2025 TURKISH PHARMACEUTICAL INDUSTRY

IEIS

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Introduction

The Turkish pharmaceutical industry is one of Türkiye's most strategic sectors, distinguished by its deep-rooted experience, strong manufacturing infrastructure, and focus on advanced technology. This dynamic industry, which directly serves human health, continues to strengthen its position in global competition through its commitment to quality, sustainability, and innovation.

Despite recent global and domestic crises, the sector has demonstrated its resilience by maintaining an uninterrupted supply of medicines. The pharmaceutical industry operating in Türkiye continues its manufacturing activities through 111 production facilities, 4 facilities for foods for special medical purposes, 15 active pharmaceutical ingredient facilities and a workforce of more than 50,000 qualified employees. Through approximately 850 companies, it delivers over 14,000 healthcare products to the market. Furthermore, exports to 185 countries make a significant contribution to the national economy.

Among the sector's primary objectives are developing and manufacturing biotechnological and biosimilar medicines domestically, from the cellular stage onward, enhancing research and development capabilities, strengthening qualified employment and increasing exports to reduce the foreign trade deficit. With strong support from sustainable and predictable public policies, Türkiye is well positioned to achieve these goals and rapidly realize its vision of becoming a regional and global hub for pharmaceutical production and exports.

To achieve these goals, the Pharmaceutical Manufacturers Association of Türkiye (İEİS), the leading non-governmental organization of the pharmaceutical industry, has continued its activities without interruption for over 60 years with its 54 member companies. We also remain committed to our efforts through the Turkish Biotechnological Medicines and Vaccines Platform and the Turkish Pharmaceutical Exporters Platform, both established to promote regulations that will advance and further strengthen the Turkish pharmaceutical industry. Compiling market and macroeconomic data related to the pharmaceutical sector and transforming them into comprehensive analyses is one of our key priorities, ensuring that both our members and the public are equipped with up-to-date information.

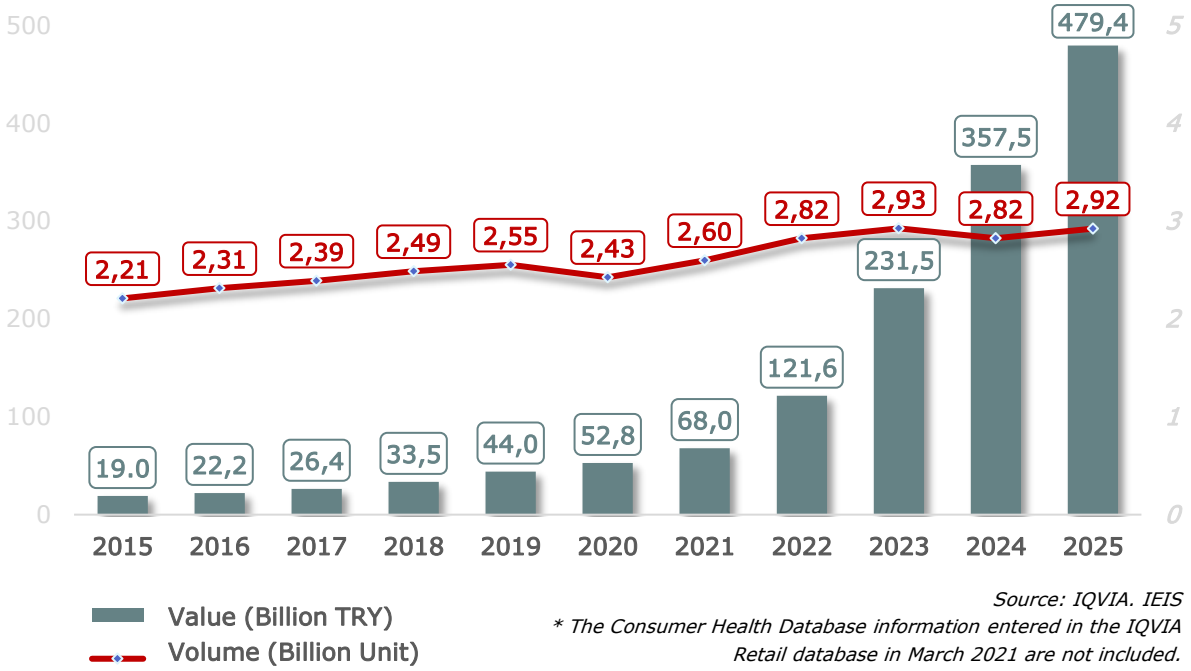
Prepared with the aim of contributing to the development of the sector and to policymaking processes, our 2025 Türkiye Pharmaceutical Industry Report covers the period from 2015 to 2025 and provides comprehensive analyses of the pharmaceutical market, the market for foods for special medical purposes, the healthcare products market, licensing procedures, research and development, manufacturing, employment, foreign trade, pricing, and reimbursement processes.

In this context, we are pleased to present the 2025 Turkish Pharmaceutical Industry Report to our stakeholders across the public sector, academia and the private sector. We trust that it will be received with interest and translated into concrete actions that will support the development of our industry and strengthen its contribution to our country.

1. Turkish Pharmaceutical and Medical Products Market

In 2025, the Turkish pharmaceutical and healthcare products market reached TRY 479.4 billion in value through hospital and pharmacy channels, representing 34.1% growth compared to the previous year. In terms of volume, the market grew by 3.5%, reaching 2.92 billion units (boxes). In the broader healthcare products market, which includes Ministry of Health-approved products such as pharmaceuticals, foods for special medical purposes and traditional herbal medicinal products, as well as infant formulas, vitamins, and dietary supplements approved by the Ministry of Agriculture and Forestry, the previous year saw a 3.5% decline in volume but a 54.4% increase in value.

Chart 1- Turkish Pharmaceutical and Medicinal Products Market



Source: IQVIA. IEIS
** The Consumer Health Database information entered in the IQVIA Retail database in March 2021 are not included.*

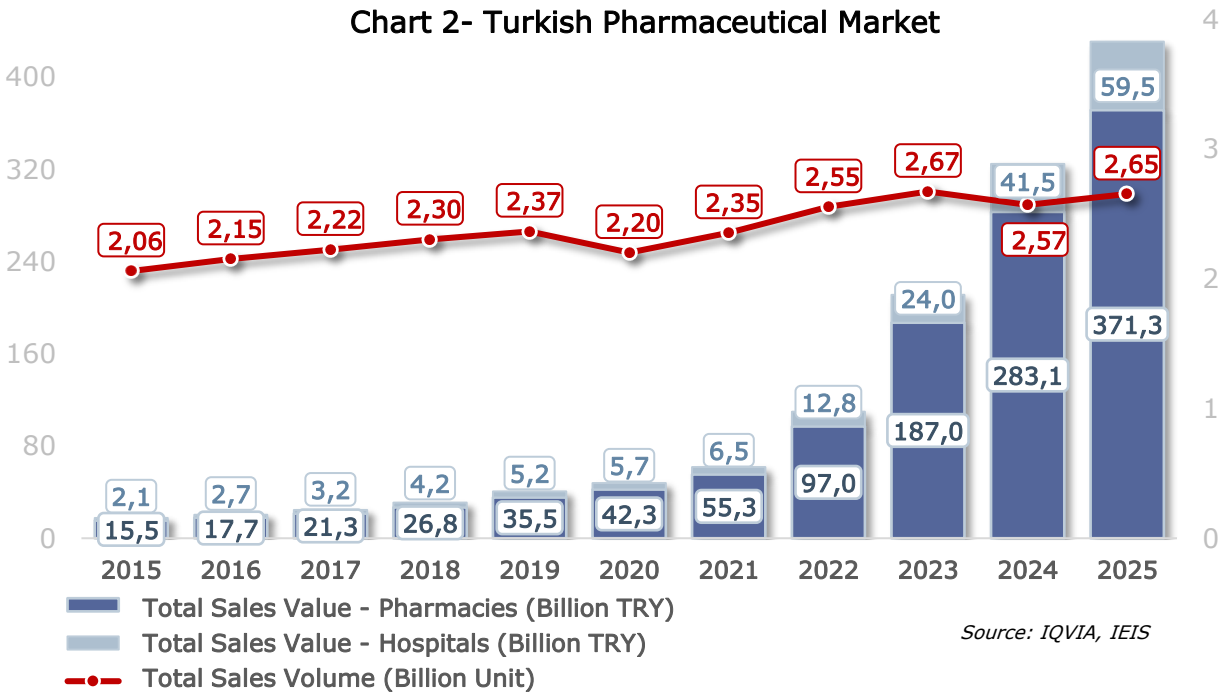
Examining the 11-year period from 2015 to 2025, the pharmaceutical and healthcare products market expanded from TRY 19 billion to TRY 479.4 billion, representing growth of 2,423%. This corresponds to a compound annual growth rate (CAGR) of 38.1%. However, when producer price inflation over the same period is taken into account, the market's real growth was only 31.5%.

In terms of volume, the market increased from 2.21 billion units in 2015 to 2.92 billion units in 2025, representing growth of 32.2%. This corresponds to a CAGR of 2.8%. The primary drivers of this volume growth over the last eleven years have been improved access to public healthcare services and physicians, population-driven demand growth, and the increasing availability of non-pharmaceutical products, particularly natural supplements and vitamins.

1.1 Turkish Pharmaceutical Market

In 2025, the Turkish pharmaceutical market reached TRY 430.8 billion in value through hospital and pharmacy channels, representing 32.7% growth compared to the previous year. In volume terms, the market grew by 3.2%, reaching 2.65 billion units (boxes). In 2025 the hospital channel accounted for 13.8% of the market by value and 7.8% by volume.

Chart 2- Turkish Pharmaceutical Market



Source: IQVIA, IEIS

A review of the period from 2015 to 2025 shows that the pharmaceutical market increased from TRY 17.6 billion to TRY 430.8 billion, representing growth of 2,354%. This translates into a CAGR of 37.7%. However, considering producer price inflation of 1,819% during the same period, the market's real growth was only 27.9%.

In volume terms, the pharmaceutical market grew from 2.06 billion units in 2015 to 2.65 billion units in 2025, representing growth of 28.8% and a CAGR of 2.6%.

Despite substantial increases in production costs during 2025, industry requests for an adjustment to the pharmaceutical exchange rate were addressed only after 14 months, on 20 December 2025, when the pharmaceutical exchange rate was increased by 16.9% to TRY 25.3346. The widening gap between the pharmaceutical exchange rate and the actual market exchange rate particularly over the last five years, has significantly weakened the sector's competitiveness and sustainability. Although the industry achieved 28.8% growth in volume over the last eleven years, its real value growth remained limited to 27.9%.

An analysis of market concentrat s tha stributor companies are engaged in pharmaceutical sales. , 46 s market only imported medicines, while 141 companies exclu th locally manufactured products. The remaining 69 companies, which a r 56% of the medicines availa e market, market both imported a manufactured products and r 63% of market value and 61% of olume. In 2025, the top 50 co accounted for 86% of the market and 81% by volume.

Yeni Ürün Satış Değişim Hacim Fiyat Toplam Büyüme

With the pharmaceutical market, medicines covered by the reimbursement system reached a market value of TRY 401.6 billion in 2025. In other words, 93.2% of the market by value consisted of medicines included in the reimbursement list. A particularly notable finding is that the average price of prescription medicines not covered by reimbursement is more than four times higher than the average price of prescription medicines included in the reimbursement system.

Table 1- Breakdown of the Pharmaceutical Market

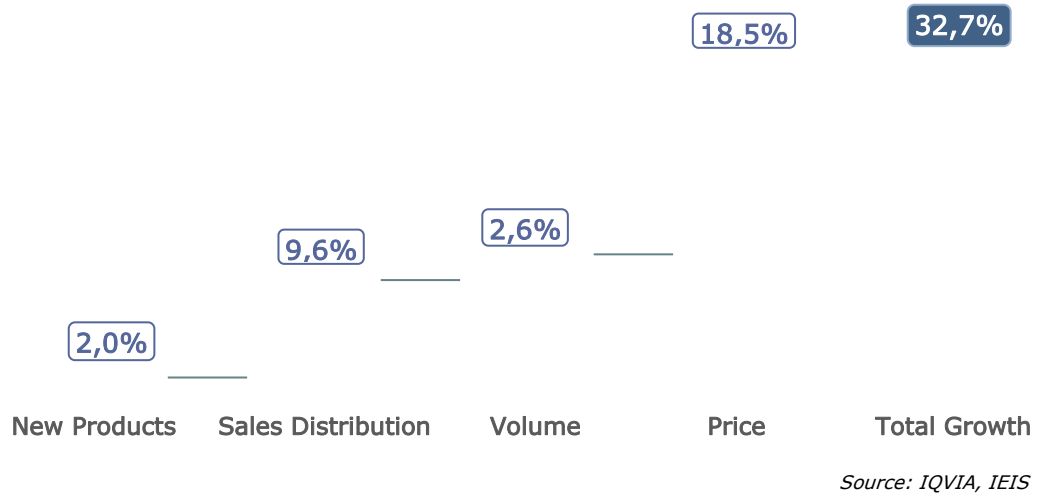
2025	Volume (Billion Unit)	Value (Billion TRY)	Average Price (TRY)
Turkish Pharmaceutical Market	**2,65**	**430,79**	**162,40**
Presciption	**2,62**	**426,85**	**163,20**
Reimbursed	2,58	399,54	155,05
Non- Reimbursed	0,04	27,31	706,86
Non- Presciption	**0,04**	**3,94**	**105,99**
Reimbursed	0,03	2,04	81,38
Non- Reimbursed	0,01	1,90	156,91

Source: SGK, IQVIA, IEIS

1.1.1 Market Growth and Its Drivers

An analysis of the factors contributing to value growth in 2025, namely volume growth within the existing portfolio, price increases, changes in the sales mix and the introduction of new products reveals that price increases were the primary driver of growth.

Chart 3- Resources of Growth



Source: IQVIA, IEIS

The periodic Euro exchange rate used for pharmaceutical pricing in 2025 was increased by 23.5% on 25 October 2024 and set at TRY 21.6721. During 2025, the pharmaceutical exchange rate declined to as low as 43% of the prevailing Euro exchange rate. Despite severe cost pressures, no adjustment was made for 14 months. On 20 December 2025, the pharmaceutical exchange rate was revised upward by 16.9% to TRY 25.3346, and it was announced that additional regulatory measures would be implemented in 2026 in line with industry demands. As a result of these exchange-rate-related pricing adjustments, 18.5 percentage points of the market's 32.7% growth, equivalent to TRY 60 billion, were attributable to price increases.

The increase in market volume contributed 2.6 percentage points, corresponding to approximately TRY 8.6 billion, to overall growth.

Changes in the sales mix of existing products represented the second-largest contributor to market growth. The shift in sales volume from lower-priced products to higher-priced products contributed 9.6 percentage points, equivalent to TRY 31.2 billion, to overall growth.

In 2025, a total of 342 new medicines entered the market, including 323 conventional medicines and 19 biotechnological medicines, contributing 2 percentage points, or approximately TRY 6.5 billion, to market growth.

When newly launched medicines are analyzed by number of products and ATC Level 1 therapeutic classification, the largest share belonged to medicines for the alimentary tract and metabolism, with 62 products accounting for 18.1% of all new launches. These were followed by cardiovascular system medicines with 44 products representing 12.9%, antineoplastic and immunomodulating agents with 41 products representing 12.0%, nervous system medicines with 34 products representing 9.9%, and systemic anti-infectives with 27 products representing 7.9%. Together, these five therapeutic groups accounted for 60.8% of all newly introduced medicines.

In 2025, a total of 47 reference medicines entered the market, comprising 29 conventional medicines, 4 biological medicines, and 14 biotechnological medicines. Of these 47 products, 43 were imported, and 8 had generic equivalents.

The remaining 295 products consisted of generic medicines, of which 290 were conventional generics and 5 were biosimilars. Among the conventional generics, 18 were imported, while all biosimilars were imported products. Consequently, locally manufactured generic medicines represented the largest share of newly launched products, accounting for 79.5% of all new market entries by volume.

Table 2- Unit Distribution of the New Products in the Market

	2025
Drug	**342**
Reference	**47**
# Generic exists	8
Import	5
# Generic non-exists	39
Import	38
Generic	**295**
#Import	23
# Local	272

Source:TITCK, IQVIA, IEIS

1.1.2. Market Structure

A. Originator - Generic Products

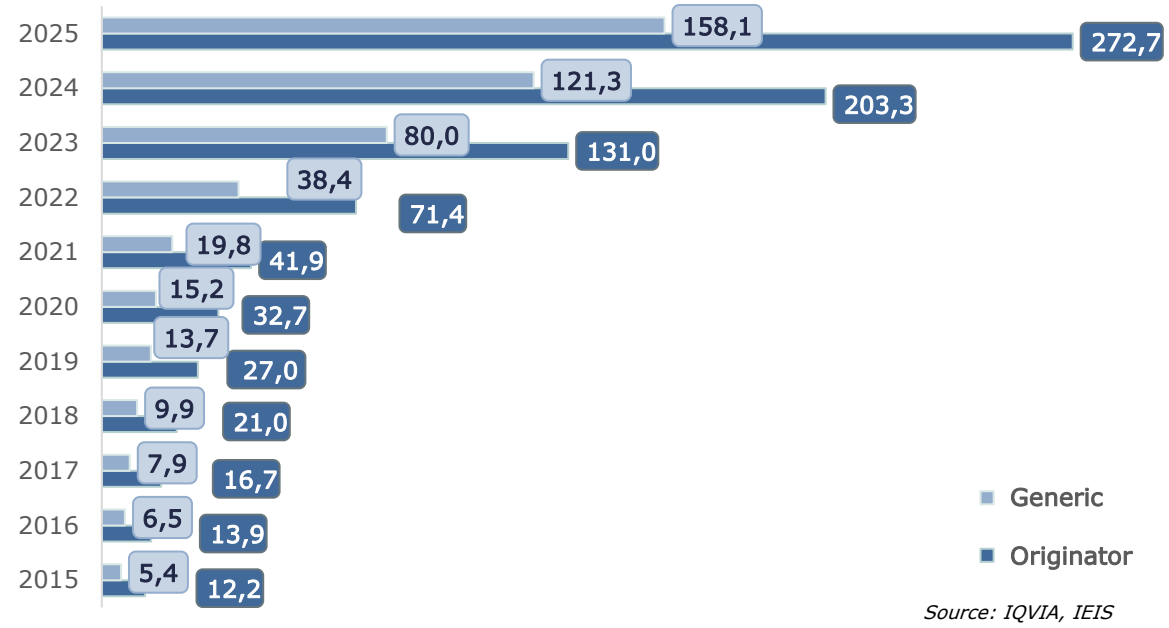
The originator drug market grew by 34.2% in 2025, increasing from TRY 203.3 billion to TRY 272.7 billion. In volume terms, it expanded by 1.7%, rising from 930 million units to 950 million units.

The generic drug market grew by 30.3% in 2025, increasing from TRY 121.3 billion to TRY 150.1 billion. In volume terms, generic drugs expanded by 4.1%, reaching a total volume of 1.71 billion units.

Between 2015 and 2025, the originator drug market expanded by 2,140% in value terms. This represents a compound annual growth rate (CAGR) of 36.5%. However, when adjusted for inflation, real growth amounted to only 16.8%. During the same period, originator drugs recorded volume growth of 5.4%.

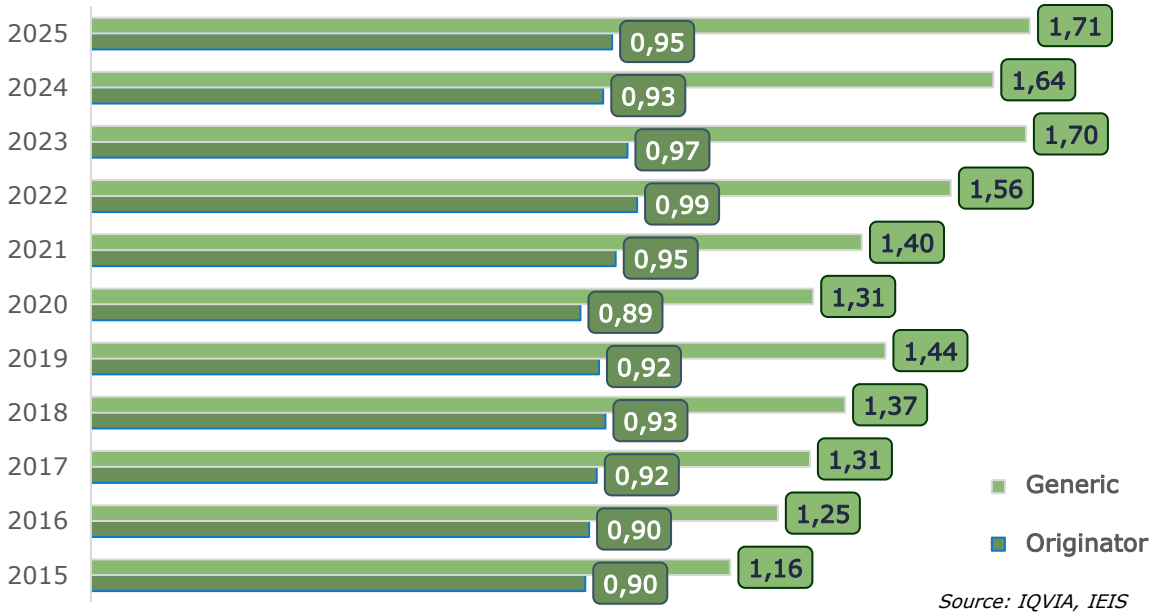
Over the same period, generic drugs achieved total value growth of 2,839%. This corresponds to a compound annual growth rate (CAGR) of 40.2%, while real growth, after adjusting for inflation, was 53.2%. Volume growth for generic drugs reached 46.9% between 2015 and 2025.

