

(English version)

**Question for written answer E-000468/25
to the Commission
Dan-Ștefan Motreanu (PPE)
(3 February 2025)**

Subject: Strengthening the EU's competitiveness in the pharmaceutical sector

The Draghi report highlights a growing competitiveness gap in the EU pharmaceutical sector, despite its global leadership in trade by value. While US-based companies continue to expand their market share, the EU is losing ground, particularly in the most dynamic segments.

In 2022, only two of the ten best-selling biological medicines in Europe were marketed by EU companies, while six were from US-based firms. The EU also lags behind in market-exclusive products such as orphan medicines and advanced therapy medicinal products, areas that are crucial for future healthcare advancements.

A key factor behind this trend is significantly lower investment in research and innovation. Public research and innovation spending on pharmaceuticals in the EU is less than half that of the United States, while private-sector investment is only about a quarter of US levels. This funding gap is limiting Europe's ability to compete in high-value pharmaceutical innovation and commercialise breakthrough therapies.

What measures does the Commission plan to implement to enhance investment in pharmaceutical research and innovation and ensure that the EU remains globally competitive in this critical sector?

Submitted: 3.2.2025

**Answer given by Mr Várhelyi on behalf of the European Commission
(27 March 2025)**

To enhance investment in pharmaceutical research and innovation and ensure that the EU remains globally competitive, the Commission has launched a series of strategic initiatives.

The proposal for a reform of the EU pharmaceutical general legislation aims at simplifying the regulatory framework, increasing speed and efficiency, and enabling the use of digitalisation and Artificial Intelligence and a conducive research & development investment environment. It aims to reduce administrative burdens and provide a more agile framework for the development, authorisation and commercialisation of cutting-edge innovative medicines.

The Critical Medicines Act aims to support the diversification of supply chains and the production development of critical medicines. The Biotechnology Act aims to boost innovation and competitiveness of the biotech sector in the EU by making it easier to bring biotechnology from the laboratory to factory and ultimately to the market.

The Life Sciences Strategy ⁽¹⁾, expected to be adopted in the second quarter of 2025, aims to strengthen the competitiveness of Europe in the life sciences area, leading to benefits for our society in the twin digital and green transitions. The strategy should announce a number of initiatives to capitalise on Europe's strengths and address its weaknesses.

The Strategic Technologies for Europe Platform ⁽²⁾ also provides support in the area of biotechnologies. In addition, the Innovative Health Initiative Joint Undertaking ⁽³⁾, the world's largest public-private partnership in life sciences, has the total budget of EUR 2.4 billion out of which EUR 1 billion comes from Horizon Europe ⁽⁴⁾. This is a major initiative to help the European health industry sector keep competitive.

⁽¹⁾ <https://www.efpia.eu/media/fzkbhzo/a-competitiveness-strategy-for-european-life-sciences.pdf>

⁽²⁾ https://strategic-technologies.europa.eu/about_en

⁽³⁾ <https://www.ih.europa.eu/>

⁽⁴⁾ https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe_en