

# **ECONOMIC CONTRIBUTION OF EUCOPE'S MEMBERSHIP AND TRADE IMPLICATIONS FOLLOWING U.S. POLICY MEASURES**

EUCOPE's membership survey

European Confederation of Pharmaceutical Entrepreneurs (EUCOPE)  
January 2026

# Executive summary

The European biopharmaceutical industry, as represented by EUCOPE's membership, plays an important role in the EU27 economy through its substantial contributions to gross domestic product (GDP), employment, and international trade. However, this contribution is not guaranteed. Lack of global policy predictability, complex and fragmented EU27 regulation, and a declining EU27 competitive environment may put the value this industry generates at risk. We find that in 2024, EUCOPE members supported a GDP of EUR 98 billion, with productivity levels (GDP per employee) higher than most EU27 industries, reflecting the industry's innovation intensity and reliance on highly skilled labour. We also find that EUCOPE's members supported 678,000 jobs across direct, indirect, and induced effects, demonstrating its membership's impact on both the life sciences sector and related industries.

Trade performance remains a key strength for the EU27 pharmaceutical industry, with the EU27 achieving a record pharmaceutical trade surplus of EUR 195 billion in 2024, driven by robust exports - particularly to the United States, which accounts for over a third of total EU27 pharmaceutical exports. However, recent U.S. policy measures, including a 15% import tariff and uncertainties around Most-Favoured Nation (MFN) pricing, have introduced new challenges. Survey evidence generated for this report suggests these policies may prompt companies to reconsider investment and launch strategies, potentially shifting activities away from the EU27 and putting some of the industry's economic contribution at risk.

1

**EUR 98 billion**

in GDP supported by EUCOPE's members  
in the EU27

2

**678,000 jobs**

supported by EUCOPE members in the  
EU27

3

**The EU27 may become a less  
attractive region to launch in**

Faced with a 15% tariff on pharmaceuticals and MFN pricing, companies may increasingly delay or refrain from launching selected products in the EU27

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# CHAPTER 1

## THE ECONOMIC CONTRIBUTION OF EUCOPE'S MEMBERSHIP

### KEY TAKEAWAYS

- EUCOPE's primarily small and mid-sized members innovate in a wide range of disease areas. They have, on average, five medicines for human use centrally approved in the EU27, and 38% of members do not have a centrally approved medicine.
- EUCOPE's members support EU27 GDP by EUR 98 billion per year.
- EUCOPE's members support 678,000 jobs in the EU27.
- EUCOPE's membership outperforms many industries in terms of labour productivity.

# EUCOPE's members are innovative in a wide range of disease areas

## EUCOPE's members' drive distinct innovation across the EU27 life sciences sector

The European Confederation of Pharmaceutical Entrepreneurs (EUCOPE) primarily represents small to mid-sized companies<sup>1</sup> across the biopharmaceutical, medical technologies, and life sciences sectors. This segment may differ in structure, scale, and operating conditions from larger pharmaceutical companies, yet it plays a meaningful role in the European health innovation ecosystem. This report highlights the economic footprint of EUCOPE's members.

The pharmaceutical sector as a whole is among the most productive in the European economy, driven by consistently high levels of research and development (R&D) and innovation.<sup>2</sup> Within this context, small to mid-sized companies make specific contributions that are not fully captured by analyses focused on larger firms alone or the entire pharmaceutical industry. Including their perspectives alongside those of major pharmaceutical companies supports a more comprehensive understanding of the EU27 life sciences landscape.

## EUCOPE's members are very active in rare diseases, and they cover a broad range of therapeutic areas

Results from a survey conducted by Copenhagen Economics show that EUCOPE's membership<sup>3</sup> demonstrates a strong commitment to addressing rare diseases, with 76% of survey respondents indicating involvement in this therapeutic area<sup>4</sup>, see Figure 1.