Chart 4- Generic – Originator Drugs (Value - Billion TRY)



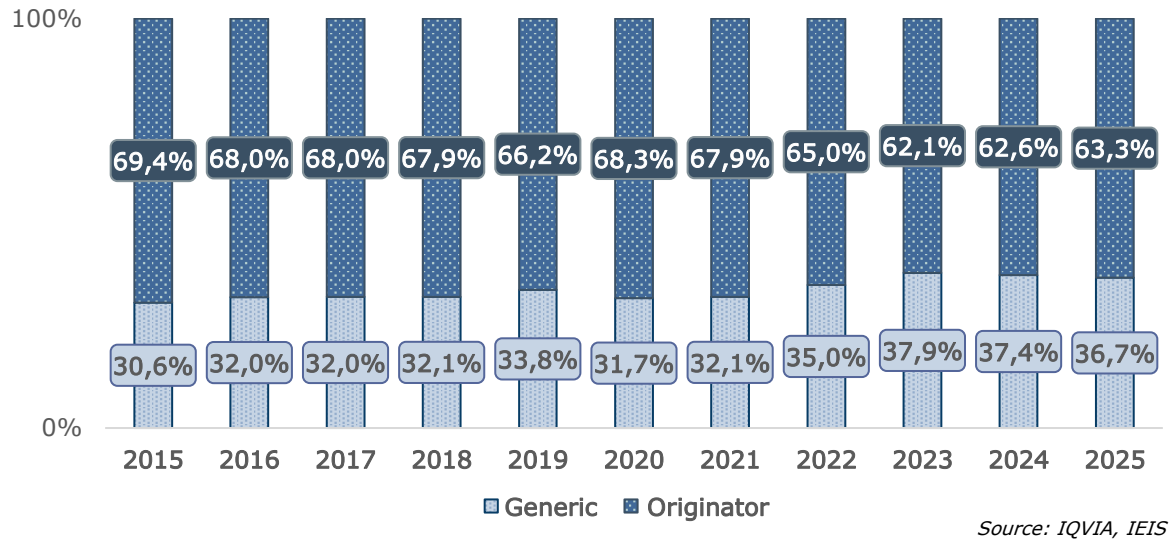
Source: IQVIA, IEIS

Chart 5- Generic – Originator Drugs (Volume - Billion Unit)



Source: IQVIA, IEIS

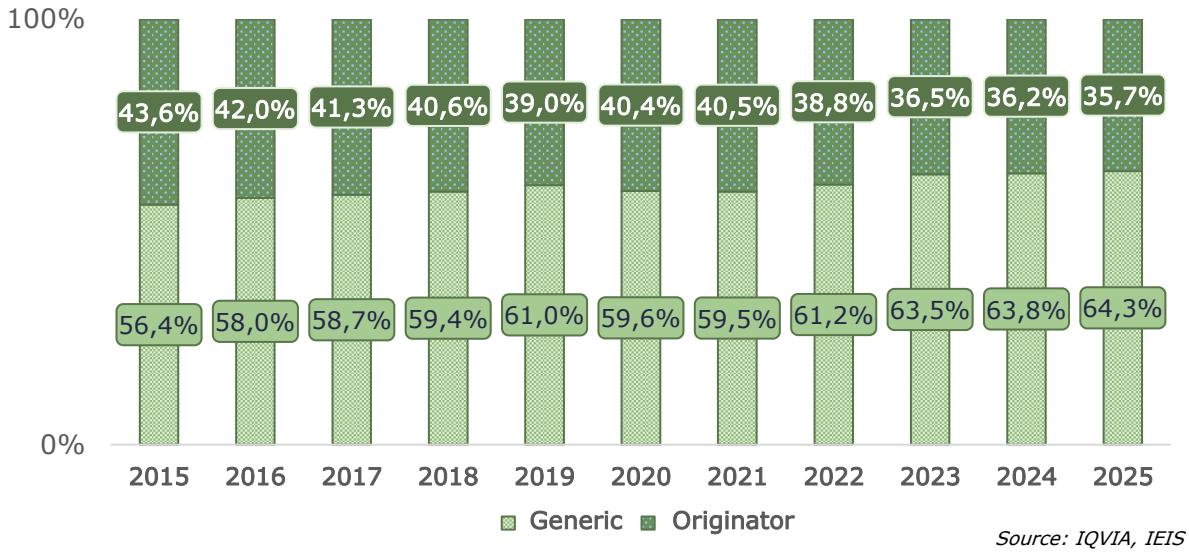
Chart 6- Generic – Originator Drugs Market Share (Value)



Source: IQVIA, IEIS

Generic drugs increased their share of the market from 30.6% to 36.7% in value terms between 2015 and 2025. Over the same period, their volume share rose from 56.4% to 64.3%. In contrast, the share of originator drugs declined from 69.4% to 63.3% by value and from 43.6% to 35.7% in volume.

Chart 5- Generic – Originator Drugs (Volume - Billion Unit)



Source: IQVIA, IEIS

When reference and originator drugs are analyzed according to their imported and locally manufactured status, 68.8% of the value of originator drugs in 2025 consisted of imported products, whereas only 2.8% of the value of generic drugs came from imports.

Table 3- Generic – Originator Products Breakdown on Value

Value											
Generic	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Local (Billion TRY)	5,04	6,17	7,47	9,49	13,27	14,60	18,97	36,92	77,22	117,43	153,64
Import (Billion TRY)	0,34	0,35	0,39	0,43	0,48	0,59	0,83	1,47	2,79	3,87	4,42
Generic Local Rate	*93,7%*	*94,6%*	*95,0%*	*95,7%*	*96,5%*	*96,1%*	*95,8%*	*96,2%*	*96,5%*	*96,8%*	*97,2%*
Generic Import Rate	*6,3%*	*5,4%*	*5,0%*	*4,3%*	*3,5%*	*3,9%*	*4,2%*	*3,8%*	*3,5%*	*3,2%*	*2,8%*
Originator	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Local (Billion TRY)	2,44	2,90	3,75	5,42	7,93	9,71	13,39	23,09	44,91	66,77	85,00
Import (Billion TRY)	9,74	11,00	12,94	15,60	19,05	23,03	28,55	48,32	86,09	136,51	187,72
Originator Local Rate	*20,0%*	*20,9%*	*22,5%*	*25,8%*	*29,4%*	*29,7%*	*31,9%*	*32,3%*	*34,3%*	*32,8%*	*31,2%*
Originator Import Rate	*80,0%*	*79,1%*	*77,5%*	*74,2%*	*70,6%*	*70,3%*	*68,1%*	*67,7%*	*65,7%*	*67,2%*	*68,8%*

Source: IQVIA, IEIS

In volume terms, imported originator drugs accounted for 19.1% of the market, while 99.4% of generic drugs were produced domestically, making them almost entirely locally manufactured products.

The period between 2015 and 2025 witnessed particularly rapid growth in the domestic production of originator drugs. In 2015, only 56.6% of originator drugs were manufactured in Türkiye, whereas by 2025 this figure had increased to 80.9%. This trend is significant as it demonstrates the substantial expansion of high-value-added pharmaceutical manufacturing within the country over the years.

Table 4- Generic – Originator Products Breakdown on Volume

Volume											
Generic	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Local (Billion Unit)	1,12	1,21	1,27	1,34	1,42	1,29	1,38	1,54	1,68	1,63	1,70
Import (Billion Unit)	0,04	0,04	0,04	0,03	0,02	0,02	0,02	0,02	0,02	0,01	0,01
Generic Local Rate	*96,6%*	*97,0%*	*97,2%*	*97,8%*	*98,5%*	*98,5%*	*98,4%*	*98,6%*	*98,7%*	*99,2%*	*99,4%*
Generic Import Rate	*3,4%*	*3,0%*	*2,8%*	*2,2%*	*1,5%*	*1,5%*	*1,6%*	*1,4%*	*1,3%*	*0,8%*	*0,6%*
Originator	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Local (Billion Unit)	0,51	0,51	0,52	0,59	0,65	0,64	0,71	0,77	0,77	0,73	0,77
Import (Billion Unit)	0,39	0,40	0,39	0,35	0,27	0,25	0,25	0,22	0,21	0,20	0,18
Generic Local Rate	*56,6%*	*56,1%*	*57,0%*	*62,7%*	*70,7%*	*72,4%*	*74,2%*	*77,5%*	*78,8%*	*78,7%*	*80,9%*
Generic Import Rate	*43,4%*	*43,9%*	*43,0%*	*37,3%*	*29,3%*	*27,6%*	*25,8%*	*22,5%*	*21,2%*	*21,3%*	*19,1%*

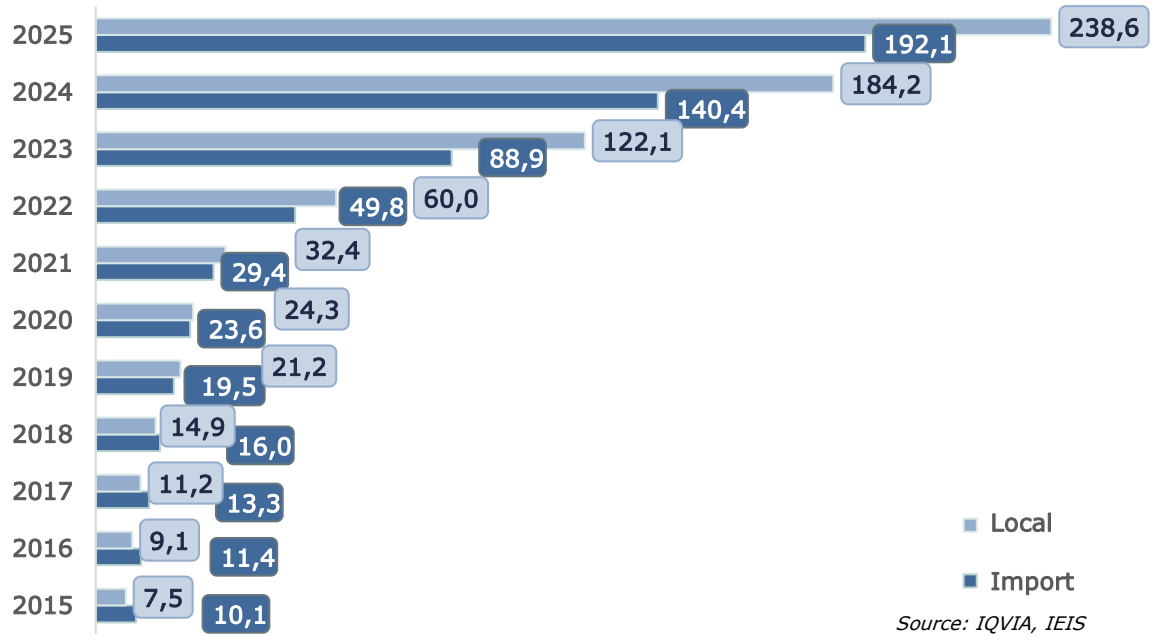
Source: IQVIA, IEIS

B. Imported - Local Products

The market size of imported drugs increased by 36.9% in 2025, rising from TRY 140.4 billion to TRY 192.1 billion. Over the period from 2015 to 2025, imported drugs recorded value growth of 2,140%. While this corresponds to a compound annual growth rate (CAGR) of 36.5%, when adjusted for inflation, the market experienced a real decline of 0.6% over the same period.

Local drugs grew by 29.6% in 2025, below the overall market average, increasing from TRY 184.2 billion to TRY 238.6 billion. Between 2015 and 2025, local drugs recorded value growth of 3,092%, corresponding to a compound annual growth rate (CAGR) of 41.4%. Real growth, adjusted for inflation, reached 66.4% during the same period.

Chart 8- Local – Import Drugs (Value - Billion TRY)

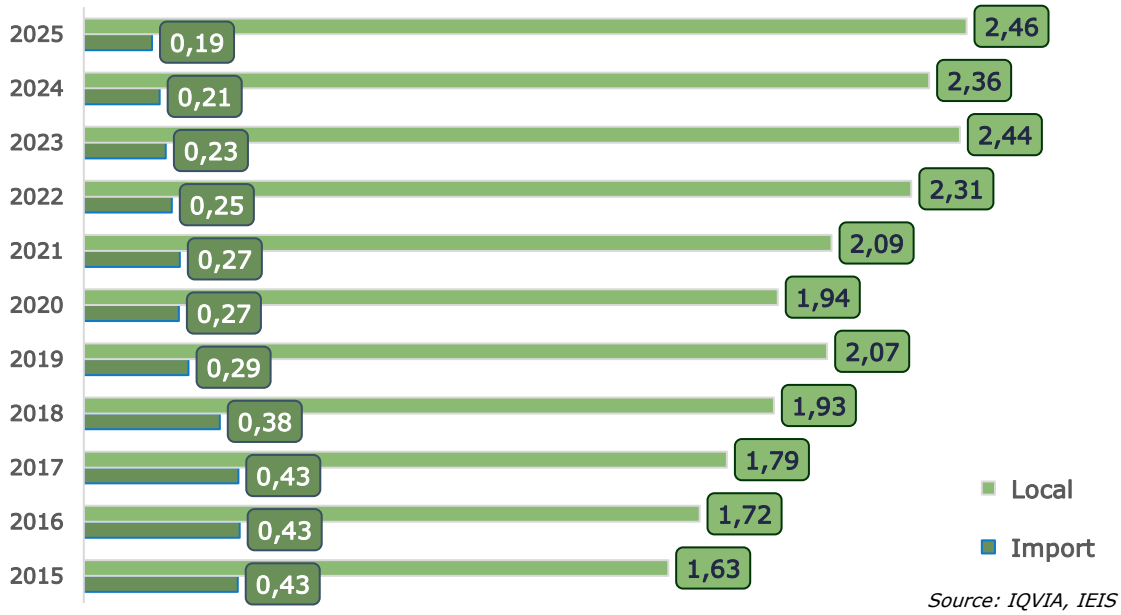


Source: IQVIA, IEIS

In terms of volume, imported drugs recorded sales of 190 million units in 2025, representing a decline of 10.1%. Between 2015 and 2025, the volume of imported drugs decreased by 55.7%.

Local drugs, on the other hand, achieved sales of 2.46 billion units in 2025, representing growth of 4.4%. Over the 2015–2025 period, local drugs expanded by 51.1% in volume terms.

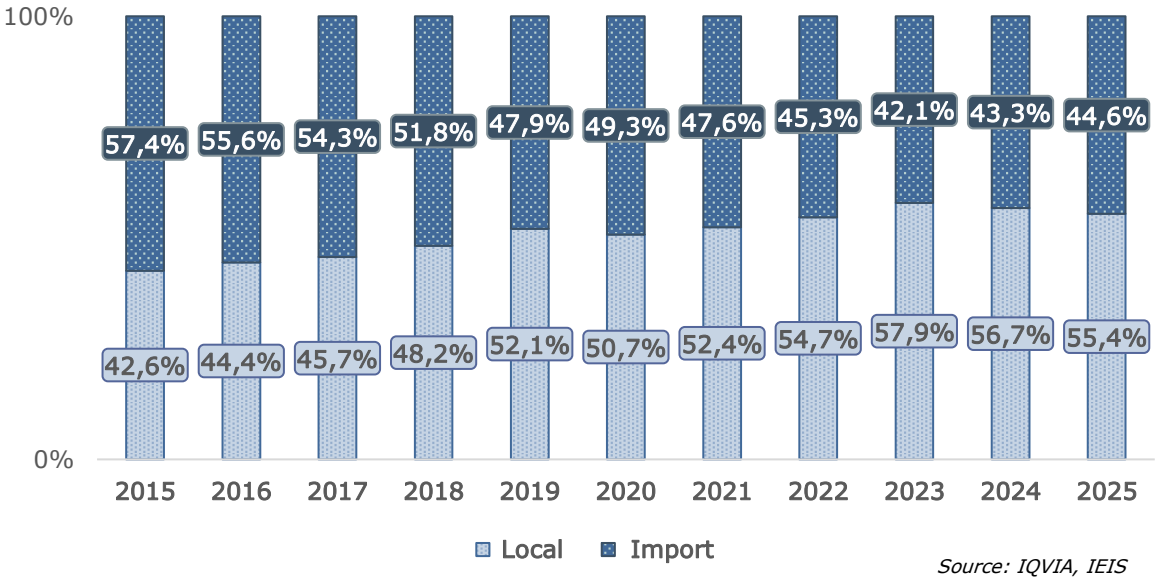
Chart 9- Local – Import Drugs (Volume - Billion Unit)



Source: IQVIA, IEIS

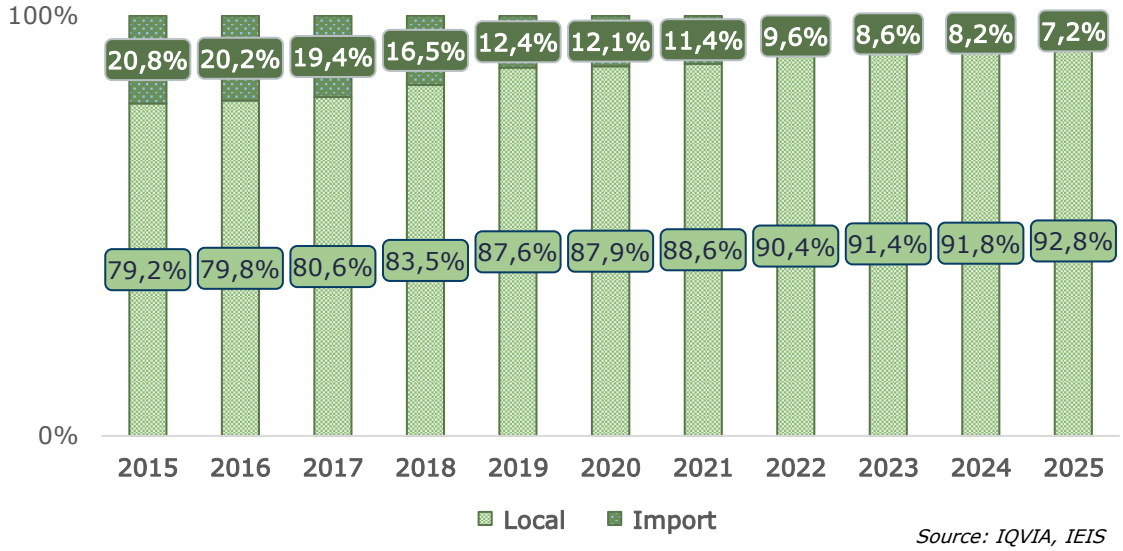
The localization policy introduced in 2016 helped the share of local drugs exceed 50% by 2019. Although the pace of growth slowed after the localization process was halted before full completion, the value share of local drugs reached 55.4% in 2025. In volume terms, the share of local drugs increased from 79.2% in 2015 to 92.8% in 2025.

Chart 10- Local – Import Drugs Market Share (Value)



Source: IQVIA, IEIS

Chart 11- Local – Import Drugs Market Share (Volume)



Source: IQVIA, IEIS

An analysis of the market by value in 2025 shows that 97.7% of imported drugs consisted of originator products, whereas this ratio was 35.6% among local drugs. Generic drugs accounted for only 2.3% of imported drugs, compared with 64.4% of local drugs.

Table 5- Local – Import Drugs Breakdown on Value

Value											
Local	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Generic (Billion TRY)	5,04	6,17	7,47	9,49	13,27	14,60	18,97	36,92	77,22	117,43	153,64
Originator (Billion TRY)	2,44	2,90	3,75	5,42	7,93	9,71	13,39	23,09	44,91	66,77	85,00
Local Generic Rate	*67,4%*	*68,0%*	*66,6%*	*63,7%*	*62,6%*	*60,1%*	*58,6%*	*61,5%*	*63,2%*	*63,8%*	*64,4%*
Local Originator Rate	*32,6%*	*32,0%*	*33,4%*	*36,3%*	*37,4%*	*39,9%*	*41,4%*	*38,5%*	*36,8%*	*36,2%*	*35,6%*
Import	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Generic (Billion TRY)	0,34	0,35	0,39	0,43	0,48	0,59	0,83	1,47	2,79	3,87	4,42
Originator (Billion TRY)	9,74	11,00	12,94	15,60	19,05	23,03	28,55	48,32	86,09	136,51	187,72
Import Generic Rate	*3,4%*	*3,1%*	*2,9%*	*2,7%*	*2,4%*	*2,5%*	*2,8%*	*3,0%*	*3,1%*	*2,8%*	*2,3%*
Import Originator Rate	*96,6%*	*96,9%*	*97,1%*	*97,3%*	*97,6%*	*97,5%*	*97,2%*	*97,0%*	*96,9%*	*97,2%*	*97,7%*

Source: IQVIA, IEIS

In volume terms, originator drugs represented 94.9% of imported products, while their share among local drugs stood at 31.1%. In 2025, 68.9% of medicines produced in Türkiye consisted of generic products, whereas this ratio was only 5.1% among imported drugs.

