potentially affect the appropriate use of drugs or any gift that is not in good taste.

(Commentary)

The Fair Competition Code limits unfair provisions of any premiums in order to prevent unfair soliciting of customers and ensure voluntary and rational selection of products by general consumers and fair and orderly competition among business operators. Thus, the Code states that pharmaceutical manufacturers must not offer to medical institutions, etc. any premiums (gifts or monetary benefits offered to the opposite party in their commercial transactions as a means of attracting buyers) as a means of unfairly soliciting commercial transactions involving prescription drugs.

The JPMA Promotion Code, on the other hand, includes items that approaches the "provision of gifts" from the standpoint of what kind of items are appropriate for pharmaceutical companies to provide, irrespective of whether or not the provision of items are restricted by the Fair Competition Code. In other words, the provision of items must be considered from such

angles as whether it may affect the proper use of drugs, whether it may be perceived by society to interfere with neutrality of prescriptions, and whether it may tarnish the socially respected role of drugs, which are life-related products. Nevertheless, complying with the Fair Competition Code when offering items classified as premiums is a major principle, and any member company who violates this Code will violate the JPMA Promotion Code.

The IFPMA Code notes that interactions between companies and healthcare professionals should be intended to benefit patients and to enhance the practice of medicine. In "7.5.1.1 Prohibition of Gifts," the IFPMA Code establishes the following stipulation: "Gifts for the personal benefit (such as sporting or entertainment tickets, electronics items, social courtesy gifts, etc.) of healthcare professionals (either directly or through clinics and institutions) are prohibited. Providing or offering cash, cash equivalents or personal services is also prohibited. For these purposes, personal services are any type of service unrelated to the healthcare professional's profession and that confer a personal benefit to the healthcare professional."

The IFPMA Code stipulates in "7.5.1.2 Promotional Aids" that "A promotional aid is a non-monetary item given for a promotional purpose (which does not include promotional materials as defined in Articles 5 and 6). Providing or offering them to healthcare professionals in relation to the promotion of prescription-only medicines is prohibited." However, in the Q&A, the IFPMA Code states with respect to promotional aids of prescription-only medicines that "pens and notepads can be provided to healthcare professionals in the context of company organized events for the purpose of taking notes during the meeting. They must not bear the name of any medicine but may bear the name of the company providing them. In addition they must be of minimal value, and only the necessary quantity is distributed. Examples of banned promotional aids include sticky notes, mouse pads, calendars, etc."

With respect to the items of medical utility that can be provided for patient care, the IFPMA Code categorizes and specifies the items as "7.5.2 Items of Medical Utility to enhance the Provision of Medical Services and Patient Care" and "7.5.3 Informational or Educational Items that enhance Patient Care":

(1) Items of medical utility may be offered or provided by member companies if such items are of modest value, do not offset routine business practices and are beneficial to enhancing the provision of medical services and patient care. They should not be offered on more than an occasional basis, even if each individual item is appropriate. Items of medical utility can include the company name, but must not be product branded, unless the product's name is essential for the correct use of the item by the patient.

(2) Informational or educational items provided to HCPs for their education or for the education of patients on disease and its treatments may be offered by member companies provided that the items are primarily for educational purposes and do not have independent value. These informational and educational items can include the company name, but must not be product branded, unless the product's name is essential for the correct use of the item by the patient. The value of books and subscriptions must be reasonable. Other informational or educational items must be of modest value.

When determining a "minimal value" and "modest value" as described above, the Fair Competition Code should also be consulted which stipulates specific requirements for the offering of the items. It is most obvious that pharmaceutical companies must comply with the Fair Competition Code when offering gifts. However, they must also examine its suitability with an even more rigorous attitude based on ethical values as a pharmaceutical company, even when they are not deemed a violation of the Fair Competition Code.

Meanwhile, consideration must be given to the stipulation that national public servants, other public servants, and those regarded as such are subject to the code of ethics restricting supply and receipt of gifts. Specific institutions or organizations may have their own codes of ethics governing personnel other than public servants as for supply and receipt of gifts, and it is

necessary to confirm this thoroughly in advance.