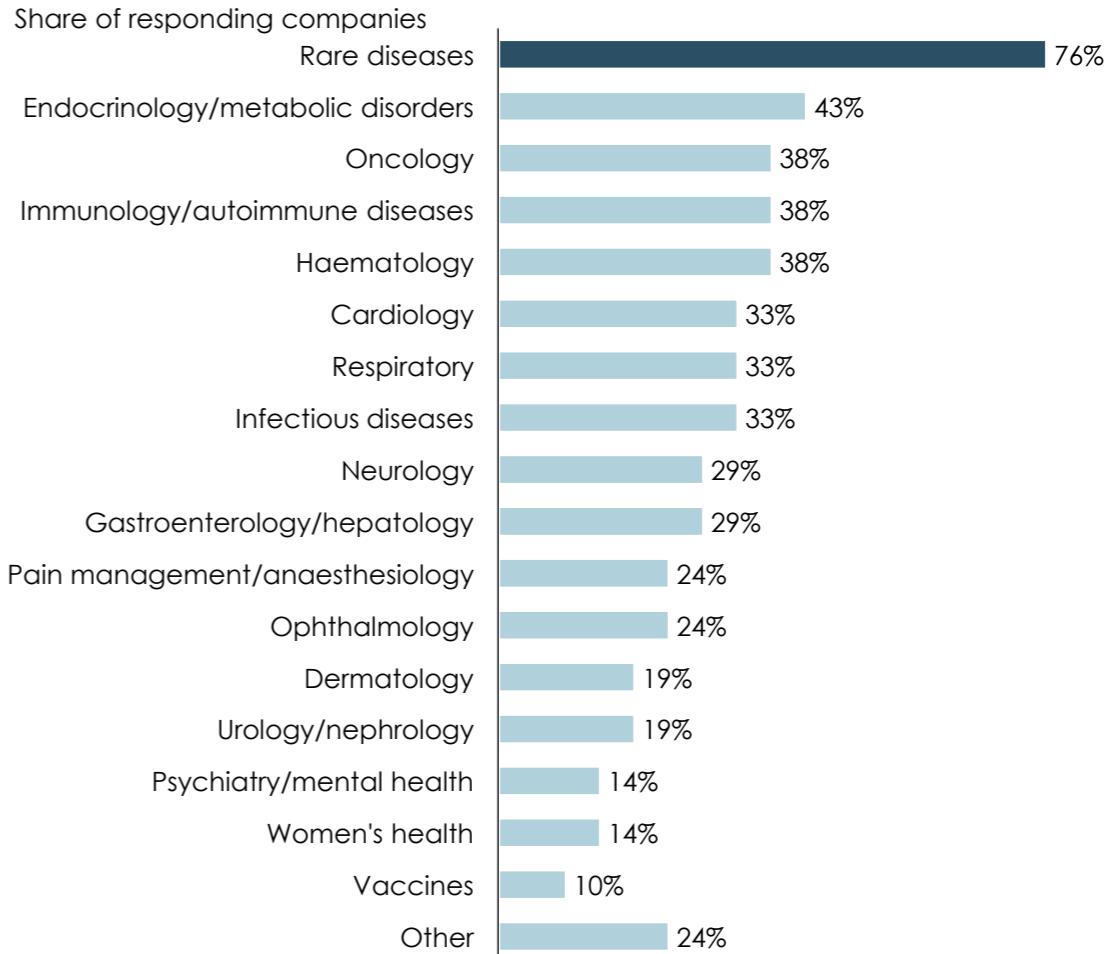
At the same time, EUCOPE's membership demonstrates significant breadth across other therapeutic areas. 38% of companies indicate that they are active in endocrinology/metabolic disorders, oncology, immunology/autoimmune disease, and haematology, suggesting that members are also well represented in fields that are central to both chronic and acute health challenges. Cardiology, respiratory, and infectious diseases are also prominent therapeutic areas, with 33% of survey respondents indicating activity in each.

Beyond these core areas, EUCOPE's members report activity in a range of additional fields, including neurology, gastroenterology/hepatology, ophthalmology, dermatology, urology/nephrology, pain management, psychiatry/mental health, women's health, and vaccines. Although fewer companies are active in these areas, their presence further illustrates the diversity of the membership and the industry's ability to respond to a wide array of medical needs.

Many companies operate in more than one therapeutic area, reflecting the complex and interconnected nature of modern biopharmaceutical research and development. These diverse focus areas suggest that EUCOPE's members are not only advancing innovation in rare diseases but are also contributing to progress across a broad range of health conditions.

Notes: 1) EUCOPE's definition of small to mid-sized companies is not identical to that of the European Commission, see [link](#). EUCOPE's definition includes larger companies than the threshold set by the European Commission. EUCOPE's membership also includes some large pharmaceutical companies, see list of members [here](#). / 2) EFPIA (2024). / 3) Please find a full list of EUCOPE members on EUCOPE's webpage, see [link](#). / 4) The categories are not mutually exclusive. For instance, a company can be active in a rare metabolic disorder.

**Figure 1. Distribution of therapeutic areas in which EUCOPE members are active**



Note: Companies have been able to select all areas that apply, hence the figure sums to more than 100%.

Source: Copenhagen Economics based on 22 survey responses.

# Rare diseases are a strategic focus for EUCOPE members, but only 15% of products currently available on the EU27 market address them

## EUCOPE's members span from early-stage innovators with a few products to established firms with broad product portfolios

Focusing on centrally EMA approved medicines for human use across EUCOPE's 104 member companies, we find that they have, on average, five products centrally approved in the EU27, and that 38% do not have a centrally approved product, see Figure 2. This reflects the prevalence of early-stage and specialised companies within EUCOPE's membership, many of which are still progressing towards commercialisation.