Table 6- Local – Import Drugs Breakdown on Volume

Volume											
Local	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Generic (Billion Unit)	**1,12**	**1,21**	**1,27**	**1,34**	**1,42**	**1,29**	**1,38**	**1,54**	**1,68**	**1,63**	**1,70**
Originator (Billion Unit)	**0,51**	**0,51**	**0,52**	**0,59**	**0,65**	**0,64**	**0,71**	**0,77**	**0,77**	**0,73**	**0,77**
Local Generic Rate	*68,8%*	*70,5%*	*70,8%*	*69,6%*	*68,5%*	*66,7%*	*66,1%*	*66,7%*	*68,6%*	*69,0%*	*68,9%*
Local Originator Rate	*31,2%*	*29,5%*	*29,2%*	*30,4%*	*31,5%*	*33,3%*	*33,9%*	*33,3%*	*31,4%*	*31,0%*	*31,1%*
Import	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Generic (Billion Unit)	**0,04**	**0,04**	**0,04**	**0,03**	**0,02**	**0,02**	**0,02**	**0,02**	**0,02**	**0,01**	**0,01**
Originator (Billion Unit)	**0,39**	**0,40**	**0,39**	**0,35**	**0,27**	**0,25**	**0,25**	**0,22**	**0,21**	**0,20**	**0,20**
Import Generic Rate	*9,2%*	*8,6%*	*8,4%*	*8,1%*	*7,5%*	*7,5%*	*8,3%*	*9,2%*	*9,8%*	*6,1%*	*5,1%*
Import Originator Rate	*90,8%*	*91,4%*	*91,6%*	*91,9%*	*92,5%*	*92,5%*	*91,7%*	*90,8%*	*90,2%*	*93,9%*	*94,9%*

Source: IQVIA, IEIS

C. Biotechnological Products

As the global pharmaceutical industry enters the biotechnology era, the regulatory approval processes for biosimilar drugs have become increasingly important and strategic. While the share of biotechnological products in the global pharmaceutical market continues to grow rapidly, developed countries are continuously updating their public policies and regulatory frameworks to maintain their competitiveness in this field. Consequently, the share of these products in pharmaceutical markets worldwide and in Türkiye continues to increase, exceeding 40% of the global market by value and reaching 21.1% in Türkiye.

One of the clearest examples of this global transformation is the approach adopted in markets such as the European Union, the United States, the United Kingdom, and Canada, where Phase III clinical trial requirements for biosimilars are being relaxed or eliminated altogether when quality and biosimilarity data are deemed sufficient. This model reduces development costs, accelerates patient access to medicines, and significantly eases the financial burden on public healthcare budgets.

To ensure that Türkiye does not fall behind in this global race, a regulatory amendment long advocated by the industry was enacted on 21 April 2026, when the Turkish Medicines and Medical Devices Agency (TİTCK) revised the "Guideline on Biosimilar Medicinal Products" and published the new "Guideline on the Development and Authorization of Biosimilar Medicinal Products."

This new regulation, which removes the requirement for Phase III clinical studies under specific conditions, represents a highly significant achievement for the sector. For the domestic pharmaceutical industry, which has invested

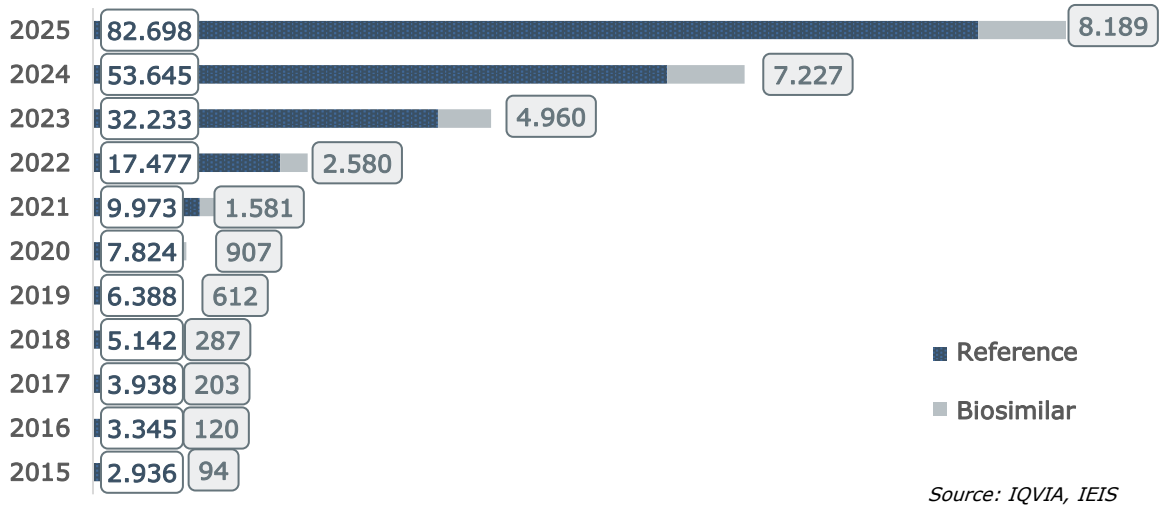
approximately USD 1.1 billion in biotechnology in recent years, established 13 modern biotechnology manufacturing facilities, and strengthened its research, development, and production infrastructure, this regulation presents a major opportunity. Furthermore, the inclusion of biotechnological drugs among the strategic sectors of the HIT-30 Project is expected to provide substantial support for both existing and future investments in biotechnology.

As of 2025, biotechnological drugs in Türkiye accounted for 33.3 million units, representing a 1.3% share of total pharmaceutical volume, and generated TRY 90.9 billion in sales, corresponding to approximately 21.1% of the pharmaceutical market by value. During the 2015–2025 period, biosimilar drugs achieved a compound annual growth rate (CAGR) of 17.3%, significantly outperforming both the overall pharmaceutical market, which grew at an annual CAGR of 2.6% in volume, and the broader biotechnological drugs market, which grew at an annual CAGR of 3.1%.

As of the end of December 2025, Türkiye had licensed 308 formulations of reference biotechnological drugs under 155 brands and 133 formulations of biosimilar drugs under 47 brands. In total, the biotechnological drugs market consisted of 441 formulations marketed under 202 brands. Forty-two medicines, representing all formulations of 11 biosimilar brands, are manufactured domestically in Türkiye.

An analysis of the biotechnological drugs market by value in 2025 shows that reference biotechnological drugs grew by 54.2%, reaching TRY 82.7 billion. The biosimilar drugs market increased by 13.3%, reaching TRY 8.19 billion.

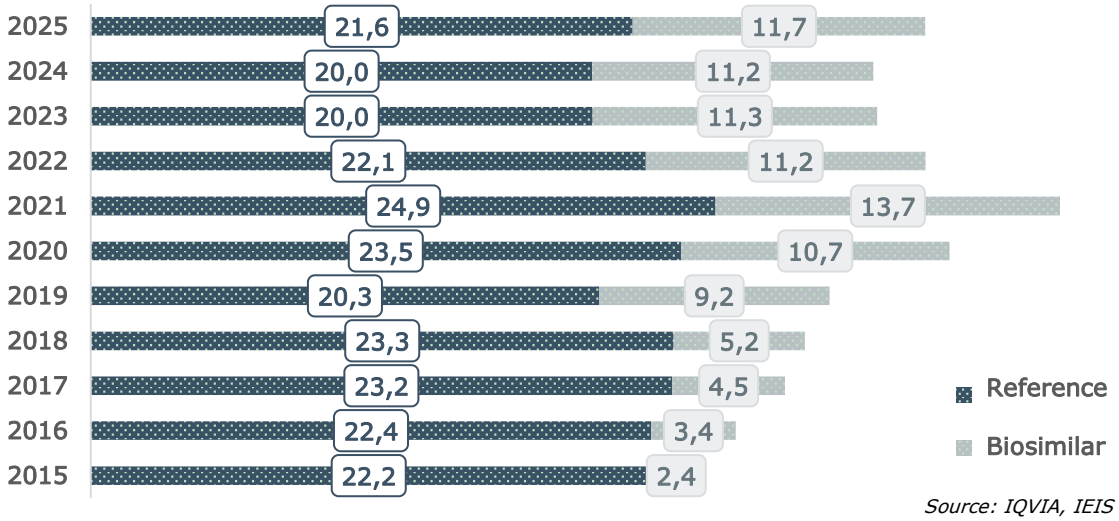
Chart 12- Biotechnological Drugs (Value - Million TRY)



Source: IQVIA, IEIS

In volume terms, the biotechnological drugs market grew by 6.6% in 2025, reaching 33.3 million units. Sales of reference biotechnological drugs increased by 8% compared with the previous year, reaching 21.6 million units, while biosimilar drugs grew by 4.1%, reaching 11.7 million units.

Chart 13- Biotechnological Drugs (Volume - Million Unit)

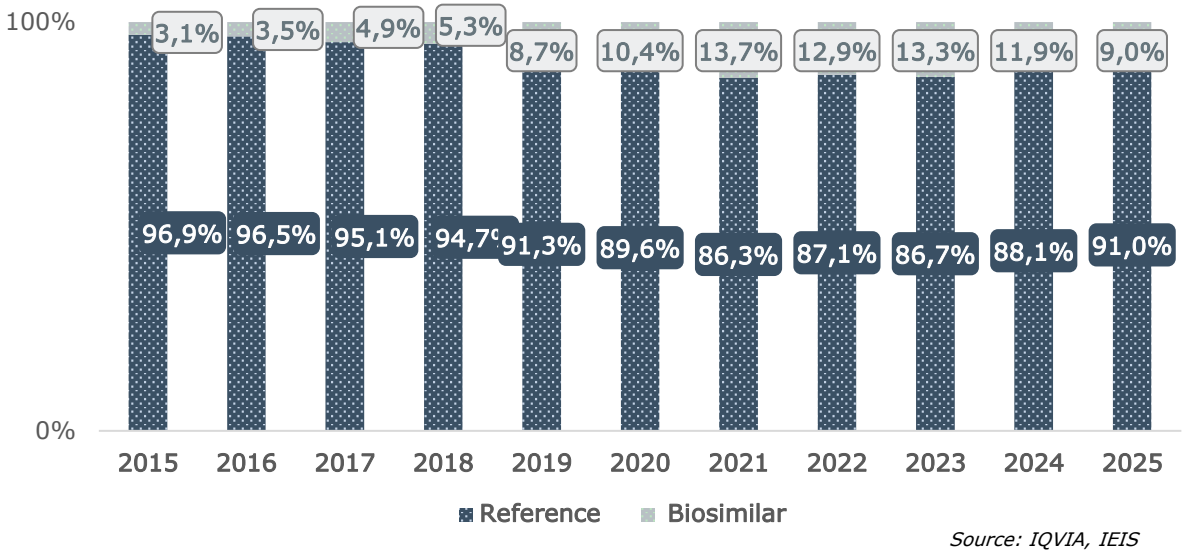


Source: IQVIA, IEIS

Türkiye has authorized biosimilar products containing abciximab, adalimumab, aflibercept, bevacizumab, eculizumab, enoxaparin sodium, epoetin alfa, epoetin zeta, eptacog alfa, etanercept, filgrastim, infliximab, insulin glargine, pegfilgrastim, rituximab, somatropin, and trastuzumab. Among these, the biosimilars currently manufactured in Türkiye contain the active ingredients enoxaparin sodium, epoetin alfa, filgrastim, infliximab, insulin glargine, and trastuzumab.

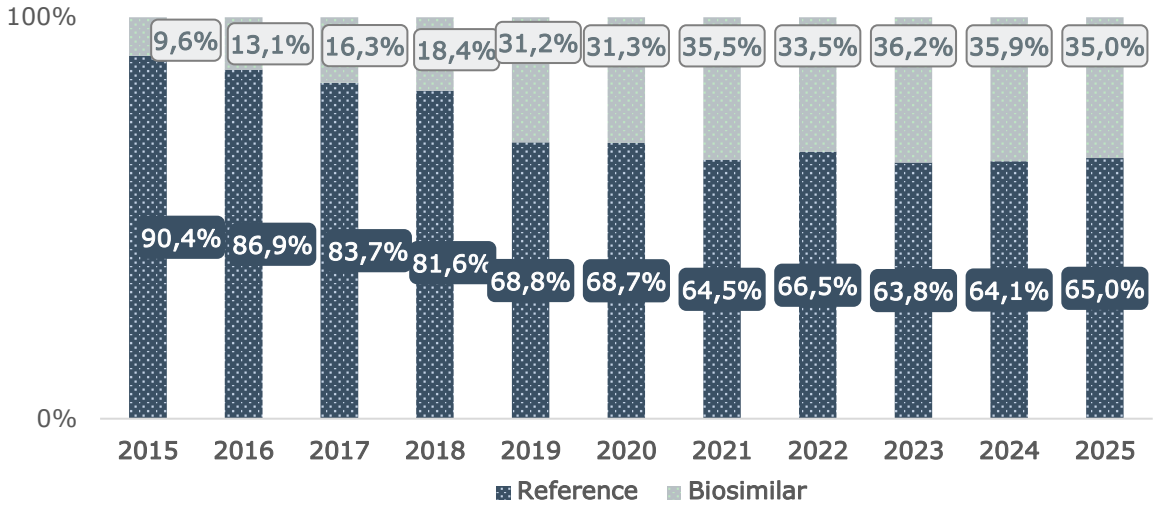
In 2015, biosimilar drugs accounted for 3.1% of the biotechnological drugs market by value. By 2025, this share had increased to 9%.

Chart 14- Reference-Biosimilar Drugs Market Share (Value)



Source: IQVIA, IEIS

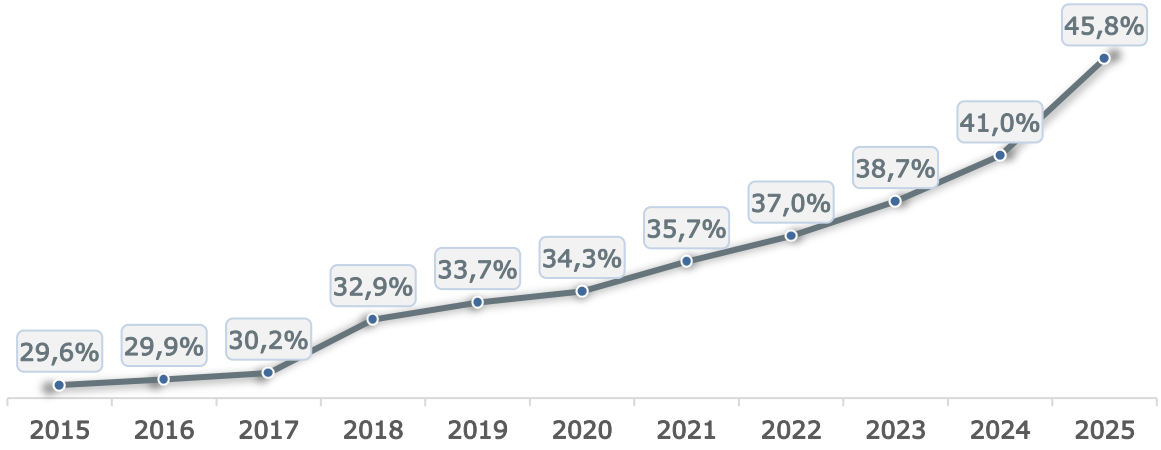
Chart 15- Reference-Biosimilar Drugs Market Share (Volume)



Source: IQVIA, IEIS

In volume terms, the share of biosimilar drugs rose from 9.6% in 2015 to 35% in 2025.

Chart 16- The Share of Imported Biopharmaceuticals Among Imported Products (Value)



Source: IQVIA, IEIS

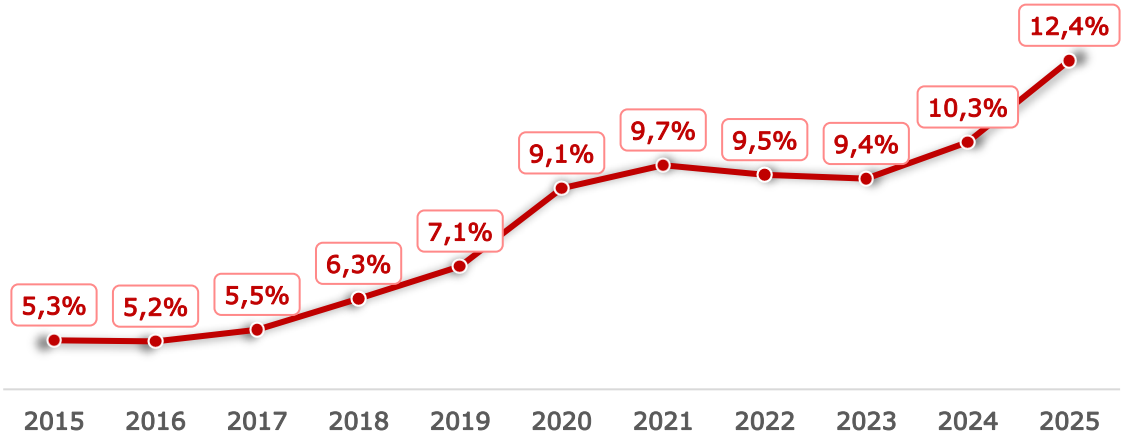
Within imported drugs, biotechnological products accounted for 45.8% of market value and 12.4% of market volume in 2025.

Among therapeutic categories, antineoplastic and immunomodulating agents ranked first by value in both the biosimilar and reference biotechnological drug segments. The second-largest category was blood and blood-forming products among biosimilars, while digestive system and metabolism medicines ranked second among reference biotechnological products.

The development and production of these drugs within Türkiye, which are currently largely dependent on imports, would not only improve patient access but would also reduce the pressure that imported drugs place on public healthcare finances.

At the same time, it would help reduce the foreign trade deficit and make a significant contribution to the national economy.

Chart 17- The Share of Imported Biopharmaceuticals Among Imported Products (Volume)



Source: IQVIA, IEIS

Table 7- Biotechnological Products

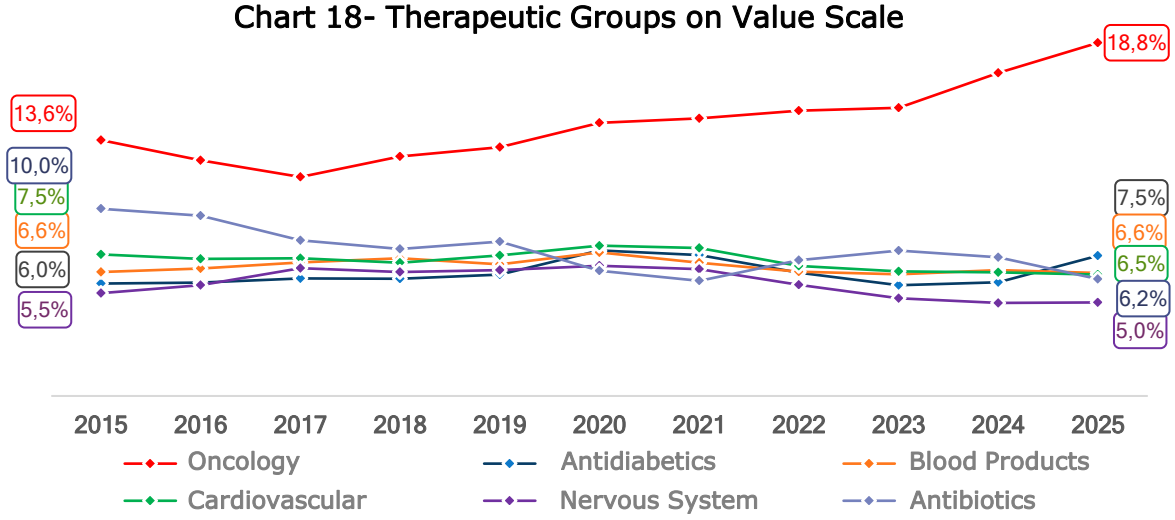
2025	Unit	Value
Biosimilar	**100%**	**100%**
Antineoplastics and immunomodulatory agents	15,8%	60,4%
Blood and hematopoietic organs	79,5%	28,9%
Systematic Hormonal Preparations (Excluding Sex Hormones and Insulins)	3,3%	9,3%
Digestive system and metabolism products	1,4%	0,9%
Sensory Areas	0,1%	0,5%
Reference	**100%**	**100%**
Antineoplastics and immunomodulatory agents	12,8%	55,8%
Digestive system and metabolism products	67,5%	16,3%
Blood and hematopoietic organs	4,1%	7,9%
Respiratory System	3,7%	4,2%
Genito Urinary System and Sex Hormones	3,8%	3,4%
Muscle-Skeleton System	3,3%	3,3%
Sensory Areas	1,5%	2,7%
Dermatology	0,6%	2,6%
Systematic Hormonal Preparations (Excluding Sex Hormones and Insulins)	2,1%	1,5%
Nervous System	0,3%	1,3%
Systematically Used Anti-infectives	0,3%	0,9%
Cardiovascular System	0,0%	0,1%

Source: IQVIA, IEIS, calculated at ATC1 level

D. Therapeutical Groups

An analysis of the top six therapeutic groups, which together accounted for 50.5% of the market by value, shows that oncology drugs have maintained their clear lead. Over the past ten years, the share of oncology drugs increased from 13.6% to 18.8%. One of the main reasons for oncology drugs ranking first in the overall market is that they also represent the largest share of biotechnological drugs by value. Between 2015 and 2025, the market shares of antibiotics, cardiovascular drugs, and nervous system drugs declined, while the shares of other therapeutic groups generally increased.