Moreover, as concerns the printing of names on gift items, member companies must be careful so that they are clearly distinguished from the materials for prescription drugs information, and are not mistaken as advertisements directed towards the general public outside of the healthcare field. A notification by the chairperson of the Distribution Rationalization Committee (JPMA Notification No. 377, dated April 1, 1994) specifies the following in this regard: “it is undesirable to place the name of a prescription drug in view of ordinary consumers indiscriminately, and names of products should not be printed on the name tags worn by MRs or their carrying bags”. At the same time, a notification by the chairperson of the Code Compliance Committee (JPMA Notification No. 381, dated July 2, 2015) requires member companies to refrain from printing the names of products on promotional aids.

9. Provision of cash or its equivalents

Member Companies shall not offer, either directly or indirectly, any cash or its equivalents to health professionals, medical institutions, etc., for the purpose of potentially influencing the appropriate use of drugs.

(Commentary)

The purpose of this subparagraph is the same as that of “Provision of gifts”.

Even justified receipt and payment of cash and cash equivalents by pharmaceutical companies and medical institutions tend to cause doubt or mistrust among society or patients. Such doubt or mistrust has negative effects on the trustful relationship between healthcare professionals and patients and may damage trust in pharmaceutical companies. Since the trust of patients in healthcare professionals and pharmaceutical companies is the precondition of the proper use of drugs, greatest attention must be paid in offering cash and cash equivalents to prevent such offers from causing mistrust.

With respect to the provision of cash and cash equivalents to individual healthcare professionals, it is specified in the IFPMA Code that “Gifts for the personal benefit (such as sporting or entertainment tickets, electronics items, social courtesy gifts, etc.) of healthcare professionals (either directly or through clinics and institutions) are prohibited. Providing or offering cash, cash equivalents or personal services is also prohibited.” This requirement is based on the principle to “Act responsibly, ethically and professionally. Do not offer, promise, provide, or accept anything of value in order to inappropriately influence a decision or gain an unfair advantage.” stated in the “Integrity” section of “Our Ethos” of the IFPMA Code.

The WHO Ethical Criteria for Medicinal Drug Promotion forbid healthcare professionals from accepting such offers of goods or monetary benefits, stating that "healthcare professions shall not request or be provided with promotional items in material or monetary form that would influence the prescribing of the healthcare professionals”

10. Relationship to Fair Competition Code

Member companies shall comply with the Fair Competition Code more proactively and strictly.

Member companies shall conduct themselves according to high ethical standards without limiting themselves to mere compliance with the Fair Competition Code.

(Commentary)

The Fair Competition Code is the pharmaceutical industry’s self-imposed rule to prevent unfair soliciting of customers by limiting the provision of unfair gifts in the ethical pharmaceutical drugs marketing industry and ensure voluntary and rational selection of drugs by general consumers and fair and orderly competition among business operators based on the Premiums and Representations Act under the authorization of the Minister of Consumer Affairs Agency and the Fair Trade Commission.

Therefore although the Fair Competition Code is established voluntarily by the industry, it is legally substantiated.

Meanwhile, the Promotion Code consists of voluntary regulations of the pharmaceutical industry that have the purpose of indicating the status of promotional activities and standards of conduct required of the industry, responding to the expectations of society. Obviously the promotional activities required of pharmaceutical enterprises include compliance with the Fair Competition Code.

The reason for addressing the relationship between the Fair Competition Code and the JPMA Promotion Code is that member companies must not limit themselves to a position of simply complying with the Fair Competition Code, but must conduct themselves so that, even though there is an act that does not infringe the Fair Competition Code or an act that is not clearly outlined, they will be moved to re-evaluate its suitability with an even more stringent attitude in accordance with their ethical self-examination.

Drugs are life-related products of which true value is invisible, and for this reason, improvement and maintenance of public trust in drugs can be nurtured only through pharmaceutical companies' daily endeavors. Trust nurtured over a period of many years may be destroyed instantly by a thoughtless action. It is essential that member companies conduct their promotional activities bearing constantly in mind that society's trust in drugs is the foundation of the pharmaceutical industry's existence.

