

TACD raises concerns on use of tariff threats to increase medicine prices in Europe

10 FEBRUARY 2026

The Transatlantic Consumer Dialogue (TACD), a network of leading consumer rights, public health, intellectual property rights, and trade policy experts across the U.S. and Europe, opposes the use of tariff threats by the current U.S. administration to coerce its trading partners into raising medicine prices.

TACD is concerned by the approach taken under the so-called ‘Most Favored Nation drug pricing policy’, which seeks to lower drug prices in the US by increasing them abroad. In its recent [announcement](#) on the U.S.-UK deal to raise drug spending for pharmaceutical prescription drugs, the U.S. administration stated that it is “reviewing the pharmaceutical pricing practices of many other U.S. trading partners and hopes that they will follow suit with constructive negotiations.”

Raising prices abroad will [do nothing](#) to lower prices for patients in the United States. It is contradictory to ask other countries to increase their prices while planning to use international referencing pricing at the same time. The policy further fails to address the [profoundly flawed](#) global framework for supporting medical research and development which focuses nearly exclusively on measures that increase drug prices, either by expanding intellectual property rights or by reducing the effectiveness of price negotiations or regulations. Instead of lowering prices for patients, this drug pricing policy will further boost the profits of one of the [most profitable](#) industries and undermine policies that help keep drug prices in check.

Prescription drug corporations have been raising prices on [both sides](#) of the Atlantic for years, adding cost burdens for patients and public health systems. With national health budgets already stretched thin by the steep costs of new medicines, corporate pressure to alter drug pricing regulations in Europe will only worsen the burden. At the same time, innovative pharmaceutical companies, insulated from competition by monopoly protections, are able to set such excessive prices in the U.S. in large part because the government leaves drug prices mostly unregulated. Recently, it was [reported](#) that drugmakers were planning to raise the prices of 350 branded medicines.

Health economists [criticized](#) the U.S.-UK deal for failing to consider medicines affordability and availability, which would be better served by focusing health spending to deliver improved outcomes. Emboldened by the U.S.-U.K. deal, industry is [already](#) increasing pressure on Europe

to raise drug spending, including through destructive threats to [withhold or delay](#) drug launches in Europe if lawmakers refuse to raise prices.

TACD urges the EU to prioritize medicines affordability and reject attempts to erode drug pricing standards. No country should trade away their health regulation, access, or sovereignty in response to coercive trade measures and corporate pressures. Additionally, to ensure effective use of resources and prevent price gouging on medicines, TACD urges policymakers to explore alternative models to incentivize R&D that [delink](#) incentives from high prices, such as through market entry rewards and innovation inducement prizes, alongside more transparent and collaborative medicine pricing and procurement schemes.

MORE/BACKGROUND

- [Raising Prescription Drug Prices Abroad Will Not Lower Prices in the U.S.](#) (Public Citizen, June 2025)
- [Europe Must Not Bow to Big Pharma](#) (Letter from civil society organizations; People's Medicine Alliance, May 2025)
- [Time to Lift the Blindfold: Abolishing Price Secrecy to Help Make Medicines Affordable](#) (BEUC, 2021)
- [Resolution on delinking the incentives to invest in biomedical R&D from the prices of products and services](#) (TACD, September 2018)
- [Resolution on Access to Medicines](#) (TACD, November 2014)
- [Resolution on Innovation and Access to Medical Technologies](#) (TACD, June 2011)
- [A Letter to the WHO Proposing a Medical R&D Treaty](#) (Letter from civil society organizations, government officials, others; Knowledge Ecology International, February 2005)