Chart 18- Therapeutic Groups on Value Scale

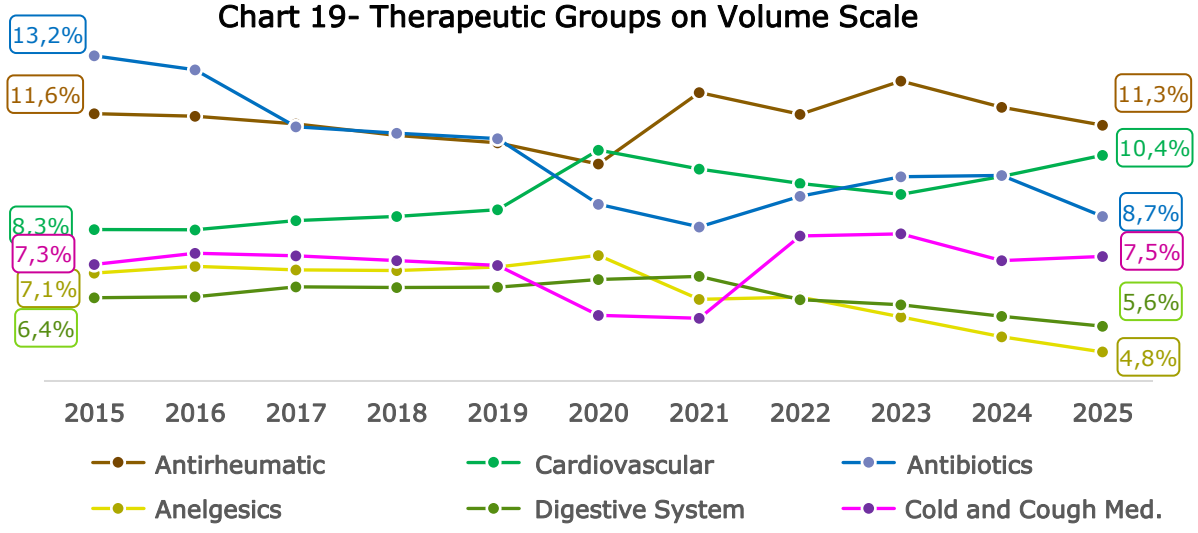


Source: IQVIA, IEIS

"Antibiotics: ATC groups of Antibacterial, Antimycotics and Antivirals"

In terms of volume, the leading therapeutic groups in 2025 were antirheumatic drugs with an 11.3% share and cardiovascular drugs with a 10.4% share. The decline observed in frequently prescribed medicine groups such as antibiotics and cold remedies during the COVID-19 pandemic has gradually reversed, with demand returning to pre-pandemic levels in recent years.

Chart 19- Therapeutic Groups on Volume Scale



Source: IQVIA, IEIS

"Antibiotics: ATC groups of Antibacterial, Antimycotics and Antivirals"

E. Average Prices

Between 2015 and 2025, the average price of medicines increased by 1,806%, reaching TRY 162.4. However, when adjusted for inflation, this represents a real decline of 0.7%.

Comparing average drug prices between 2024 and 2025, the overall pharmaceutical market recorded growth of 28.6%, while reference drugs grew by 31.9%, generic drugs by 25.3%, imported drugs by 52.3%, and local drugs by 24.1%. After adjusting for inflation, average prices increased by 0.7% in the overall pharmaceutical market, 3.3% for reference drugs, and 19.3% for imported drugs. In contrast, local drugs experienced a real decline of 2.8%, while generic drugs declined by 1.9%.

Despite rising production costs throughout 2025, no regulatory adjustment was implemented for an extended period, causing the pharmaceutical exchange rate to fall to only 43.2% of the prevailing market exchange rate. On 20 December 2025, the pharmaceutical exchange rate was increased by 16.9% to TRY 25.3346, bringing it to only 50.6% of the current market exchange rate. As this increase fell short of expectations, it was announced that additional regulatory measures would be introduced beginning in 2026.

Table 8- Distribution of Average Product Prices (TRY)

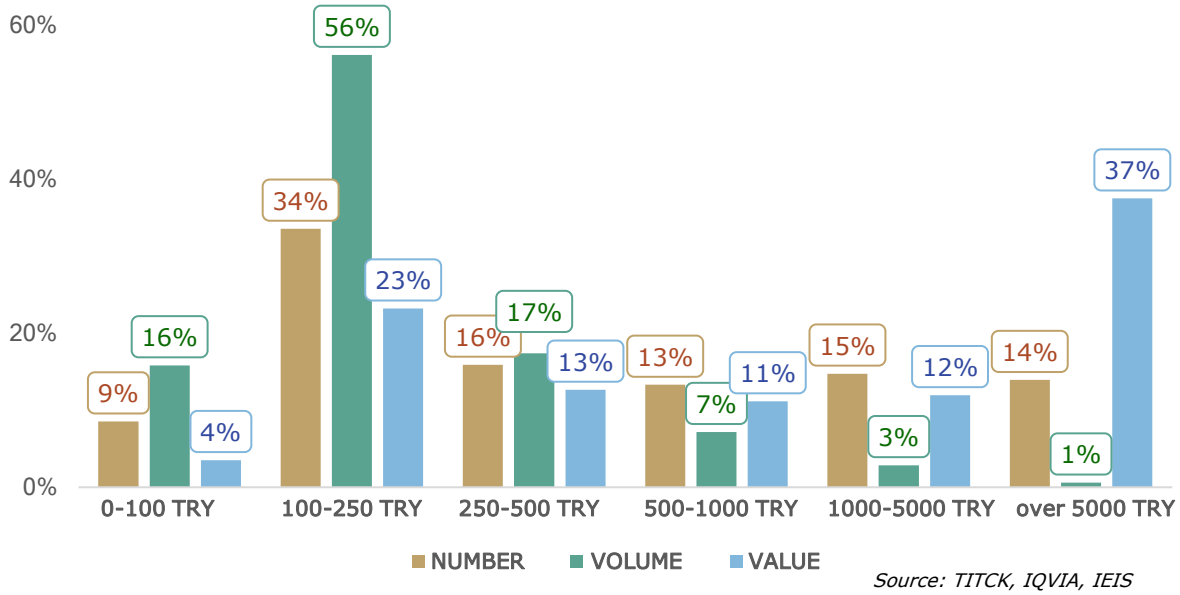
	Medicine	Originator	Generic	Import	Local
2015	8,5	13,6	4,6	23,5	4,6
2016	9,5	15,4	5,2	26,1	5,3
2017	11,0	18,2	6,0	30,9	6,3
2018	13,4	22,5	7,2	42,3	7,8
2019	17,2	29,2	9,5	66,8	10,2
2020	21,8	36,8	11,6	89,0	12,6
2021	26,2	44,0	14,1	109,7	15,5
2022	43,0	72,0	24,6	202,8	26,0
2023	78,9	134,4	47,1	388,2	50,0
2024	126,3	218,4	74,0	663,4	78,1
2025	162,4	288,1	92,7	1010,3	96,9
Change Rate					
2015-2025	1806%	2025%	1902%	4205%	2013%
2024-2025	28,6%	31,9%	25,3%	52,3%	24,1%
Real Change Rate					
2015-2025	-0,7%	10,8%	4,3%	124,4%	10,1%
2024-2025	0,7%	3,3%	-1,9%	19,3%	-2,8%

Source: IQVIA, IEIS

F. Retail Price Ranges

An analysis of the distribution of medicines by retail sales price in 2025 shows that products priced between TRY 100 and TRY 250 represented the largest share in both unit and box sales. Products priced below TRY 500 accounted for 59% of the market by unit volume, 89% by box volume, and 40% by value.

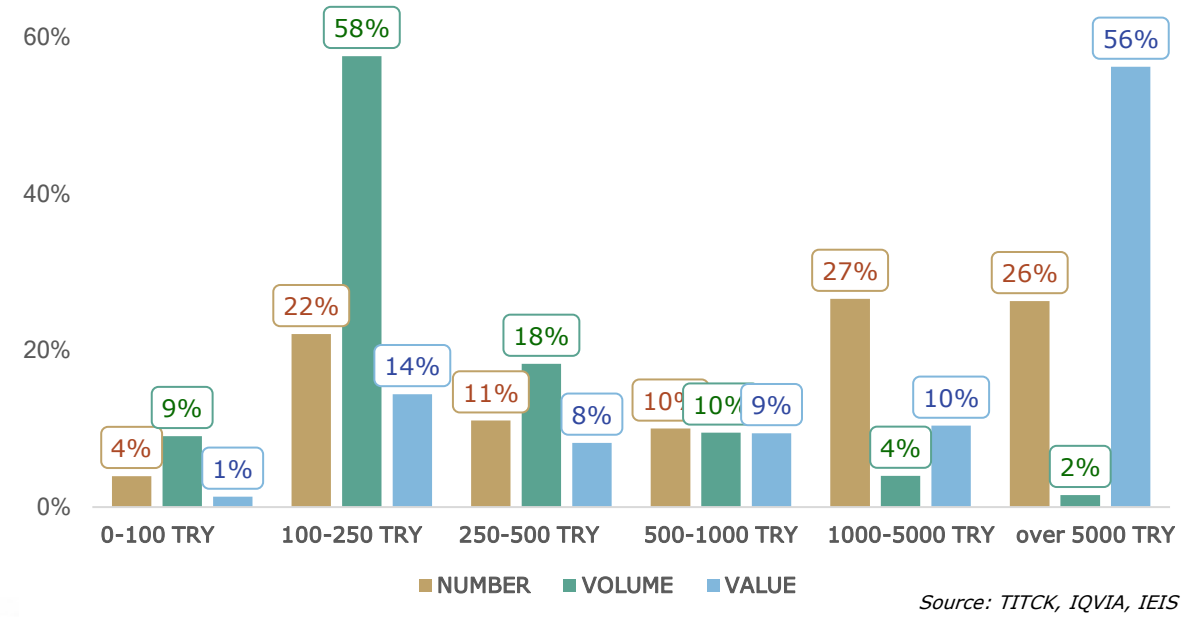
Chart 20- Retail Price Distribution



Source: TITCK, IQVIA, IEIS

Within the reference drugs segment, products priced between TRY 1,000 and TRY 5,000 held the largest share by unit sales, while products priced between TRY 100 and TRY 250 accounted for the largest share by box volume. By value, products priced above TRY 5,000 represented the largest share. Within the reference drugs market, products priced below TRY 500 accounted for 37% of unit sales, 85% of box sales, and 23% of market value.

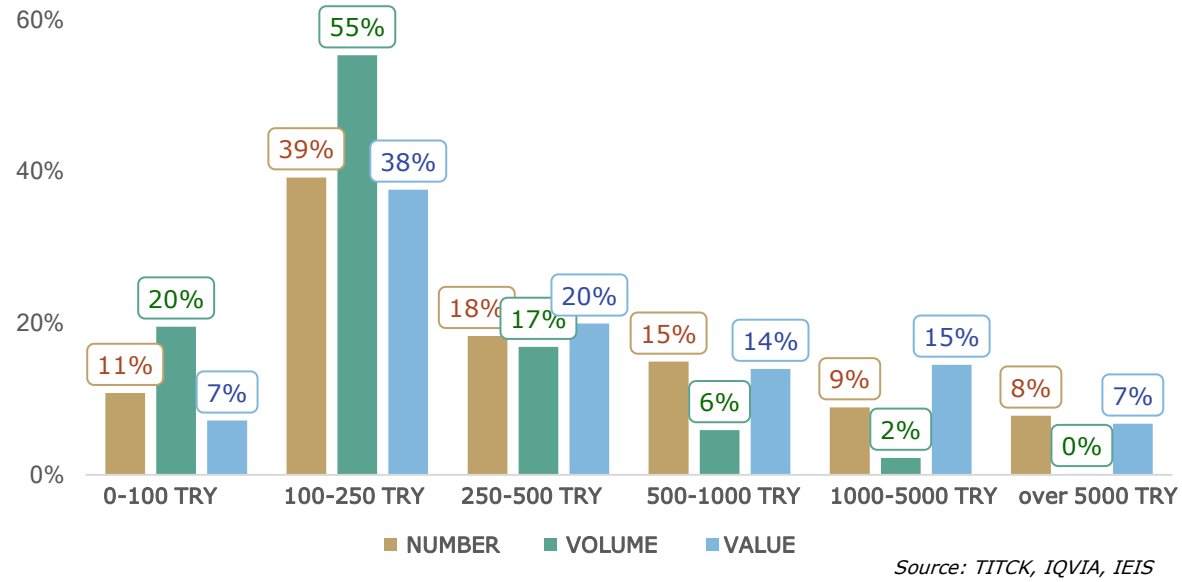
Chart 21- Price Breakdown of Originator Products



Source: TITCK, IQVIA, IEIS

For generic drugs, products priced between TRY 100 and TRY 250 held the largest share in terms of units, boxes, and value in 2025. Products priced below TRY 500 accounted for 68% of unit sales, 92% of box sales, and 65% of market value within the generic drugs segment.

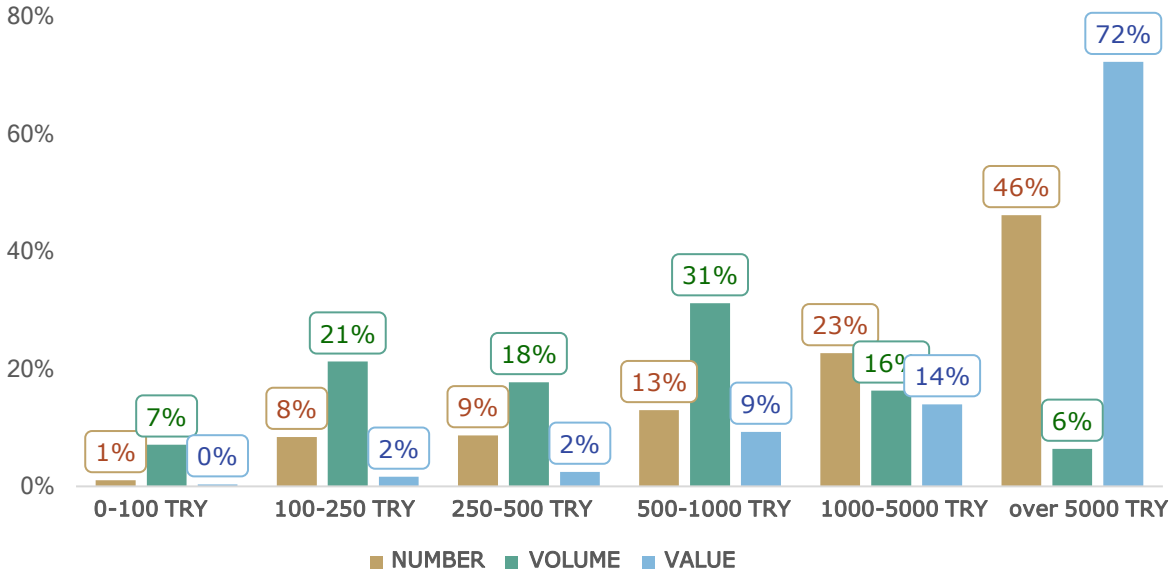
Chart 22- Price Breakdown of Generic Products



Source: TITCK, IQVIA, IEIS

Among imported drugs, products priced above TRY 5,000 ranked first in both unit sales and market value. Products priced below TRY 500 represented 18% of unit sales, 46% of box sales, and only 4% of market value within the imported drugs market.

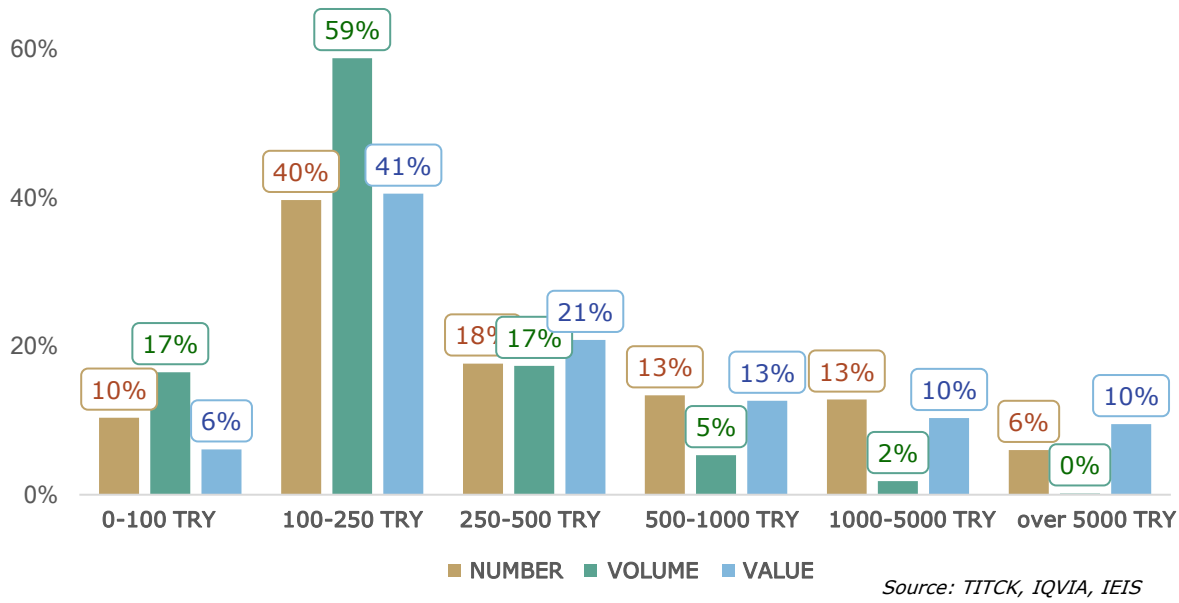
Chart 23- Price Breakdown of Import Products



Source: TITCK, IQVIA, IEIS

For local drugs, products priced between TRY 100 and TRY 250 accounted for the largest share across units, boxes, and value. Products priced below TRY 500 represented 68% of unit sales, 93% of box sales, and 68% of market value within the local drugs segment.

Chart 24- Price Breakdown of Local Products



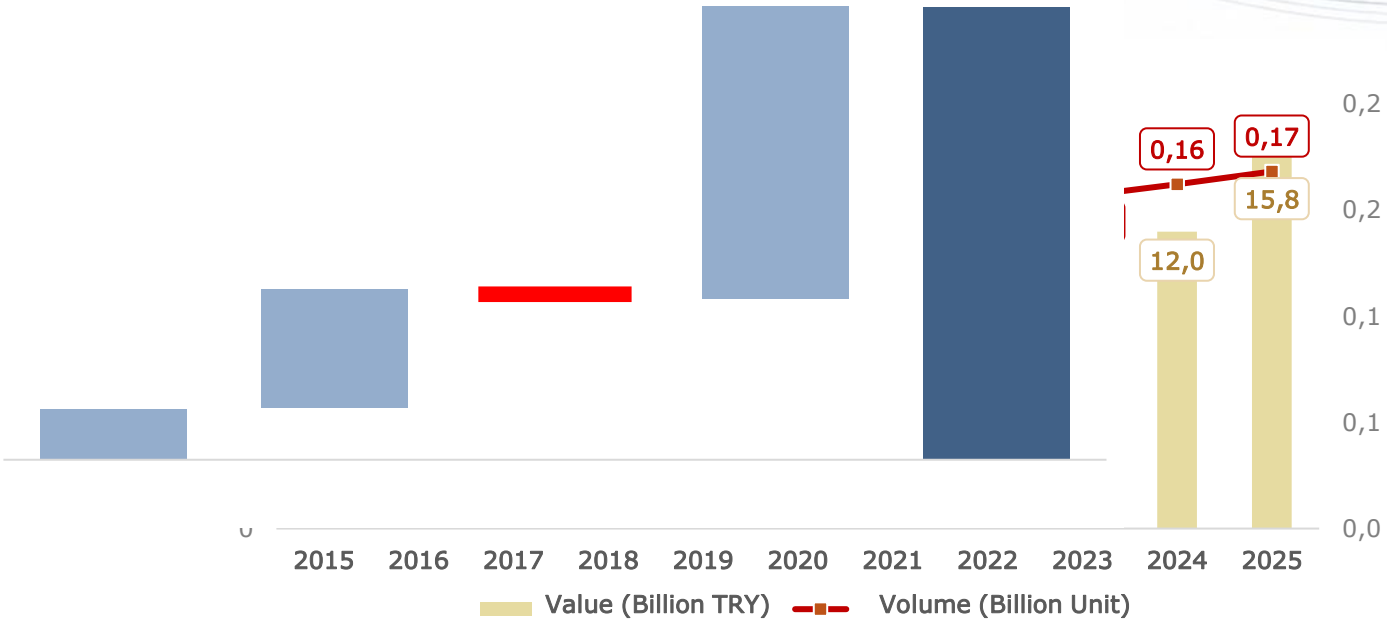
Source: TITCK, IQVIA, IEIS

1.2. Medical Nutrition Market

The market for foods for special medical purposes consists of enteral nutrition products and medical formulas approved by the Ministry of Health. These products are intended to meet the nutritional needs of individuals affected by diseases, medical conditions, or health disorders and are used as supportive treatment rather than for general health promotion.

In Türkiye, this market consists entirely of reference products. In addition, 98.5% of the market by value and 99% by volume is covered under the reimbursement system. In 2025, the market for foods for special medical purposes grew by 31.6% in value, reaching TRY 15.8 billion.