(Reference) History of enactment and revision of "Promotion Code for Prescription Drugs"

Enacted on March 24, 1993; effective on April 1, 1993
Revised on May 18, 1995; effective on June 1, 1995
Revised on January 10, 1996; effective on February 1, 1996
Revised on March 18, 1998; effective on April 1, 1998
Revised on January 11, 2001; effective on April 1, 2001
Revised on January 7, 2004; effective on April 1, 2004
Revised on September 13, 2006; effective on April 1, 2004
Revised on March 19, 2008; effective on May 23, 2008
Revised on May 16, 2012; effective on September 1, 2012

III. Definitions and Commentary on Terms

These “Definitions and Commentary on Terms” have been established to ensure a clearer understanding of the scope and provisions of the JPMA Code. These “Definitions and Commentary on Terms” are part of the JPMA Code.

Healthcare professionals

In general, those engaged in medical care are called “healthcare professionals” or “healthcare service providers”.

In the JPMA Code, “healthcare professionals” refers to “physicians, dentists, pharmacists, nurses, public health nurses, midwife, dental hygienists, dental technicians, medical radiology technicians, physical therapists, occupational therapists, clinical laboratory technicians, hygienic technologists, orthoptists, clinical engineers, prosthetists, emergency life-saving technicians, registered dietitians, welfare caretakers (care workers), and nursing care support specialists (care managers), among other professionals”.

Elsewhere, the Medical Service Law uses the term “healthcare professionals”, and the Fair Competition Code uses the term “healthcare service providers”. The IFPMA Code uses the term “healthcare professional”.

(1) Medical Service Law: “Healthcare professionals” is used in the sense of “doctors, dentists, pharmacists, nurses and other persons engaged in medical service.”
(2) Operating Standards of the Fair Competition Code: “Healthcare service providers” is collectively defined as “doctors, dentists, pharmacists, public health nurses, nurses and other persons engaged in medical service.”
(3) IFPMA Code: “Healthcare professional” means any member of the medical, dental, pharmacy or nursing professions or any other person who in the course of his or her professional activities may prescribe, recommend, purchase, supply, sell or administer a pharmaceutical product”, and it is used in essentially the same sense as in the JPMA Code.

Healthcare-related personnel

In the JPMA Code, considered to indicate persons in charge of medical care, such as doctors, dentists, pharmacists, and nurses, as well as wholesalers and students in departments of medicine and pharmaceutical science.

In the Drugs and Medical Devices Law and the Standards for Proper Drug Advertisements, the term “healthcare-related personnel” seems to be a broader term than healthcare professionals.

Patient organizations

“Patient organizations” refer to patient associations or patient support groups that are composed mainly of patients, their families, and supporters, irrespective of their operating structure and whether or not they have corporate status. They represent the voice of the patients with the goal of mutual support for patients and their families and improvement of the care environment; and in principle have the roles and objectives defined by their articles of incorporation and regulations.

Medical institutions

Signifies facilities that provide medical care under the Medical Service Law. Refers to hospitals, clinics, long-term care facilities, and other facilities that provide medical care.

Member companies

Refers to the member companies that belong to JPMA. The member companies of JPMA consider it their mission to contribute to improvements in the health and welfare of people in Japan and throughout the world through the development of safer, innovative, and highly useful pharmaceuticals. To support optimal medical care that is ethical and patient-oriented, JPMA calls upon member companies to build mutual relationships of trust with researchers, healthcare professionals, and patient organizations through appropriate industry-academia collaborations.

Drug information

Drug information refers to information that is exchanged between pharmaceutical companies and healthcare professionals to promote the proper use of drugs. In light of its purpose, drug information should belong to the realm of medical or pharmaceutical science and is strongly required to have accuracy, fairness, and objectivity based on scientific evidence.

Proper use of drugs

"Proper use of drugs" is defined as follows in the final report issued by the advisory board for the Director-general of Pharmaceutical Affairs Bureau, Ministry of Health and Welfare, "Council on the Proper Role of Drugs in the 21st Century" (May 1993): "Proper use of drugs refers to a cycle of determination of the optimal pharmaceutical preparation, dosage form and dosage regimen for the condition of the patient based on correct diagnosis, dispensing the pharmaceutical preparation based on the decision, patient's sufficient understanding of the pharmaceutical preparation, correct use, evaluation of the effects and ADRs and feedback about the prescription. Appropriate provision of drug information to healthcare professionals and patients and sufficient understanding is essential to ensure proper use. It is possible to achieve the purpose of a drug only when necessary information is supplied."

