





# Japan's Efforts to Promote Development of Orphan Medical Devices

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# Regulatory Authorities in Japan

#### **MHLW**

(Ministry of Health, Labour and Welfare)

- Law Enforcement
- Final Authorization
- Publishing Guidelines
- Advisory Committee
- Supervising PMDA etc.



#### **PMDA**

(Pharmaceuticals and Medical Devices Agency)

- Scientific Review
- Post Market Safety
- GCP, QMS Inspection
- Consultation on Development

Strategy

etc.







# **PMDA Organizational Structure**





**Executive Director** (review)

**Executive Director** 

(Safety Measure)

Director of Center for **Product Evaluation** 

> **Associate Executive** Director (medical device review)

#### **Medical Device International Affairs WG**

International regulatory harmonization of medical devices is handled by "Medical Device International Affairs WG" as a project across multi-offices in PMDA.

> **Associate Executive** Director (quality control)

**Chief Safety Officer** 

**Medical Device Unit** 

Office of Standards and **Compliance for Medical Devices** 

Office of Medical Devices I

Office of Medical Devices II

Office of Software as a Medical Device (SaMD)

Office of In Vitro Diagnostics

Office of Manufacturing Quality and Vigilance for Medical Devices

Office of Manufacturing Quality for Drugs

(Divisions related to drug safety)

Chief Executive



# **Designation Criteria for Orphan MD**

#### 1. Small number of patients

- < 50,000 in Japan (Prevalence Rate < 3.9 in 10,000 people)</p>
- Or designated intractable disease

## 2. High medical needs

- Unmet needs (No alternative medical intervention is available)
- Significant benefit (Significantly improved efficacy and/or safety expected compared to existing products)

## 3. High probability of successful development

 Strong rationale to use the product, and an appropriate development plan





#### Incentives for R&D Promotion

### 1. Grant-in-Aid for R&D Expenses

Up to ½ of direct expenditure up to 3 yrs. from NIBIOHN\*

#### 2. Administrative and Scientific Advices

- Pre-submission meeting/advices by MHLW on the application for orphan designation
- Administrative and scientific advices by PMDA (Priority Consultation) and NIBIOHN\* on R&D after the designation



<sup>\*</sup> NIBIOHN: National Institutes of Biomedical Innovation, Health and Nutrition



#### Incentives for R&D Promotion

#### 3. R&D Tax Deduction

 20% of R&D expenses excluding grant-revenue for orphan products during granted period (up to 3yrs.) is deductible in corporate taxation

### 4. Priority Review

- Priority review (Fast-track review) by MHLW/PMDA
  - SAKIGAKE Designation System, Conditional Early Approval System for Innovative Medical Device Products, etc.
  - 9 months (cf. 12 month for standard new MDs)





#### Incentives for R&D Promotion

### 5. Premium for Medical Device Pricing

- Orphan medical devices are given the 10% premium.
- The premium is up to 1.5 times of average price in foreign countries. (cf. up to 1.25 times for standard new MDs)
- Unaffected by the market price of other similar medical devices for a period of time.





# **Designated and Approved Orphan MDs**

(Nov. 1993 – Jan. 2023)

Orphan MDs	Products
Designated	32
(Approved)	(22)







# THANK YOU / QUESTIONS

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