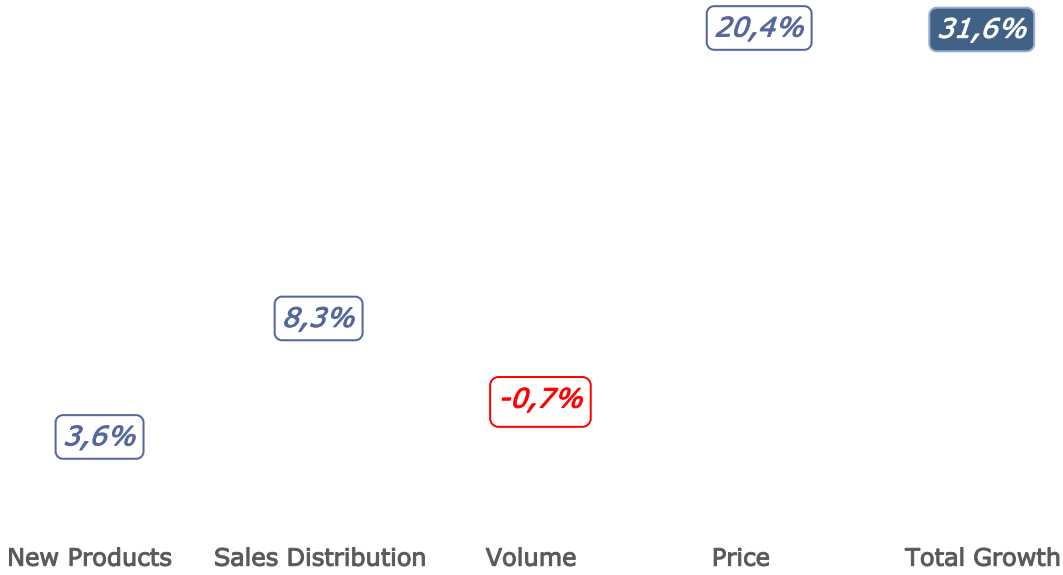
Between 2015 and 2025, the market expanded by a total of 2,981%, corresponding to a compound annual growth rate (CAGR) of 40.9%. When adjusted for inflation, real growth amounted to 60.6% over the same period.



Source: IQVIA, IEIS

In volume terms, the market grew by 3.7% in 2025, while cumulative growth between 2015 and 2025 reached 96.7%.

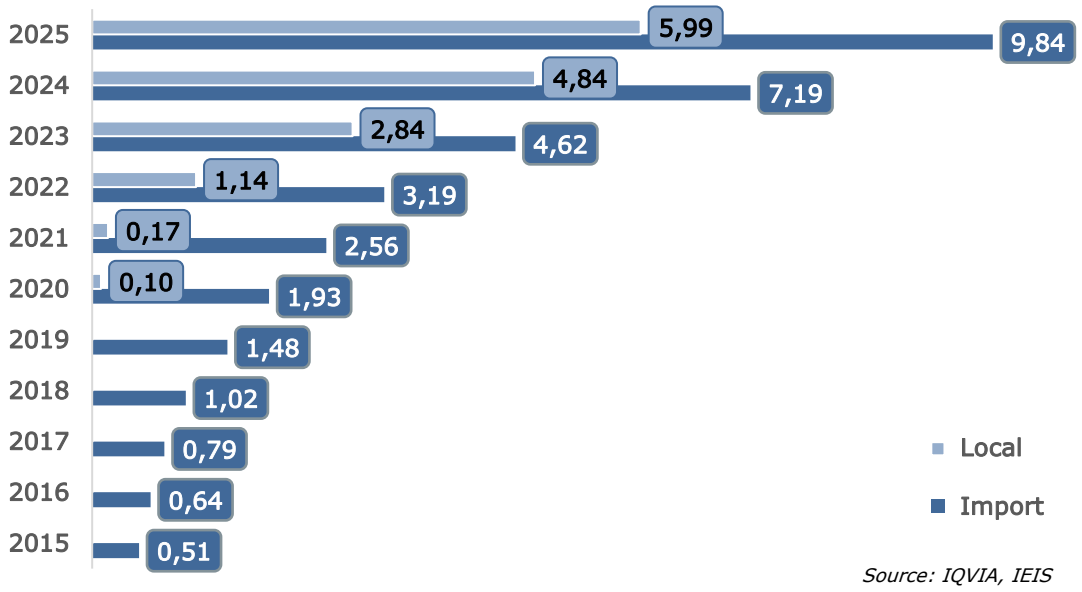
Chart 26- Medicinal Nutrition Market Growth Breakdown



Source: IQVIA, IEIS

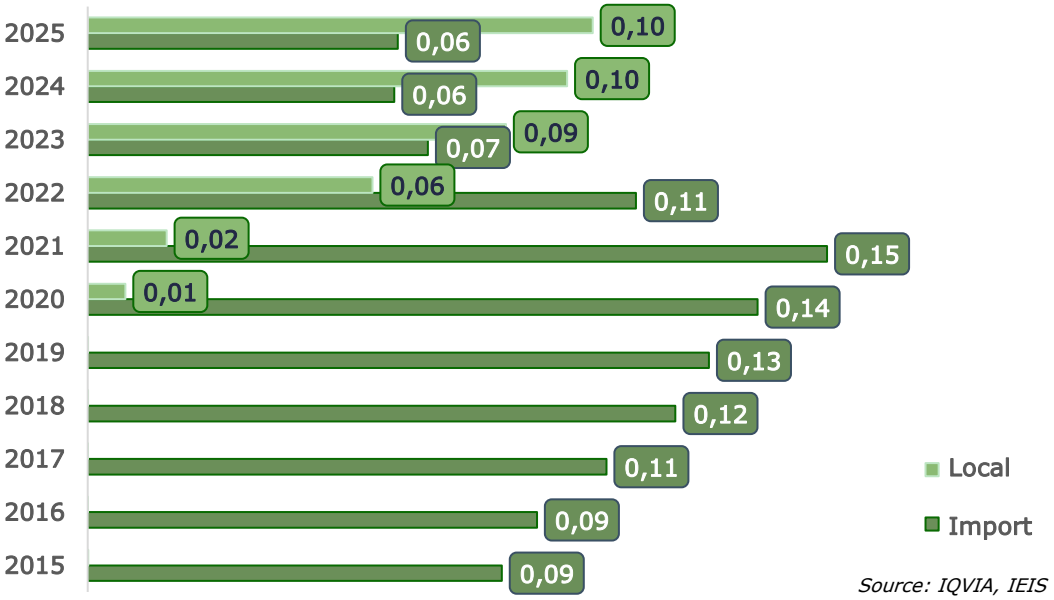
Until recent years, the market consisted entirely of imported reference products. However, with the establishment and operation of four domestic production facilities, the share of locally manufactured products has increased rapidly, and locally produced products have surpassed imported products in terms of box volume.

Chart 27- Local – Import Medicinal Nutrition Market (Value - Billion TRY)

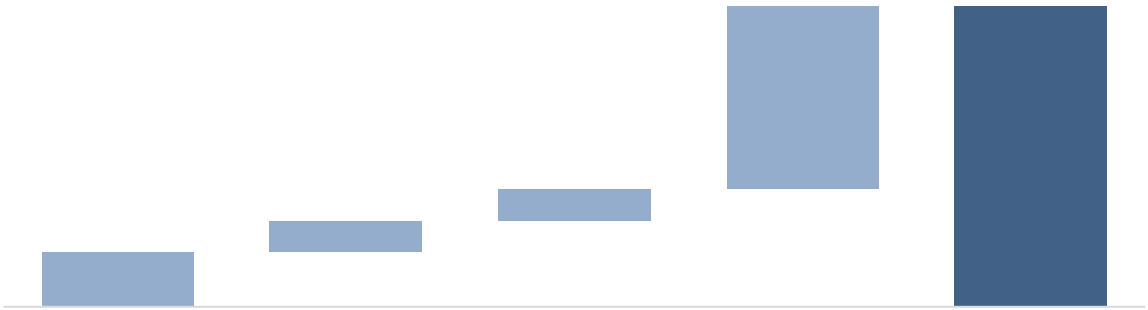


Source: IQVIA, IEIS

Chart 28- Local – Import Medicinal Nutrition Market (Volume - Billion Unit)



Source: IQVIA, IEIS



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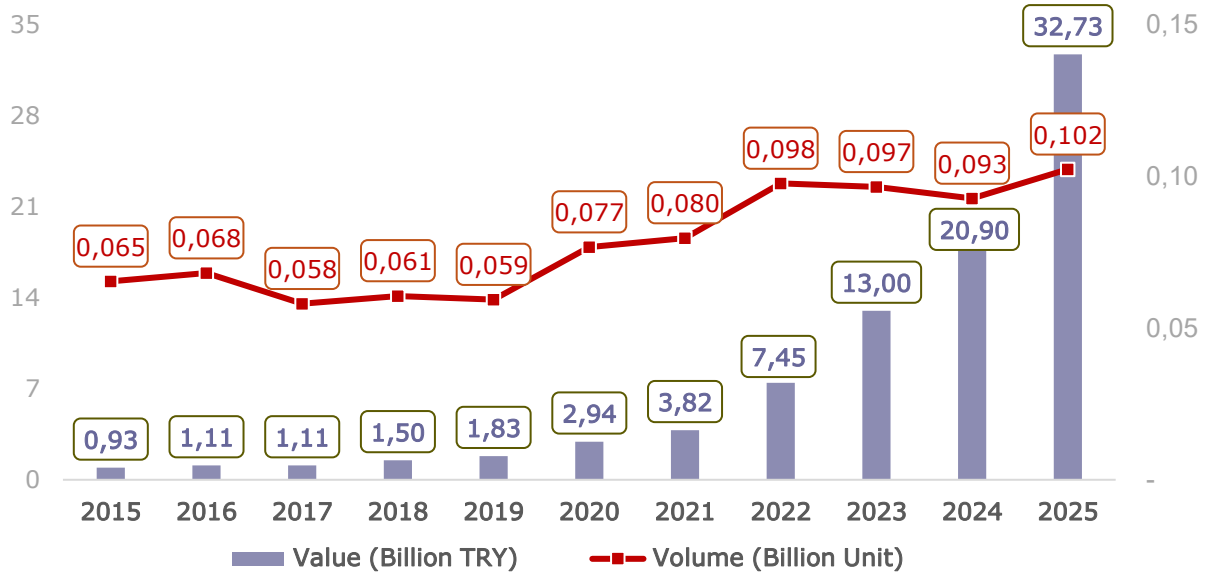


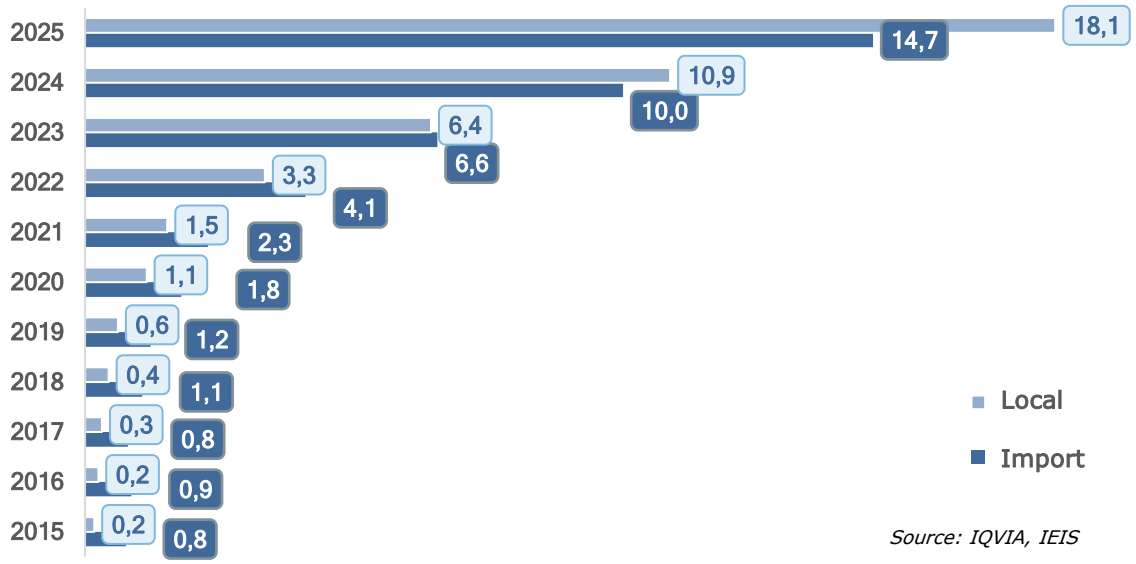
Source: IQVIA, IEIS

The market has expanded rapidly since 2020. In 2025, it grew by 56.5% in value, reaching TRY 32.73 billion, while volume increased by 10.4%, reaching 102 million units. Products such as vitamins and dietary supplements accounted for 81% of total volume. Between 2015 and 2025, the healthcare products market expanded by 3,420% in value terms.

Chart 30- Medicinal Products Market Growth Breakdown

Source: IQVIA, IEIS

Chart 31- Local – Import Medicinal Products Market (Value - Billion TRY)



In 2025, imported healthcare products grew by 46.5% in value, reaching TRY 14.7 billion, while locally manufactured products grew by 65.8%, reaching TRY 18.1 billion. Over the 2015–2025 period, imported products expanded by 1,828.5% in value terms, whereas locally manufactured products increased by 10,572.1%. Although the overall healthcare products market grew by 3,419.7% during the same period, real growth amounted to only 83.5% after adjusting for inflation.

In 2025, imported healthcare products increased by 3.2% in volume, reaching 38.3 million units, while locally manufactured products grew by 15.1%, reaching 64 million units. Between 2015 and 2025, imported products declined by 11.3% in volume, whereas locally manufactured products expanded by 188.2%. Over the same period, the overall healthcare products market grew by 56.5%.

Chart 32- Local – Import Medicinal Products Market (Volume - Billion Unit)

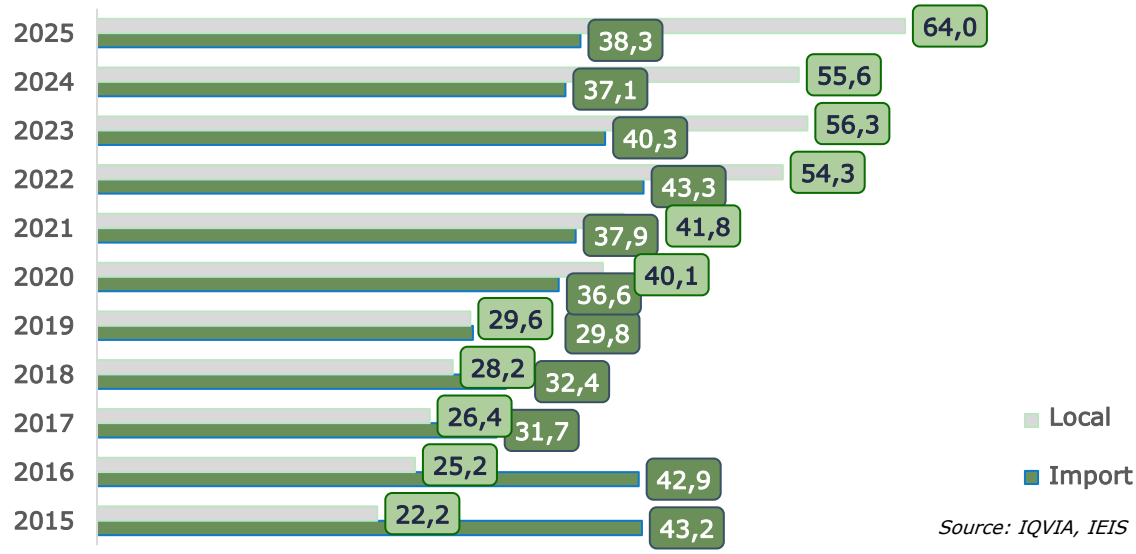
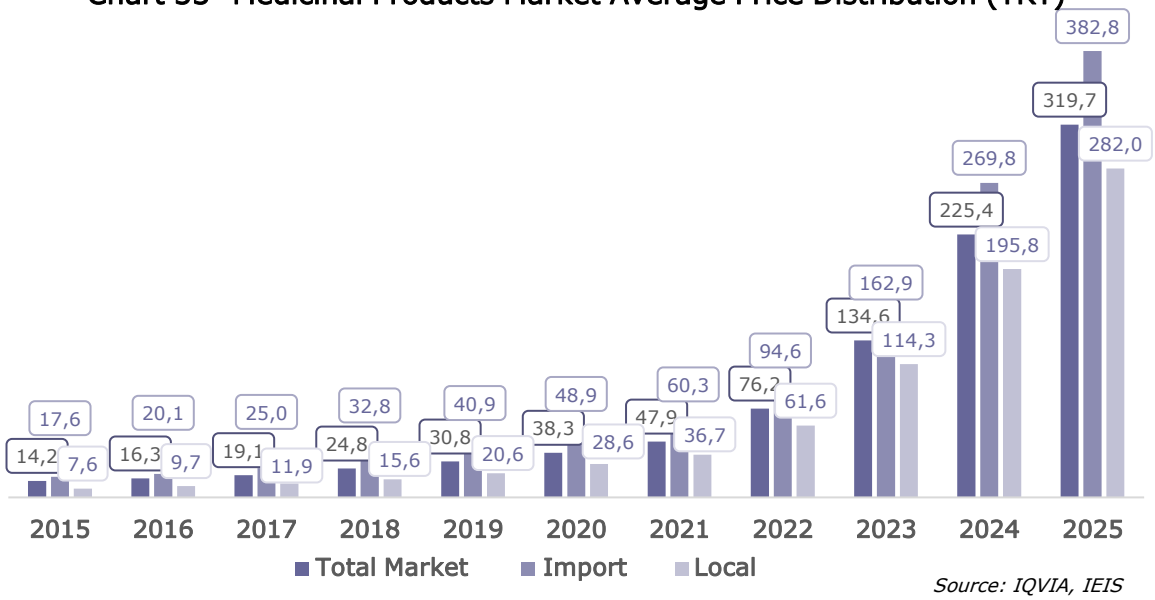


Chart 33- Medicinal Products Market Average Price Distribution (TRY)



Source: IQVIA, IEIS

The average product price increased from TRY 14.2 in 2015 to TRY 319.7 in 2025, representing growth of 2,149%. During the same period, the average price of imported products increased by 2,073%, rising from TRY 17.6 to TRY 382.8, while the average price of locally manufactured products increased by 3,603%, rising from TRY 7.6 to TRY 282.0.

2. Licensing Processes

One of the primary challenges hindering the development of the pharmaceutical industry has been the difficulties experienced in the authorization processes for new medicines, which reached their peak in 2020. Although some improvement was observed in subsequent years, the recent re-emergence and deepening of these problems have heightened concerns within the industry.

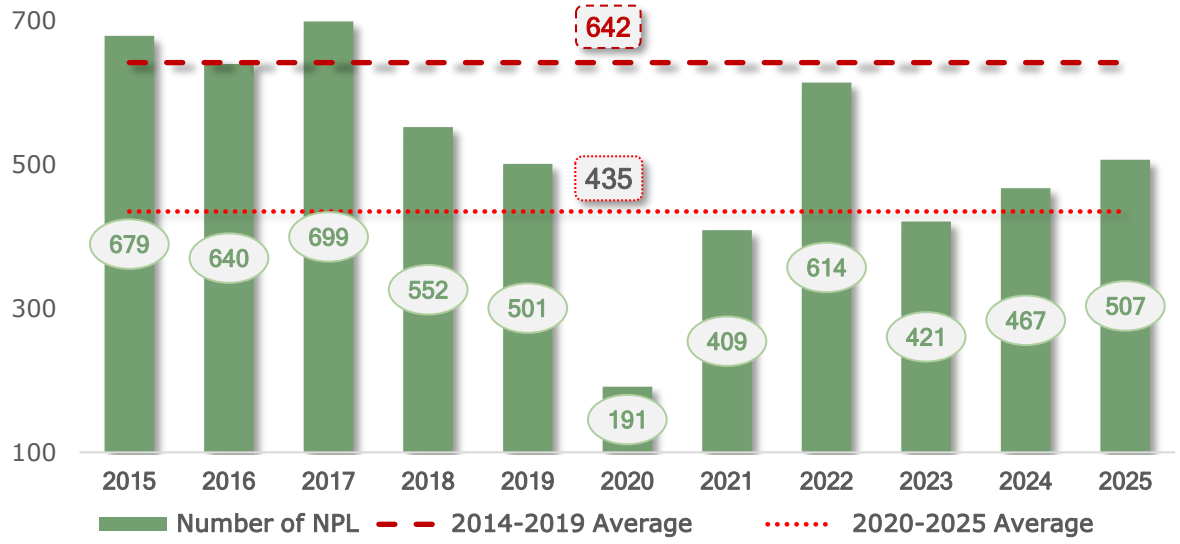
A total of 507 marketing authorizations were granted in 2025. This figure remains significantly below the pre-pandemic average of 642 authorizations per year recorded during the six-year period from 2014 to 2019. During the six-year period from 2020 to 2025, the average annual number of authorizations granted was 435. In other words, compared with the six years preceding the pandemic, an average of 207 fewer authorizations were issued each year.

Lengthy authorization procedures and delays in bringing new medicines to market negatively affect companies' long-term investment and planning decisions while also delaying patients' access to alternative treatment options. Furthermore, the inability to launch new medicines has adverse consequences for manufacturing, employment, Social Security Institution (SSI) procurement, public finances, and exports.

In addition, the evaluation and approval processes for variation applications often take unpredictably long periods, negatively affecting companies' manufacturing, supply, and market distribution activities for the related products.

Having successfully fulfilled its critical responsibilities during the extraordinary circumstances experienced in recent years, the pharmaceutical industry has faced considerable pressure from rapidly rising costs and exchange-rate challenges while simultaneously dealing with the resurgence of problems in authorization and variation procedures.

Chart 34- Number of Novel Product Licenses



Source: TITCK, IEIS

3. Investment Incentives

With the enactment of Council of Ministers Decision No. 2009/15199 in 2009, investment incentive programs that had previously been administered in different forms by various public institutions were significantly restructured and brought under a centralized system coordinated by the Ministry of Trade. The objective of this reform was to classify investments in biotechnological medicines, oncology medicines, and blood products as priority investments in addition to the general and regional incentive schemes available to the pharmaceutical sector.