Unless drugs are used properly, the effects they exhibit can even be dangerous. Proper use is something essential to drugs. Since it is the healthcare professionals who use drugs, pharmaceutical companies must follow a series of basic procedures in a reliable manner for providing correct drug information to healthcare professionals, collect information on ADRs immediately and disseminate the results of assessment/analysis without delay to healthcare professionals to contribute to the proper use of drugs. Misleading healthcare professionals by providing biased information or unfair promotion of company products through activities violating the Fair Competition Code will surely result in improper use of drugs.

Advertisement of ethical drugs

Exaggerated advertisement of drugs, advertisement of anticancer agents and the like to ordinary persons, and advertising of drugs before they have been approved are prohibited by the Drugs and Medical Devices Law. Specifically, there are the following kinds of provisions.

In Article 66 of the law, it is prohibited for anyone to make a false or exaggerated advertisement of a drug, whether explicit or implicit. Also prohibited are editorial articles that could be misinterpreted as a guarantee of indications or effects by a doctor or other person. Moreover, no one may imply that a drug, etc., may be used to perform an abortion, or use obscene text or images in connection with a drug.

Article 67 of the law prohibits the advertisement of drugs for the treatment of cancer and other specific disease established by government ordinance to ordinary people other than healthcare-related personnel.

Article 68 of the law prohibits the advertisement of unapproved drugs, etc., by anyone.

Standard for Adequate Advertisement of Pharmaceutical Products

"Standard for Adequate Advertisement of Pharmaceutical Products," was entirely revised based on the notification issued by the Pharmaceutical Safety and Environmental Health Bureau "Re Revision of the Standard for Adequate Advertisement of Pharmaceutical Products" (PSEHB 0929 Notification No. 4) dated September 29, 2017. Accordingly, we are called upon not only to comply with the Drugs and Medical Devices Law but also to engage in Information Dissemination Activities with a full understanding of the content and the tenor of this notification.

WHO Ethical Criteria for Medicinal Drug Promotion

(Ethical Criteria for Medicinal Drug Promotion)

"Ethical Criteria for Medicinal Drug Promotion" was adopted unanimously by 167 member nations in the WHO general assembly in 1988.

The main objective of the WHO criteria is to "support and encourage the improvement of healthcare through the rational use of medicinal drugs". The WHO criteria must "lay the foundation for proper behavior concerning the promotion of medicinal drugs" and "assist in judging if promotional practices related to medicinal drugs are in keeping with acceptable ethical standards."

The WHO criteria apply to both prescription and non-prescription medicinal drugs (over-the-counter drugs), and it is encouraged that they be adopted by governments, healthcare professionals, patients, consumer organization, educational organizations and the general public.

Company code

Pharmaceutical companies engaged in research & development, production, and supply of drugs as life-related products are required to have high ethical values. For this reason, they are called upon to adopt the stance of voluntarily protecting the public on the basis of their sense of ethics. This attitude of voluntary compliance is clarified by the "company code". It is important for each member company to establish its own "company code" that reflects the JPMA Code while adding elements of its own management philosophy and other unique provisions to make it more concrete and specific. The "company code" also has the character of basic guiding principles for the company's exchange with all stakeholders, beginning with healthcare professionals, medical institutions, patient organizations, and wholesalers.

Post-marketing studies

"Post-marketing studies" refer to those studies within the category of post-marketing surveillance, etc., that are conducted using the dosage, administration, and indications approved for the drug in question under Article 14, Paragraph 1 or Paragraph 9 (including cases where it is applied mutatis mutandis to Article 19-2, Paragraph 5) or Article 19-2, Paragraph 1 of the Drugs and Medical Devices Law, for the purpose of verifying the assumptions, etc., obtained by the marketing approval holder as a result of clinical trials or results of clinical experience investigations, or for the purpose of collecting information on quality, efficacy, and safety that cannot be obtained through routine clinical practice.