Pharmaceutical investments were further strengthened in 2015 when an amendment to Council of Ministers Decision No. 2012/3305 classified pharmaceutical manufacturing as a high-technology industry, making it eligible for Fifth Region investment incentives.

As a result of these developments, the pharmaceutical sector received investment incentive certificates corresponding to a total fixed investment value of TRY 140.5 billion between 2015 and 2023. These investments were expected to create approximately 14,900 new jobs. Subsequently, on 30 May 2025, the new "Decision

on State Aid for Investments" was published in Official Gazette No. 32915 and entered into force.

The amount of fixed investment supported under incentive programs increased from TRY 3.4 billion in 2015 and TRY 5.7 billion in 2022 to TRY 27 billion in 2023.

Table 9- Investment Incentives in the Pharmaceutical Industry

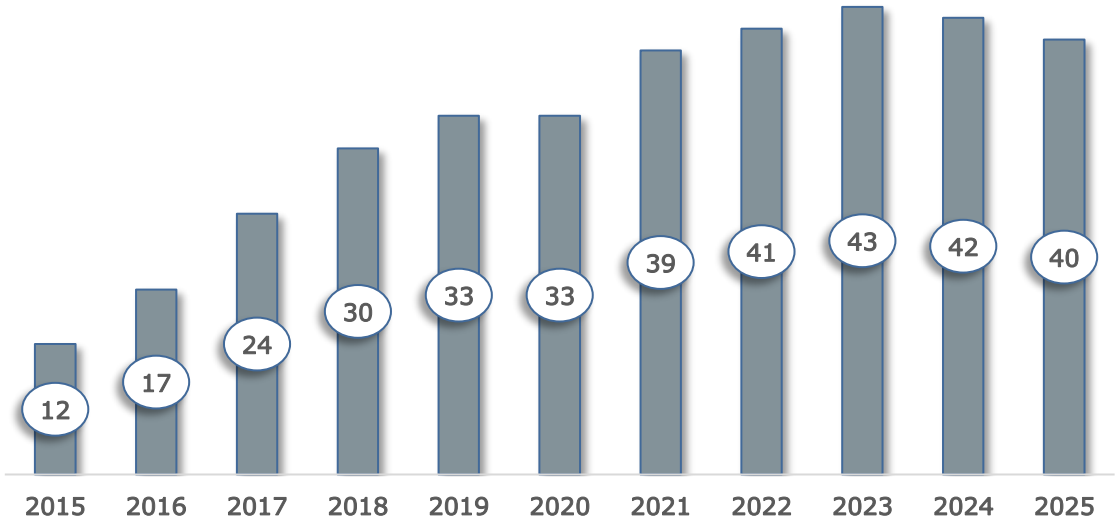
	Number of Documents		Fixed Investment (Million TRY)			Employment via Investment		
	Medicine	Total	**Medicine**	Total	Share	**Medicine**	Total	Share
2015	**21**	3.722	**3.406**	580.496	0,59%	**913**	132.302	0,69%
2016	**15**	4.707	**3.891**	551.327	0,71%	**889**	157.940	0,56%
2017	**31**	6.841	**41.183**	1.003.770	4,10%	**2.108**	227.231	0,93%
2018	**28**	5.501	**4.473**	756.467	0,59%	**1.118**	265.606	0,42%
2019	**36**	5.406	**9.332**	550.816	1,69%	**1.073**	197.089	0,54%
2020	**48**	10.152	**33.419**	811.047	4,12%	**3.369**	300.564	1,12%
2021	**40**	12.485	**12.049**	847.040	1,42%	**2.455**	370.889	0,66%
2022	**32**	13.540	**5.720**	1.334.829	0,43%	**1.096**	361.311	0,30%
2023*	**36**	11.868	**27.016**	1.961.277	1,38%	**1.879**	259.866	0,72%

Source: Ministry of Industry and Technology (09.30.2023 data set), IEIS
** Important Note: The "Investment Incentives" section of our online report will be updated and published on our website once the Ministry of Industry and Technology releases the updated 2024 data set.*

4. R&D Activities

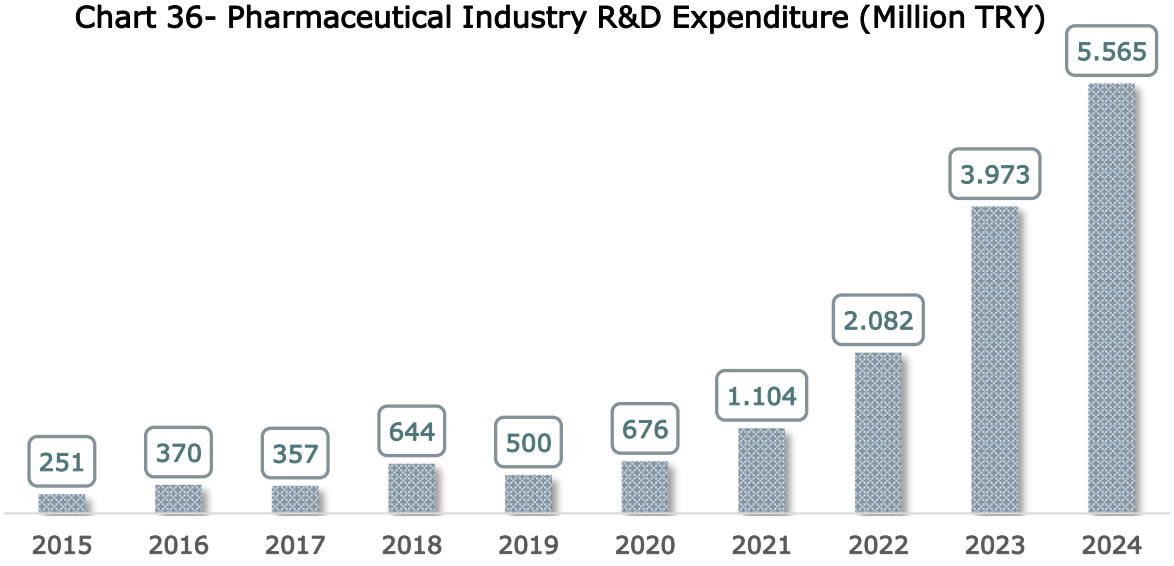
The pharmaceutical industry is among the priority sectors contributing significantly to Türkiye's industrial transformation, with 40 Research and Development Centers accredited by the Ministry of Industry and Technology and approximately 2,640 R&D employees. Advancements in research and development are expected to enable the domestic production of products for which Türkiye is currently dependent on imports.

Chart 35- Number of Accredited R&D Centers in the Pharmaceutical Industry



Source: STB, IEIS

Chart 36- Pharmaceutical Industry R&D Expenditure (Million TRY)



Source:TUIK, IEIS

The amount of incentives received by pharmaceutical R&D centers increased from TRY 251 million in 2015 to TRY 5.566 billion in 2024, representing growth of 2,121%.

5. Pharmaceutical Production

The Turkish pharmaceutical industry is a strong and established sector with more than a century of experience, advanced manufacturing technologies, substantial production capacity, and a highly qualified workforce. To maintain its competitiveness in global markets, the industry continues to invest in advanced technologies.

As of December 2025, Türkiye had 111 pharmaceutical manufacturing facilities operating in accordance with international standards, including 102 pharmaceutical plants and 9 radiopharmaceutical production facilities, as well as 15 active pharmaceutical ingredient (API) manufacturing facilities.

In addition, domestic production of foods for special medical purposes, which are used to support the nutrition and treatment of individuals affected by diseases or medical conditions, has begun in Türkiye through four dedicated manufacturing facilities established in recent years.

One of the industry's key priorities is expanding domestic production capabilities. The Medium-Term Program (2025–2027), published in the Extraordinary Official Gazette No. 32653 on 5 September 2024, formally stated that research and development activities would be carried out in health sciences and technologies—including vaccines, pharmaceuticals, medical devices, diagnostic kits, and artificial

intelligence applications—as well as in the defense industry, with the objective of increasing domestic production of high-value-added products.

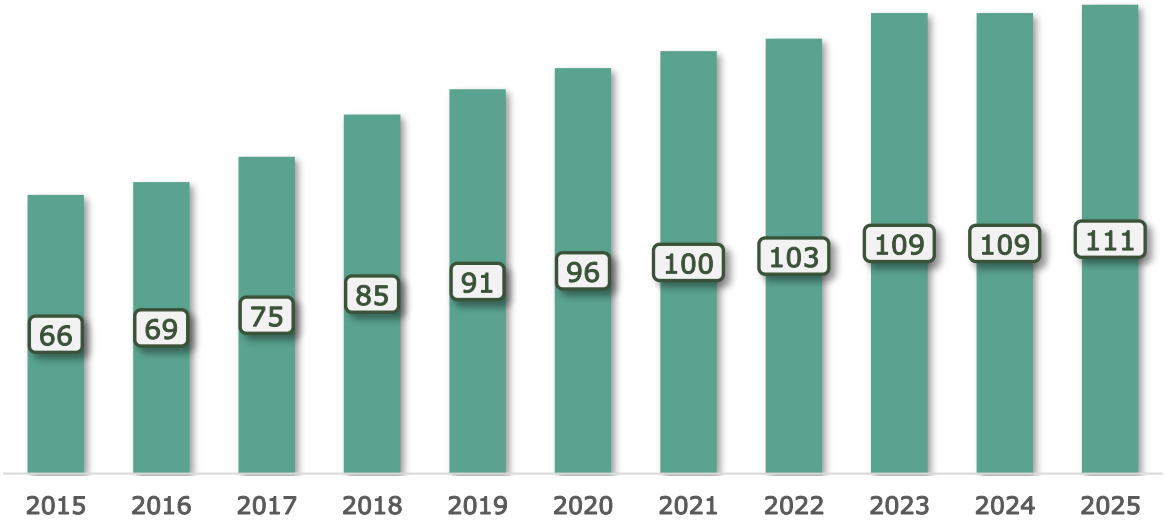
Furthermore, the 2025 Presidential Annual Program, published in the Extraordinary Official Gazette No. 32707 on 30 October 2024, emphasized that the domestic production strategy for pharmaceuticals and medical devices would be reassessed while taking international obligations into account. It also highlighted the importance of effective inter-institutional coordination to increase investment, production, exports, and technological development.

The Program additionally underscored that the use of domestically produced raw materials and intermediate goods in the pharmaceutical and medical device industries would be encouraged and that a national plan for the production of raw materials and intermediate inputs would be established.

Accordingly, the development of sustainable localization policies for pharmaceuticals and vaccines is considered crucial to ensuring supply security. Strengthening manufacturing infrastructure for raw materials, intermediates, active pharmaceutical ingredients, and packaging materials is equally important for maintaining a secure and resilient supply chain.

In this context, the inclusion of pharmaceuticals within the Technology-Oriented Industry Move Program, followed by the designation of biotechnological medicines as one of the strategic sectors under the HIT-30 Project, is viewed as a highly encouraging development for the pharmaceutical industry

Chart 37- Number of Production Facilities



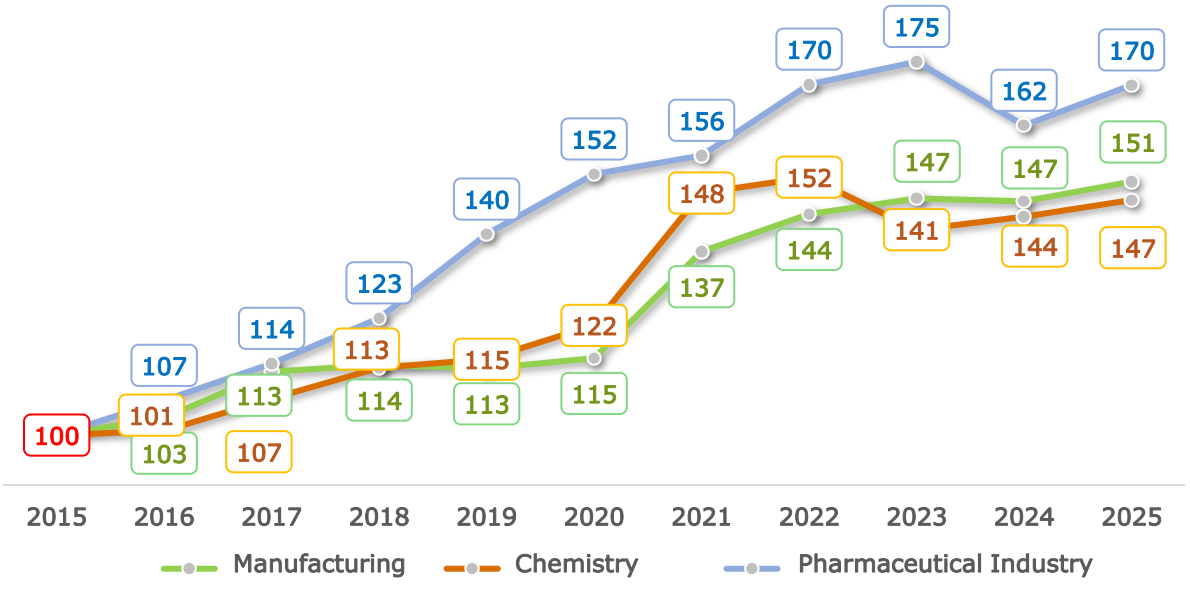
Source:TITCK, IEIS

Despite global supply-chain disruptions and substantial cost increases since 2021, the Turkish pharmaceutical industry has continued production without interruption, prioritizing medicine supply security and ensuring citizens' access to essential medicines.

According to industrial production index data, the manufacturing sector production index increased by 2.7% in 2025, reaching 151 points, while the chemical industry production index rose by 2.4% to 147 points. The pharmaceutical industry production index, after partially recovering from the 7.3% decline recorded in 2024, grew by 5% and reached 170 points in 2025.

Between 2015 and 2025, production increased by 50.8% in the overall manufacturing sector, 47.1% in the chemical industry, and 70.1% in the pharmaceutical industry, highlighting the pharmaceutical sector's stronger long-term growth performance relative to the broader industrial economy.

Chart 38- Industrial Production Index Change

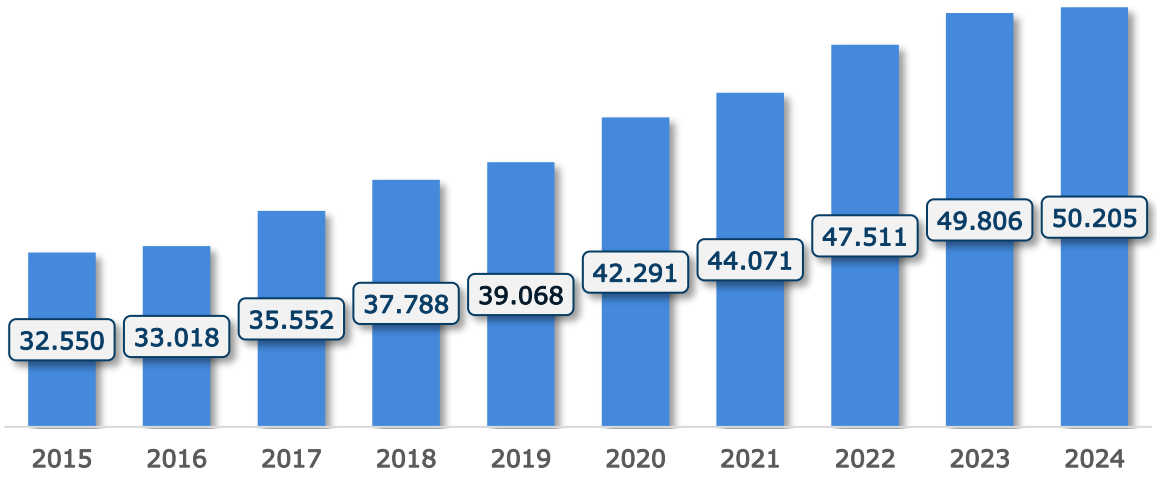


Source:TITCK, IEIS

6. Employment

In 2024, total employment in Türkiye increased by 3.6% compared to 2023. During the same period, employment in the pharmaceutical industry increased by 0.8%, reaching 50,205 employees.

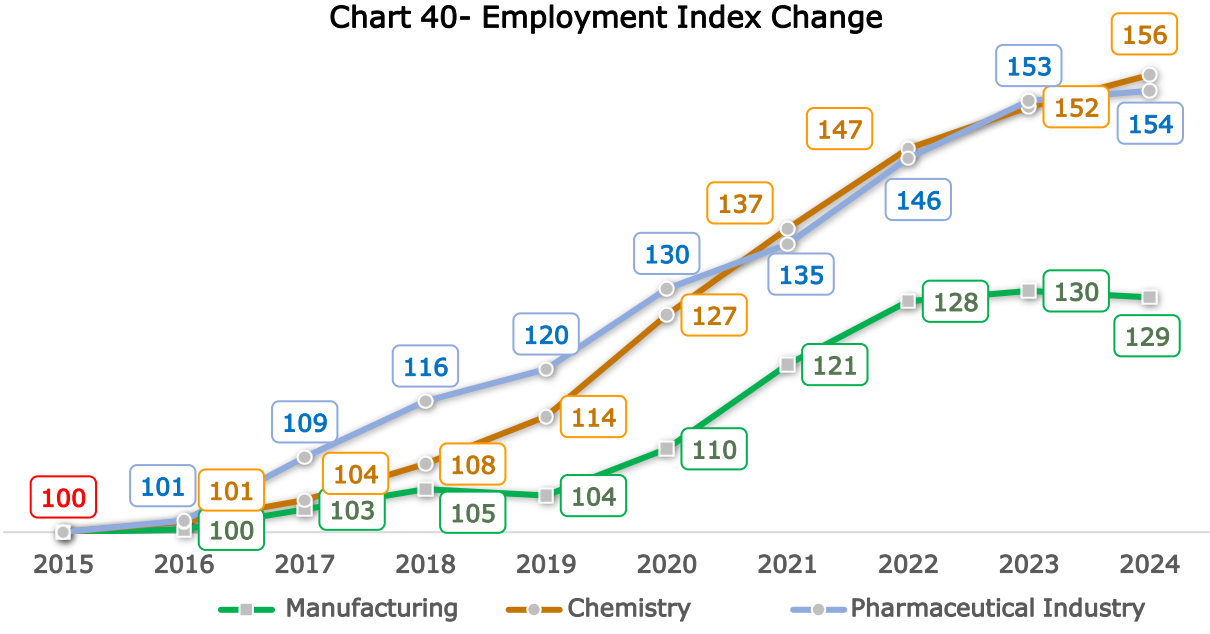
Chart 39- Employment in the Pharmaceutical Industry (Number of Employees)



Source:TUIK, IEIS

employment growth is observed at 29% in the manufacturing sector, 56% in the chemical industry, and 54% in the pharmaceutical industry. The increase in employment within the pharmaceutical industry significantly exceeded the overall employment growth in Türkiye, which stood at 30% during the same period.

Chart 40- Employment Index Change

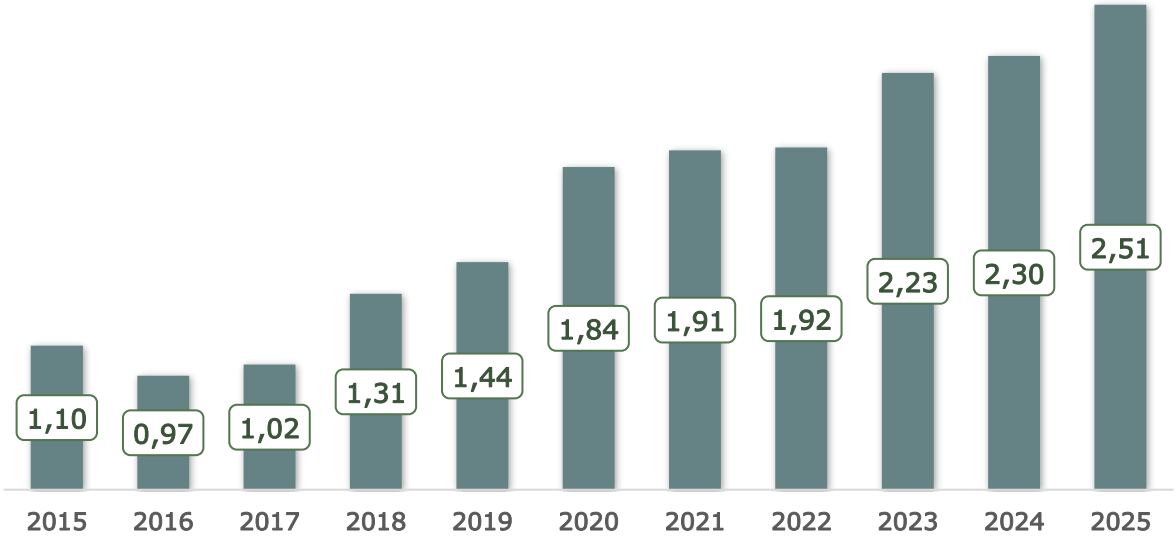


Source:TUIK, IEIS

7. Foreign Trade

Pharmaceutical exports reached USD 2.51 billion in 2025, representing growth of 9.3%. During the 2015–2025 period, while Türkiye's total exports increased by 81%, pharmaceutical exports grew by 128.7%, continuing to outperform the national average. Although the pharmaceutical industry sets new export records each year, it has yet to fully realize its potential to generate high value-added exports for the country.

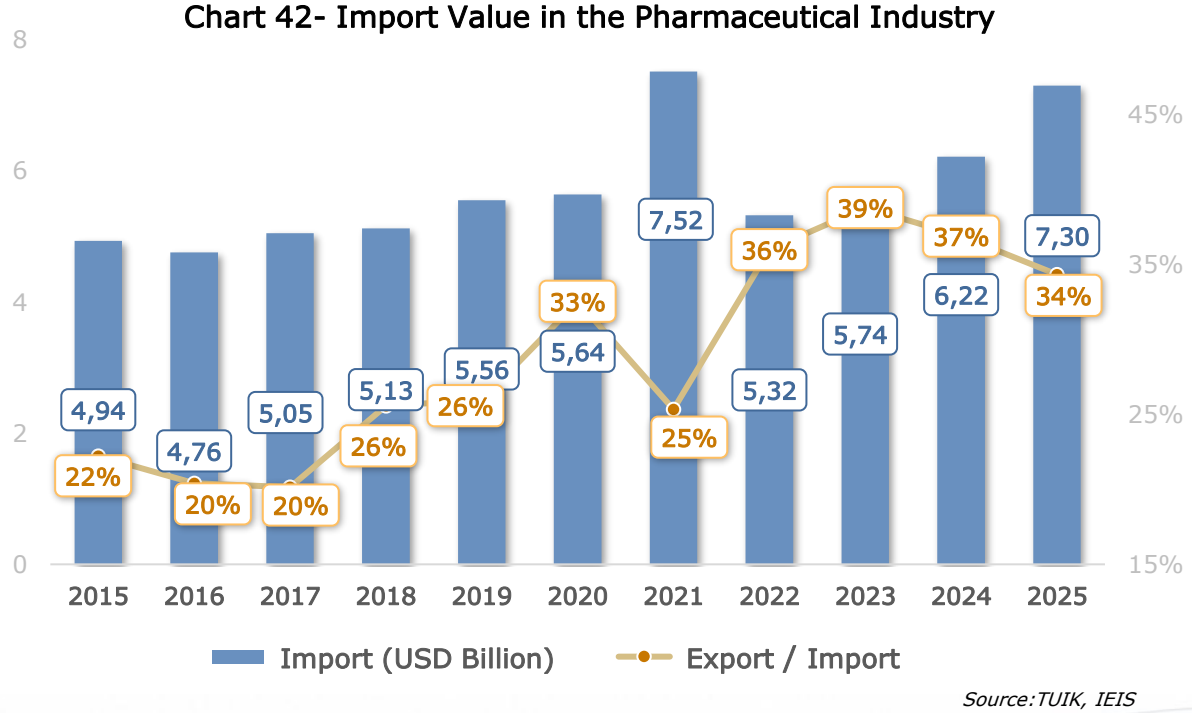
Chart 41- Export Value in the Pharmaceutical Industry (Billion USD)



Source:TUIK, IEIS

Pharmaceutical imports increased by 17.4% in 2025, reaching USD 7.3 billion. Between 2015 and 2025, pharmaceutical imports grew by 48%. During the same period, the export-to-import coverage ratio of the pharmaceutical sector increased from 22% to 34% in 2025.

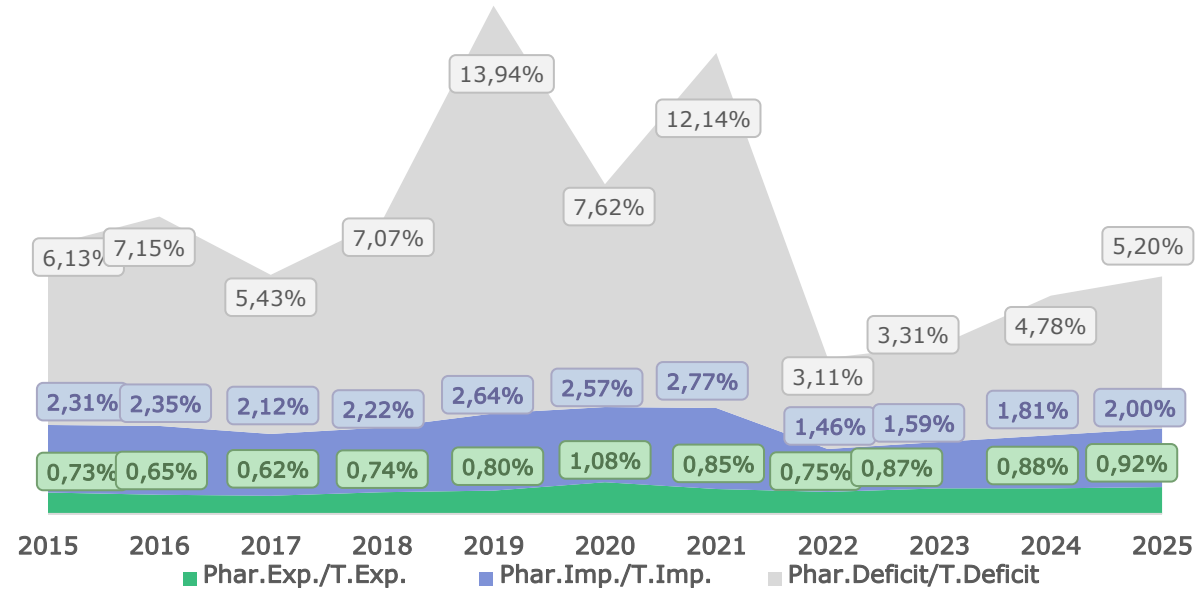
Chart 42- Import Value in the Pharmaceutical Industry



Source:TUIK, IEIS

These figures demonstrate that the pharmaceutical industry, as a high-value-added sector, is one of the most important industries contributing to the reduction of Türkiye's foreign trade deficit. In 2025, pharmaceuticals accounted for 0.92% of total exports and 2% of total imports, resulting in a 5.20% share of overall foreign trade.

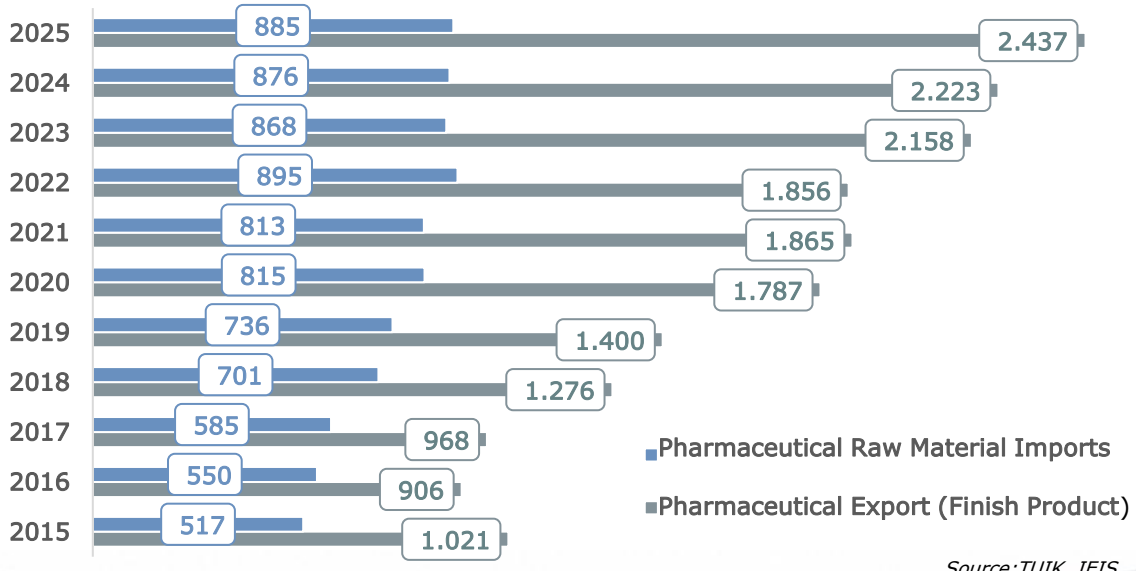
Chart 43- Pharmaceutical Industry in Turkish Foreign Trade



Source:TUIK, IEIS

The pharmaceutical industry's contribution to the national economy becomes even clearer when pharmaceutical raw material imports and finished pharmaceutical product exports are examined. In 2025, Türkiye imported pharmaceutical raw materials worth USD 885 million while exporting finished pharmaceutical products worth USD 2.44 billion. Expanding domestic manufacturing capacity to meet the demand currently fulfilled through imports of finished products would both increase exports and contribute to reducing the foreign trade deficit.

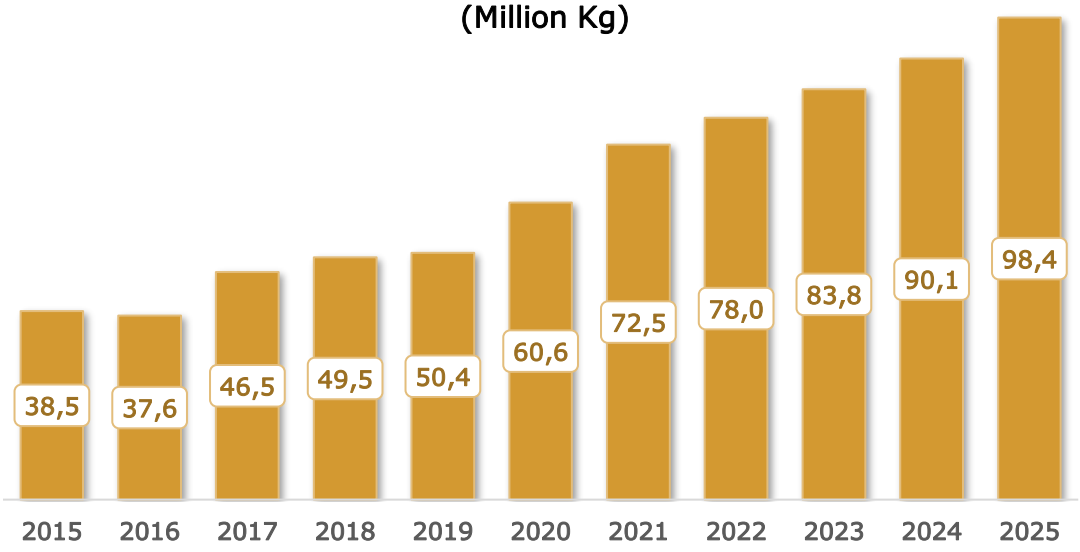
Chart 44- Finished Product vs Raw Material in Pharmaceutical Industry (Million USD)



Source:TUIK, IEIS

An examination of export volumes between 2015 and 2025 shows that pharmaceutical exports increased from 38.5 million kilograms in 2015 to 98.4 million kilograms in 2025, representing growth of 155.6%.

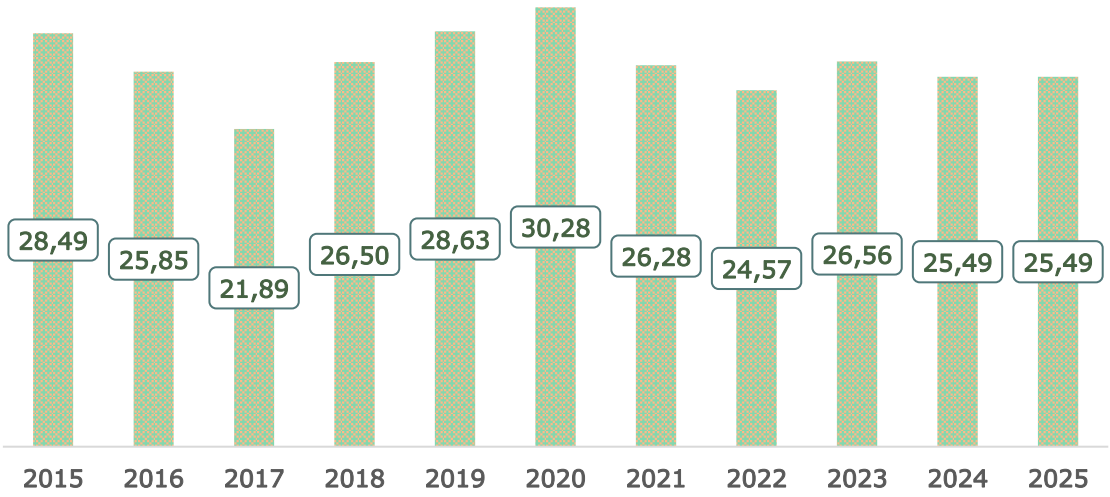
Chart 45- Export Amount in the Pharmaceutical Industry (Million Kg)



Source:TUIK, IEIS

Although pharmaceutical export volumes have increased, export prices per kilogram have not risen at the same pace. During the same period, the average export price per kilogram declined by 10.5%, falling from USD 28.49 to USD 25.49. Price-oriented policies implemented in Türkiye have been one of the primary reasons why the export value per kilogram of pharmaceutical products, and consequently overall export revenues, have remained below their potential levels.

Chart 46- Pharmaceutical Export Price Per Kilo (USD)

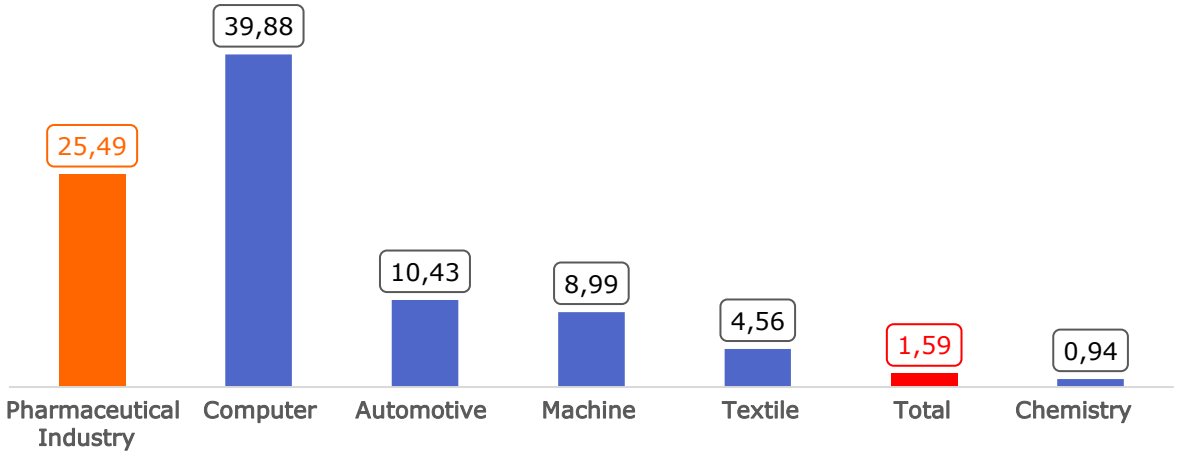


Source:TUIK, IEIS

Although the pharmaceutical industry's export value of USD 25.49 per kilogram is substantially higher than Türkiye's overall export average of USD 1.59 per

kilogram and exceeds that of many other industries, it remains significantly below the unit export value achieved in other high-technology sectors such as computer manufacturing. As a result, the industry has not yet realized its full value-added potential.

Chart 47- Export Price Per Kilo in Various Sectors (USD)



Source:TUIK, IEIS

The fact that pharmaceutical prices in Türkiye are often used as reference or source prices in export markets forces Turkish pharmaceutical companies to enter foreign markets at prices substantially lower than they otherwise could. Addressing issues related to regulatory approval procedures, customs processes in target export markets, and unauthorized exports carried out without the consent of pharmaceutical companies—while benefiting from domestic pricing policies established for public benefit and heavily supported by the industry—is essential if the sector is to become one of the world's leading pharmaceutical manufacturers and exporters.

An analysis of export destinations shows that in 2025 the Turkish pharmaceutical industry exported products to approximately 185 countries, primarily in the European Union (EU), the Commonwealth of Independent States (CIS), North Africa, and the Middle East. Europe represented the largest export market, accounting for 51.1% of pharmaceutical exports, while Asia ranked second with a share of 38.8%. The top 20 export destinations accounted for 72% of total pharmaceutical exports in 2025.

Table 10- First Twenty Countries in Pharmaceutical Export (Million USD)

Countries	2024	2025	Share 2025	Change
South Korea	307	393	16%	28%
Hungary	428	388	15%	-9%
Georgia	156	154	6%	-1%
Iraq	126	109	4%	-14%
Iran	97	82	3%	-15%

T.R.N.C.	67	74	3%	11%
Poland	63	67	3%	5%
Azerbaijan	48	56	2%	19%
Germany	54	56	2%	4%
France	34	50	2%	45%
Bulgaria	54	46	2%	-15%
Canada	18	46	2%	151%
Kazakhstan	35	44	2%	25%
Uzbekistan	36	42	2%	19%
Slovenya	35	42	2%	17%
Russian Fed.	35	38	2%	7%
Albania	26	32	1%	21%
Switzerland	30	29	1%	-5%
Hong Kong	19	28	1%	45%
Syria	26	27	1%	7%
Total of List	**1.696**	**1.802**	**72%**	**6%**
Total Export	**2.296**	**2.508**	**100%**	**9%**

Source:TUIK, IEIS

Pharmaceutical imports originated from 117 countries in 2025, with 64.4% sourced from Europe and 19.1% from Asia. Imports from the top 20 supplier countries accounted for 96% of Türkiye's total pharmaceutical imports.

Table 11- First Twenty Countries in Pharmaceutical Import (Million USD)

Countries	2024	2025	Share 2025	Change
Germany	1.042	1.239	17%	19%
USA	985	1.015	14%	3%
Ireland	507	751	10%	48%
Italy	462	566	8%	23%
Switzerland	421	522	7%	24%
China	540	518	7%	-4%
South Korea	353	398	5%	13%
France	315	369	5%	17%
India	249	262	4%	5%
Denmark	82	210	3%	157%
Belgium	217	174	2%	-20%
Spain	160	161	2%	0%
Austria	140	140	2%	1%
Japan	75	130	2%	74%
Netherlands	107	125	2%	16%
United Kingdom	103	124	2%	19%

Canada	41	80	1%	96%
Brazil	65	79	1%	22%
Greece	80	78	1%	-2%
Sweden	60	71	1%	18%
Total of List	**6.003**	**7.014**	**96%**	**17%**
Total Export	**6.220**	**7.303**	**100%**	**17%**

Source:TUIK, IEIS

Table 12- First Five Products in Pharmaceutical Export (Million USD)

CTSP	Product	2024	2025	Share 2025	Change
3004	Medications prepared for usage in treatment or prevention (dosed)	1.333	1.441	57%	8%
3002	Human blood, animal blood, serum, vaccines, toxins, etc.	803	894	36%	11%
3006	Pharmaceutical goods and ready-mades that are not included in any other part of the Tariff	72	88	3%	21%
2936	Pro-vitamins and vitamins	21	19	1%	-10%
2939	Alkaloids and their salts, esters, ethers and other derivatives.	13	18	1%	39%
Total of List		**2.242**	**2.459**	**98%**	**10%**
Total Export		**2.296**	**2.508**	**100%**	**9%**

Source:TUIK, IEIS

An analysis of pharmaceutical foreign trade by Harmonized System (HS/GTIP) classification in 2025 shows that blood products, sera, vaccines, toxins, and dosed medicinal products prepared for therapeutic or preventive use accounted for 93% of pharmaceutical exports and 84% of pharmaceutical imports.

Table 13- First Five Products in Pharmaceutical Import (Million USD)

CTSP	Product	2022	2023	Share 2023	Change
3002	Human blood, animal blood, serum, vaccines, toxins, etc.	2.673	3.148	43%	18%
3004	Medications prepared for usage in treatment or prevention (dosed)	2.399	3.003	41%	25%
2941	Antibiotic	226	216	3%	-5%
2933*	Other compounds with a pyrimidine ring/piperazine ring in their structure (293359950038)	174	170	2%	-2%
3006	Pharmaceutical goods and ready-mades that are not included in any other part of the Tariff	138	144	2%	4%
Total of List		**5.611**	**6.681**	**91%**	**19%**
Total Export		**6.220**	**7.303**	**100%**	**17%**

Source:TUIK, IEIS

8. Pricing and Reimbursement Policies

The global budget framework introduced in 2009 to alleviate the pressure of the global financial crisis on public finances relied heavily on radical measures aimed at controlling healthcare expenditures through pharmaceutical pricing policies.

Pharmaceutical budgets that were not proportionate to the level of healthcare services provided were established, and medicine prices were continuously reduced on the grounds that pharmaceutical expenditure limits had been exceeded. At the same time, reimbursement discounts imposed by the Social Security Institution (SSI) were increased. In addition, although the conditions required by legislation had been met, the Euro exchange rate used to convert European reference prices into Turkish lira was frozen at TRY 1.9595 from April 2009 until May 2015 in order to contain pharmaceutical expenditures.

The legal proceedings initiated by the pharmaceutical industry regarding the updating of the exchange rate concluded in favor of the industry in April 2015. Subsequently, the pricing mechanism was revised so that the pharmaceutical exchange rate would be determined as 70% of the previous year's average Euro exchange rate. Within this framework, the exchange rate used for pharmaceutical pricing was updated to TRY 2.3421 for 2017. Although the rate should have increased by 23% for 2018, a temporary decision limited the increase to only 15%, setting the pharmaceutical exchange rate at TRY 2.6934.

In 2019, the adjustment coefficient used to calculate the annual average Euro value was reduced from 70% to 60%, resulting in a pharmaceutical exchange rate of TRY 3.4037. In 2021, despite a required increase of 26.5%, another temporary decision limited the increase to 20%, and the pharmaceutical exchange rate was announced as TRY 4.5786.