Social Media

"Social media" refers to media that are formed by bidirectional communication in which users, including individuals,

transmit information, mainly over the Internet. Social media have the characteristic of enabling individuals to easily disseminate information to large, unspecified numbers of people, and they also have the characteristic of rapid dissemination of that information. For this reason, it is possible that, even if the information transmitted is false or otherwise of inappropriate content, it will be broadly disseminated without its accuracy being questioned. Accordingly, when social media are utilized for information dissemination activities, it is necessary to subject these activities to careful scrutiny, reviewing them in the light of the Drugs and Medical Devices Law, Standard for Adequate Advertisement of Pharmaceutical Products, and "JPMA Promotion Code for Prescription Drugs," to ensure that no untoward consequences are invited.

Clinical trials

Clinical trials are clinical studies performed in order to obtain marketing approval for drugs, medical devices, extracorporeal diagnostic agents, regenerative medicine products, etc. Among the materials for submission to the reviewing authority in connection with an approval application, refers to conduct of studies for the purpose of collecting data on the outcome of clinical studies (Drugs and Medical Devices Law, Article 2-17).

Transparency

[Transparency of relationship with medical institutions, etc.]

Industry-academia collaboration between pharmaceutical companies and medical institutions, etc., is essential for the development of medicine and pharmacy and the spread of proper use. However, the more this collaboration flourishes, the more deeply medical institutions and healthcare professionals may become involved in specific companies and products, raising concerns that pharmaceutical companies may have some sort of influence on the judgment of medical institutions, healthcare professionals, etc.

Since pharmaceutical companies are a life-related industry conducting its activities under the public health insurance system, "Guidelines for Transparency for Relationship between Pharmaceutical Companies and Medical Institutions, etc." (hereinafter referred to as "Transparency Guidelines") were approved at the General Assembly of the JPMA in January 2011 on the basis of the concept that transparency of activities is more important in the pharmaceutical industry than in any other industry. In response, member companies have also formulated their own guidelines based on which they have disclosed information. The Transparency Guidelines were revised in October 2018 in line with the enforcement of the Clinical Trials Act which stipulates mandatory publication of information on provision of research funds or other benefits, which led to further improvement of transparency. In response, member companies have also formulated their own guidelines to improve transparency. It will be increasingly important for member companies to comply with the related laws and regulations, including the JPMA Code, and conduct corporate activities that are ethical in the eyes of the general public. As social conditions change, there will be a need for every greater transparency.

[Transparency of clinical study information]

The IFPMA Code revised in 2012 calls for transparency of clinical study information in "9. Clinical Studies and Transparency", and provisions in both the "Joint Position on the Disclosure of Clinical Trial Information via Clinical Trial Registries and Databases" (revised in 2017) and "Joint Position on the Publication of Clinical Trial Results in the Scientific Literature" (revised in 2017) issued by IFPMA, Pharmaceutical Research and Manufacturers of America (PhRMA), European Federation of Pharmaceutical Industries and Associations (EFPIA), and JPMA also require transparency of clinical study

information. The IFPMA Code also specifies in "9. Clinical Studies and Transparency" that all studies including clinical studies and observation research conducted in human subjects, not limited to post-marketing surveillance, etc., must have a legitimate scientific purpose and must not be disguised as promotion. Member companies of JPMA need to comply with the above two joint guidelines in their approach to transparency of clinical studies.

[Transparency of relationship with patient organizations]

In 2007, European Federation of Pharmaceutical Industries and Associations (EFPIA) adopted "Standards of conduct for the relationship between the pharmaceutical industry and patient organizations." The revised 2012 version of the IFPMA Code also includes provisions that elucidate the nature of alliances with patient organizations under Section 11, "Exchange with patient organizations." In order to respond to the needs and problems of the patients and their families with understanding, JPMA member companies in Japan are also increasing opportunities to collaborate with patient organizations. At the same time, as the patient organizations' powers of expression and influence over administrative authorities, etc., grow, it is increasingly important to ensure transparency through the disclosure of information on financial and other support provided to patient organizations by member companies, and to foster a broad understanding of the fact that those activities contribute to the activities of patient organizations while maintaining high ethical standards.

When working in collaboration with patient organizations, member companies of JPMA need to increase transparency by complying with the "Guidelines on Collaboration with patient organizations" (established in January 2013) and the "Guidelines on Transparency of the Relationship between Corporate Activities and patient organizations" (established in March 2012).

Non-clinical studies

"Non-clinical studies" are almost synonymous with "pre-clinical studies," and they include pharmacokinetic studies (ADME), pharmacological/effectiveness studies, and safety studies (toxicity studies). These are non-clinical studies conducted to elucidate the effects and toxicity of pharmaceuticals, etc. Their results must be in compliance with Article 43 of the Enforcement Regulations of the Drugs and Medical Devices Law (Criteria for the Reliability of Application Materials). In particular, GLP (Good Laboratory Practice) standards are established for safety studies by the Ministry of Health, Labour and Welfare.

Drugs and Medical Devices Law

The formal title of this law is "The Law on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices". It is a revised version of the former Pharmaceutical Affairs Law, and it became effective on November 25, 2014.

The Drugs and Medical Devices Law was enacted for the purpose of promoting the improvement of health and sanitation by establishing the necessary regulations to ensure the quality, efficacy, and safety of pharmaceuticals, quasi-drugs, cosmetics, medical devices, and regenerative medicine products and prevent the occurrence and spread of health hazards caused by their use while at the same time establishing measures for the promotion of designated drugs as well as measures necessary for the promotion of research and development of pharmaceuticals, medical devices, and regenerative medicine products for which there is an especially high level of medical need.

When disseminating information, member companies are expected to comply with the provisions of the Drugs and Medical

Devices Law, particularly those parts of Chapter 10, “Advertisement of pharmaceuticals, etc.,” that pertain to “exaggerated advertising, etc.,” “limitations on advertising of drugs for designated diseases,” and “bans on advertising of pharmaceuticals, etc., that have not yet been approved.”

Clinical research / epidemiological research

The main objectives of clinical research are to improve methods of preventing, diagnosing, and treating diseases in medical care; to further understand the causes and pathology of diseases; and to improve quality of life for patients. Even the methods of prevention, diagnosis, and treatment that are currently recognized as best in care must ceaselessly be re-verified through clinical research on their efficacy, efficiency, convenience, and quality. Moreover, advances in medical care must ultimately depend upon clinical research.

In clinical research, consideration for the welfare of the study participants must take precedence over scientific or social benefits.

Epidemiological research is scientific research that surveys the frequency and distribution of diseases and other health-related events and elucidates the causal factors behind them. Epidemiological research is indispensable to exploration of the causes of disease, verification of the efficacy of methods of prevention and treatment, and clarification of the relationship between the environment or lifestyle and health, and it plays a major role in the development of medical science and the maintenance and improvement of citizens’ health.

In epidemiological research, there is handling of specific information on the physical and emotional state of the many research subjects, as well as on the environments that surround them, their lifestyle habits, etc. Moreover, epidemiological research has the characteristic of involving many kinds of personnel other than physicians in the research.

Ethical guidelines

The Ministry of Education, Culture, Sports, Science and Technology and Ministry of Health, Labour and Welfare originally established “Ethical Guidelines on Clinical Research” (MHLW Notification No. 415, dated July 31, 2008) and “Ethical Guidelines on Epidemiological Research” (Joint MEXT/MHLW Notification No. 1, dated April 1, 2013) to ensure that researchers protect the dignity of human beings and their human rights when conducting clinical research, epidemiological research, and other medical research involving human subjects, and enable the research to be conducted smoothly and properly. These two sets of guidelines were reviewed by the two ministries and integrated into “Ethical Guidelines on Medical Research Involving People” (Joint MEXI/MHLW Notification No. 3, dated December 22, 2014), which came into effect on April 1, 2015 (The two original sets of guidelines were abolished as interim measures as of March 31, 2015). Moreover, depending on the content of clinical research, epidemiological research, or other medical research with human subjects, member companies may be required to comply with such ethical guidelines as “Ethical Guidelines on Human Genome and Genetic Analysis Research” (Joint MEXT/MHLW/METI Notification No. 1, dated November 25, 2014) and “Guidelines on Clinical Research into Gene Therapy, Etc.” (MHLW Notification No. 344, dated August 12, 2015).

International Federation of Pharmaceutical Manufacturers & Associations (IFPMA)

(International Federation of Pharmaceutical Manufacturers & Associations)

The International Federation of Pharmaceutical Manufacturers & Associations (IFPMA: Geneva, Switzerland) is a non-profit non-governmental organization established in 1968 representing industry organizations and research-oriented global

pharmaceutical companies located in developing and industrialized nations throughout the world. The JPMA acts as one of the key members of the IFPMA.