Despite the sharp depreciation of the Turkish lira beginning in the final quarter of 2021, the implementation of the 2022 pharmaceutical exchange rate at TRY 6.2925 in February, in accordance with existing legislation, proved insufficient to alleviate the severe pressures facing the sector. As economic conditions deteriorated rapidly, the industry faced substantial difficulties, prompting a mid-year adjustment in July 2022 that increased the pharmaceutical exchange rate by 25% to TRY 7.8656. Continued increases in exchange rates and production costs led to a further adjustment for 2023, with the pharmaceutical exchange rate increased by 36.8% to TRY 10.7577 and implemented in December 2022.

Alongside rising costs, the devastating earthquake disaster, the Early Retirement Law (EYT), and the difficulties experienced by the sector in accessing affordable

financing further intensified the challenges created by the continuous erosion of the pharmaceutical exchange rate relative to the prevailing market exchange rate.

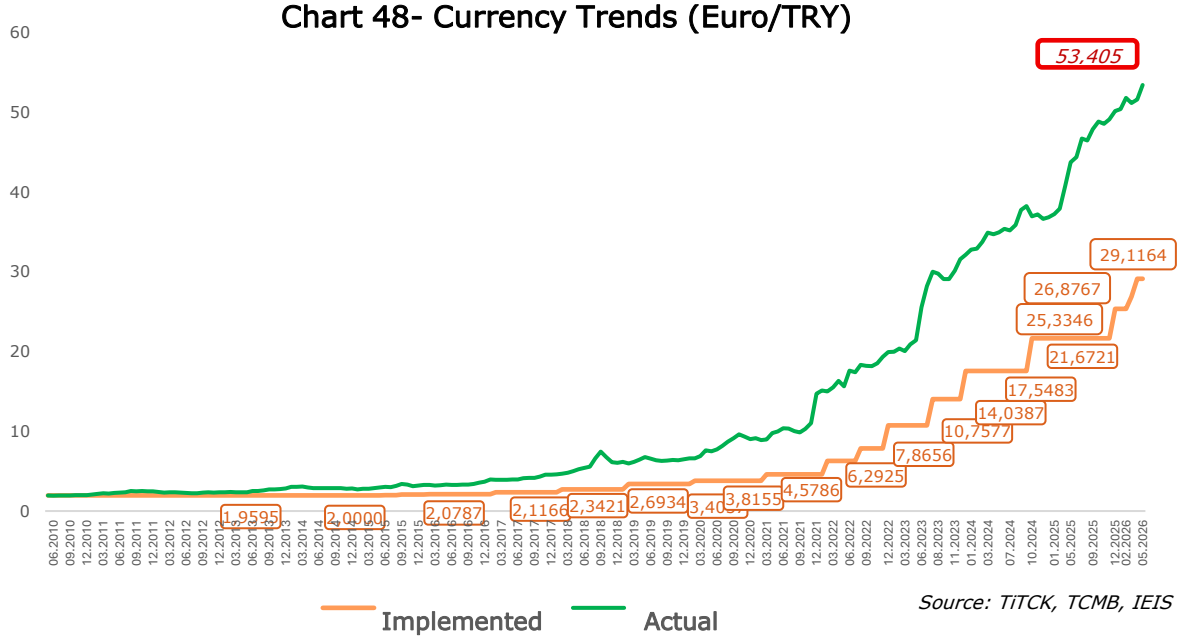
Against this backdrop, on 23 July 2023 the pharmaceutical exchange rate was set at TRY 14.0387 despite corresponding to only 48.7% of the current market exchange rate. Subsequently, on 16 December 2023, the pharmaceutical exchange rate for 2024 was determined as TRY 17.5483, reaching only 55.4% of the prevailing market exchange rate.

Despite exchange-rate volatility throughout 2024, no adjustment was made during the year. Following persistent demands from the industry, the pharmaceutical exchange rate was increased by 23.5% on 23 October 2024 TRY 21.6721.

No comprehensive changes were introduced to pharmaceutical pricing policies in 2025. The pharmaceutical exchange rate was adjusted only after a 14-month delay, increasing by 16.9% on 20 December 2025 to TRY 25.3346. It was also announced that additional regulatory reforms would be implemented beginning in 2026.

On 13 March 2026, the pharmaceutical exchange rate was increased by 6.1% to TRY 26.8767, corresponding to 60% of the average Euro exchange rate for 2025. Furthermore, in response to the industry's longstanding demand to restore the coefficient that had previously been reduced to 60%, the adjustment coefficient was increased to 65% effective 1 April 2026, resulting in a pharmaceutical exchange rate of TRY 29.1164. Nevertheless, despite these adjustments, the pharmaceutical exchange rate had already fallen to only 54.5% of the prevailing market exchange rate by May 2026.

Chart 48- Currency Trends (Euro/TRY)

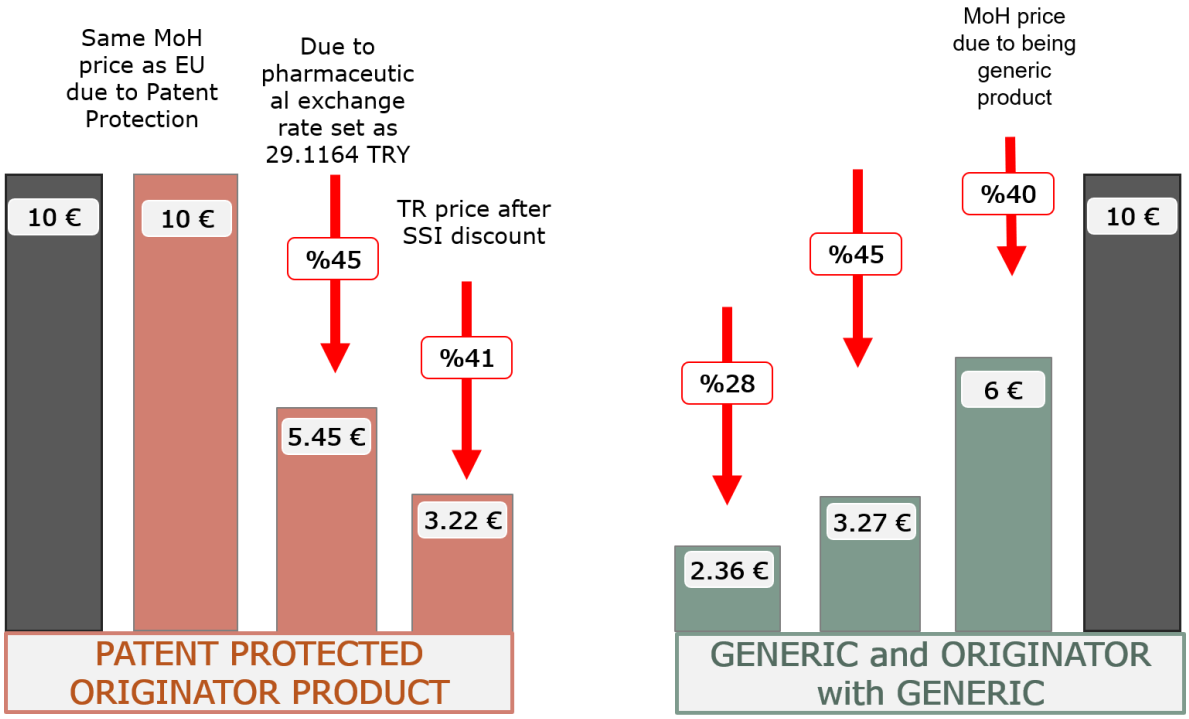


Source: TiTCK, TCMB, IEIS

In addition, the industry faces substantial pricing pressure due to SSI reimbursement discounts that can reach as high as 41%. As a result of the cost-focused reimbursement system implemented by the SSI, medicine prices in Türkiye have fallen below not only those in European countries used as reference markets but even those in India, from which Türkiye imports pharmaceutical raw materials.

As illustrated in the accompanying chart, a product with a reference price of €10 would be priced substantially lower in Türkiye under the current pricing framework. A patent-protected reference medicine would effectively be priced at €3.22, while both off-patent reference medicines and their generic equivalents would fall to approximately €2.36.

Chart 49- Pharmaceutical Pricing

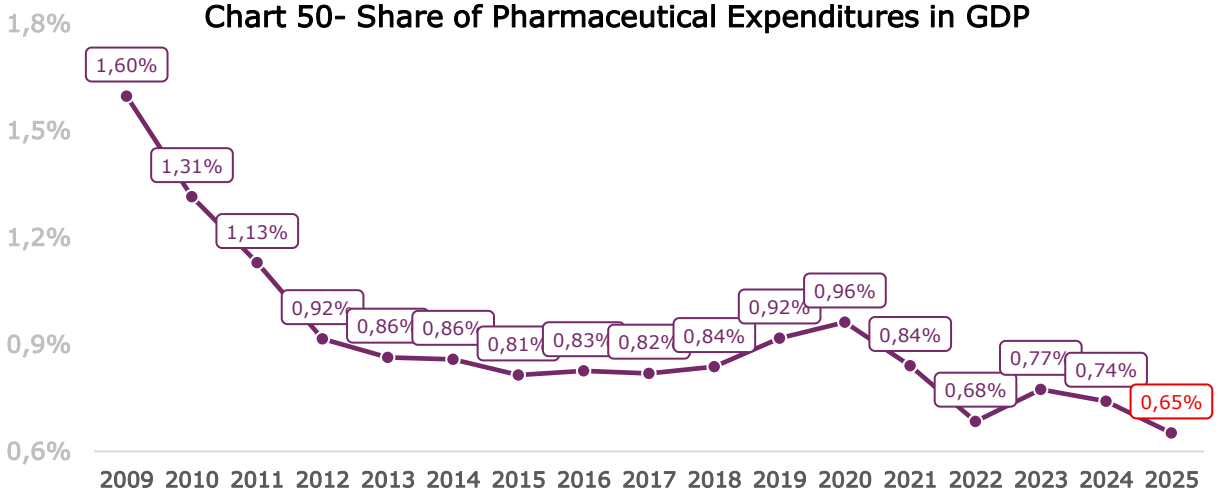


Source:TITCK, TCMB, IEIS

- Calculations were made based on the value 53.4057 TRY dated May 2026.

The fundamental cause of the financial difficulties arising from pharmaceutical pricing and reimbursement policies is the steady decline in the share of public expenditure allocated to medicines. Pharmaceutical expenditure reached its peak at 1.6% of Türkiye's Gross Domestic Product (GDP) in 2009 but has steadily declined over the years. By 2025, this ratio had fallen to only 0.65%.

Chart 50- Share of Pharmaceutical Expenditures in GDP

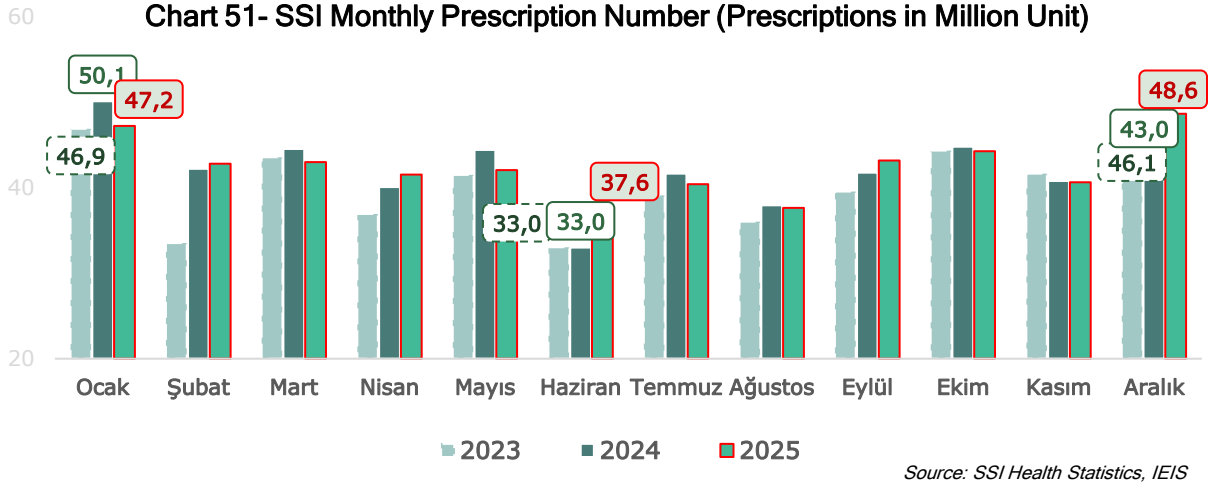


Source:TUIK, SGK, IEIS

Despite the extraordinary circumstances created by the COVID-19 pandemic, the devastating earthquake disaster, economic challenges, and regional wars and crises since 2020, the Turkish pharmaceutical industry has maintained uninterrupted production. Despite difficulties related to raw material supply, logistical disruptions, rising costs, and fluctuations in pharmaceutical sales, the industry has preserved its manufacturing capacity and contributed significantly to the continuity of healthcare services.

The pharmaceutical industry played a critical role in safeguarding public health in 2025 by preventing potential disruptions in medicine supply while continuing to meet the needs of a healthcare system processing an average of 42 million prescriptions per month.

Chart 51- SSI Monthly Prescription Number (Prescriptions in Million Unit)



Source: SSI Health Statistics, IEIS

9. Conclusion and Evaluation

As one of Türkiye's strategic industries, the pharmaceutical sector possesses substantial value-added potential and more than a century of experience. In cooperation with public institutions and academia, it continues its efforts to ensure a sustainable and effective supply of medicines.

The COVID-19 pandemic and the earthquake disasters once again highlighted the critical importance of pharmaceutical and vaccine supply security. Throughout these crises, the Turkish pharmaceutical industry successfully fulfilled its responsibilities and made a significant contribution to the continuity of the healthcare system.

Since the final quarter of 2021, fluctuations in exchange rates have caused the gap between the pharmaceutical exchange rate used for pricing and the actual market Euro exchange rate to widen considerably, and this situation has persisted in subsequent years.

This development has reinforced the industry's long-standing demand that the pharmaceutical exchange rate be updated at least twice annually and automatically enter into force on the first business day following the relevant calculation period without requiring additional committee or commission approvals.

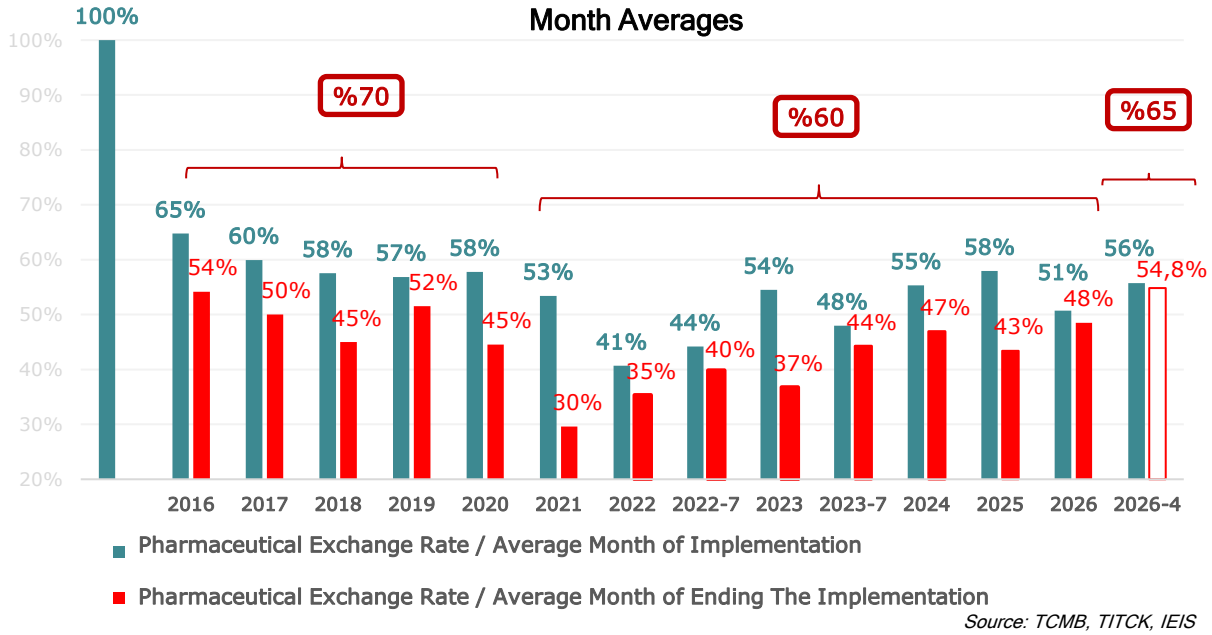
The failure to implement the necessary reforms in 2024 and 2025, despite repeated industry requests, has negatively affected pharmaceutical manufacturing activities. These effects extend beyond production and also undermine exports by reducing unit export prices and preventing pharmaceutical exports from reaching their full potential.

Furthermore, the pressure exerted on pharmaceutical prices and exchange rates limits the sector's ability to allocate sufficient resources to advanced technology investments and research and development activities. While pharmaceutical companies worldwide invest approximately 15% of annual revenues in research and development, the corresponding ratio in Türkiye remains below 5%. This significantly constrains innovation, the development of new medicines, and the expansion required in strategic areas such as biotechnology.

As illustrated by the historical comparison between the pharmaceutical exchange rate and the average Euro exchange rate during the implementation periods of the 70%, 60%, and 65% adjustment coefficients, the industry has never actually achieved the intended exchange-rate ratios in practice.

The pharmaceutical exchange rate of TRY 29.1164, which came into effect on 1 April 2026 based on a 65% coefficient, had already fallen below 55% of the monthly average Euro exchange rate before the end of May 2026. This clearly demonstrates the need for a more permanent and effective pricing framework.

Chart 52- Pharmaceutical Exchange Rate to Application Beginning and Ending Month Averages



Source: TCMB, TITCK, IEIS

The pharmaceutical sector is a dynamic industry that must closely follow technological developments, rapidly adopt new technologies, and continuously invest in modernization. To enable domestic production of products currently unavailable in Türkiye, companies are establishing new manufacturing facilities and regularly upgrading existing production systems.

As Türkiye enters the second century of the Republic, it is evident that the pharmaceutical sector should focus its energy not on addressing problems related to exchange rates, pricing regulations, and reimbursement policies, but rather on shaping the future through investments in biotechnological and biosimilar medicines, gene and cell therapies, high-quality R&D activities, domestic molecule development, value-added exports, data utilization, and digital transformation.

Accordingly, in order to protect and accelerate the development of Türkiye's pharmaceutical industry, it is necessary to move away from a pharmaceutical pricing policy driven primarily by fiscal discipline and implement a comprehensive pricing reform capable of responding rapidly to market conditions.

At the same time, permanent solutions aimed at shortening, accelerating, and increasing the transparency of pharmaceutical authorization processes are essential for the long-term sustainability of the Turkish pharmaceutical sector.

In addition, reimbursement policies should be designed not only from the perspective of public finances but also with consideration for patient access to medicines and the future development of the domestic pharmaceutical industry. Pharmaceutical expenditures should be regarded as investments in human capital.

Given that Türkiye possesses one of the world's most comprehensive healthcare systems, allocating an appropriate level of resources to serve its rapidly aging and growing population is of critical importance.

For this reason, it is considered necessary to increase the share of public expenditure allocated to medicines to at least 1.1% of GDP, corresponding to the average level observed between 2002 and 2024.

The primary objective in pharmaceuticals should be to transform Türkiye first into a regional and subsequently into a global hub for pharmaceutical production and exports. To achieve this goal, the domestic pharmaceutical industry, whose foundations were laid nearly a century ago, should be developed in line with global trends shaping the future of pharmaceuticals, and pharmaceutical localization should remain a key state policy priority.

Within the localization framework, increasing production investments in areas of high import dependency, particularly biotechnology, will create additional highly qualified employment, modernize manufacturing technologies, strengthen R&D capabilities, and reduce pharmaceutical imports. Furthermore, the export of newly developed medicines will increase foreign currency earnings and contribute to reducing the foreign trade deficit.

The strengthening of the pharmaceutical industry will also support the development of supplier industries providing intermediate goods, machinery, equipment, and raw materials. Encouraging domestic production of these inputs, which are currently imported to a significant extent, will facilitate the creation of a robust pharmaceutical ecosystem based on industrial clustering.

The pharmaceutical industry requires continued support from public authorities. Investment incentives provided to date have enabled significant investments, and the sector continues to invest. However, because the current incentive system relies primarily on tax reductions and exemptions, it does not fully address the sector’s needs.

In the field of biotechnology, the immediate priority should not only be new facility investments but also the implementation of public support mechanisms capable of activating the thirteen biotechnology facilities that already exist but remain underutilized. Otherwise, these investments, which represent valuable national assets, may eventually face the risk of becoming obsolete.

In this context, particularly for biosimilar medicines, which require large-scale and continuous investment, it is critically important to increase direct financial support, introduce long-term low-interest financing opportunities, and extend such support mechanisms to clinical research activities, which are essential but highly costly components of biosimilar development.

Furthermore, public procurement guarantees with predetermined durations and volumes should be incorporated into high-technology investment programs such as HIT-30 specifically for biotechnological and biosimilar medicines.

In addition, preferential policies for biotechnological medicines manufactured domestically from the cell stage onward should be integrated into pharmaceutical pricing and reimbursement systems. Accelerated authorization procedures should

be implemented for these products, and SSI reimbursement discounts applied to biosimilar medicines produced domestically from the cell stage onward should be eliminated.

If these measures are implemented, Türkiye could become a major production and export hub for biosimilar medicines. This would simultaneously reduce the burden on public finances and significantly decrease the pharmaceutical sector's foreign trade deficit.

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www.biopharma.org.tr
www.trpharmaexporters.org

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