The IFPMA has adopted the IFPMA Code of Practice (defined below), which sets out standards for the ethical promotion of pharmaceutical products to healthcare professionals to ensure that member companies' interactions with healthcare professionals are appropriate and perceived as such. The IFPMA requests all member associations and companies, and companies under the member associations, to comply with the IFPMA Code.

The IFPMA Code of Practice

(IFPMA Code of Practice)

The IFPMA Code of Practice (IFPMA Code) was enacted in 1981 and underwent some revisions. The present IFPMA Code was approved in 2018. In the revision in 2018, the Code revised its previous guiding principles for ethical promotion of prescription medicines and has presented the Ethos applicable to all member companies of IFPMA and those acting on behalf of them.

It is a requirement of IFPMA membership that member companies of IFPMA member associations (e.g., member companies of JPMA) and companies that belong to IFPMA directly must comply with ethical standards set forth in the IFPMA Code and that IFPMA member associations, subject to local laws and regulations, adopt codes that meet local requirements but are consistent with, and as comprehensive as, the IFPMA Code.

IFPMA member companies must comply directly with applicable national codes of member associations where such codes exist. In all other territories, i.e. where there are no local codes or appropriate laws and regulations, or where a member company is not a member of local/regional association, the IFPMA Code acts as a default code for the activities of member companies and the IFPMA operating procedures apply.

Medical Representatives (MRs)

MRs are defined by the Educational and Training Guidelines of MR Certification Center of Japan, a public interest incorporated foundation, as "persons representing the company who meet with healthcare professionals mainly to provide, collect, and disseminate information on the quality/efficacy/safety of drugs for the purpose of promoting proper use and adoption of drugs".

In Article 2-4 of GVP Ordinance, the following definition is given: "In this Ministerial Ordinance, 'medical representatives' refers to persons who meet healthcare professionals to mainly collect and supply safety control information to contribute to proper use of drugs."

Moreover, the website of the MR Certification Center of Japan, also uses a more concrete wording, replacing "persons representing the company drugs" with "mainly their own company's drugs" in order to make it easier to understand the actual nature of MRs' activities.

World Health Organization (WHO)

(World Health Organization)

One of the United Nations' specialized agencies. It was established in 1946 to take charge of the field of health with the goal of enabling all people to achieve the highest possible level of health. WHO has 190 member nations throughout the world, and it is composed of a general assembly, which meets annually in Geneva, Switzerland, and a board of directors and

secretariat. Japan has been a member of WHO since 1951.

Compliance Program Guidelines

JPMA presented the 2001 Compliance Program Guidelines to member companies as guidelines to instruct executives and employees of member companies in how to comply with corporate ethics and laws and how to conduct themselves properly so as to prevent corporate scandals from occurring. Each member company is also required to establish its own Compliance Program. The JPMA Compliance Program Guidelines were revised in 2005, 2011 and 2018 to reflect the revision of the Keidanren Charter of Corporate Behavior and newly enforced or revised laws and ordinances.

A compliance program is a “program or system for complying with laws and ordinances and adopting behavior that is in line with corporate ethics”. The Compliance Program Guidelines are to be utilized by member companies as “guidelines for creating a code of conduct that executives and employees should obey” from the standpoint of compliance, and they have the objective of minimizing risk to businesses from misconduct, and to enhance corporate value.

Conflicts of interest (COI)

When medical research involving human subjects is conducted through industry-academia collaboration, individual researchers have a social responsibility to protect the lives, safety, and human rights of patients and subjects (public interest), as well as an obligation to the pharmaceutical companies funding the research in terms of the financial benefit obtained through conducting medical research (private interest). “Conflict of Interest” (COI) refers to the kind of conflicting obligations or opposition/conflict of interests that can inevitably occur in individual researchers. Medical research conducted through industry-academia collaboration almost always involves conflicts of interest from the standpoint of form, and it is not the case that the conflict of interest itself is the problem. Rather, the issue is whether fair and appropriate judgment is compromised. How the conflict of interest is managed is important in avoiding such lapses of judgment.