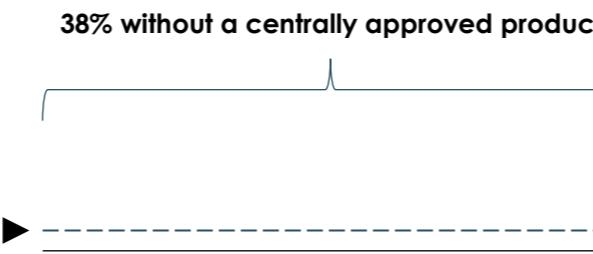
Among the survey respondents, 15% of products available on the EU27 market are treatments for rare diseases, see Figure 3. Particularly smaller companies, i.e. those with fewer than ten products available in the EU27, tend to focus solely on rare diseases. In contrast, larger companies with more products available have a more diverse product portfolio and therefore have relatively many products for non-rare diseases on the market in the EU27.

## Product portfolios vary widely across members

Results from our survey indicate that the median number of products (medicines, sample preparations, kits, etc.) on the market in the EU27 per company is 11, see Figure 4. However, it is important to note that the average number of products is significantly higher (1,286), driven by a single company with an exceptionally large portfolio.

## Figure 2. Distribution of EMA centrally approved medicinal products

Number of EMA approved medicines for human use per EUCOPE member company



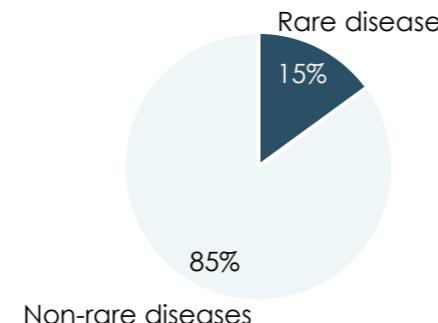
72

Note: Based on 104 member companies.

Source: Copenhagen Economics based on European Commission Union Register of medicinal products.

## Figure 3. Share of products for rare diseases

Share of products for rare diseases on the market in EU27



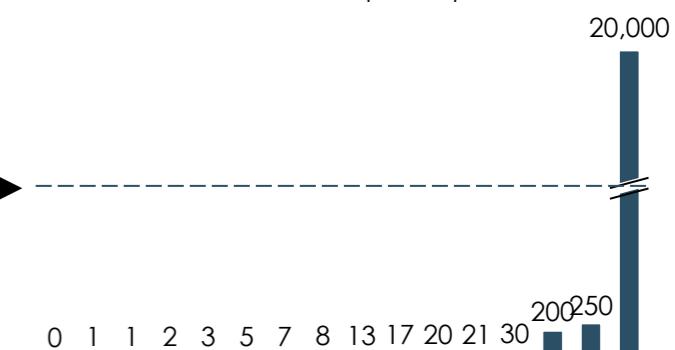
Note: Based on 21 survey responses. Respondents have answered what share of their products on the market are for rare disease and combined with the number of products available (also reported), we calculate the absolute number of products for rare disease.

Source: Copenhagen Economics.

## Figure 4. Distribution of the number of products on the market in EU27

Number of products on the market in EU27 per respondent

Mean: 1,286  
Median: 11



Note: Based on 21 survey responses. Products include medicines, sample preparations, kits, software, etc.

Source: Copenhagen Economics.

# EUCOPE's biopharmaceutical members support GDP by EUR 98 billion in the EU27

## EUCOPE's members support EU27 GDP

We estimate that EUCOPE's members supported an economic gross domestic product (GDP)<sup>1</sup> contribution of EUR 98 billion in the EU27 in 2024, see Figure 5. This contribution does not depend solely on physical manufacturing presence, but reflects economic activity generated through EU-linked operations and value chains. The contribution is made up by three effects: a direct effect, an indirect effect, and an induced effect.

First, EUCOPE's members directly supported a **GDP contribution of EUR 59 billion in the EU27 in 2024**. This effect arises directly at EUCOPE's members, i.e. the value generated from their day-to-day operations in the EU27. It reflects the economic activity created within the members' own organisations through production, employment, and investment.

Second, EUCOPE's members also supported an **indirect GDP contribution of EUR 24 billion in the EU27 in 2024**. The indirect effect arises along the members' value chain. When members purchase goods and services in the EU27<sup>2</sup> required for their operations, they generate activities elsewhere in the economy. Therefore, it reflects the economic activity created at supplier industries such as manufacturing, business services, logistics, and energy. The resulting GDP is captured as the indirect effect.

Third, EUCOPE's members also supported an **induced GDP contribution of EUR 16 billion in the EU27 in 2024**. This represents consumer spending enabled by wages paid to employees of EUCOPE members and their suppliers. It thereby reflects everyday household consumption, such as housing, food, transport, and other goods and services in the EU27 economy.

While this analysis reflects the current economic footprint, it does not capture the potential upside from future market entry by smaller and currently non-commercialised companies—nor, conversely, the activity that could be at risk under less competitive conditions.

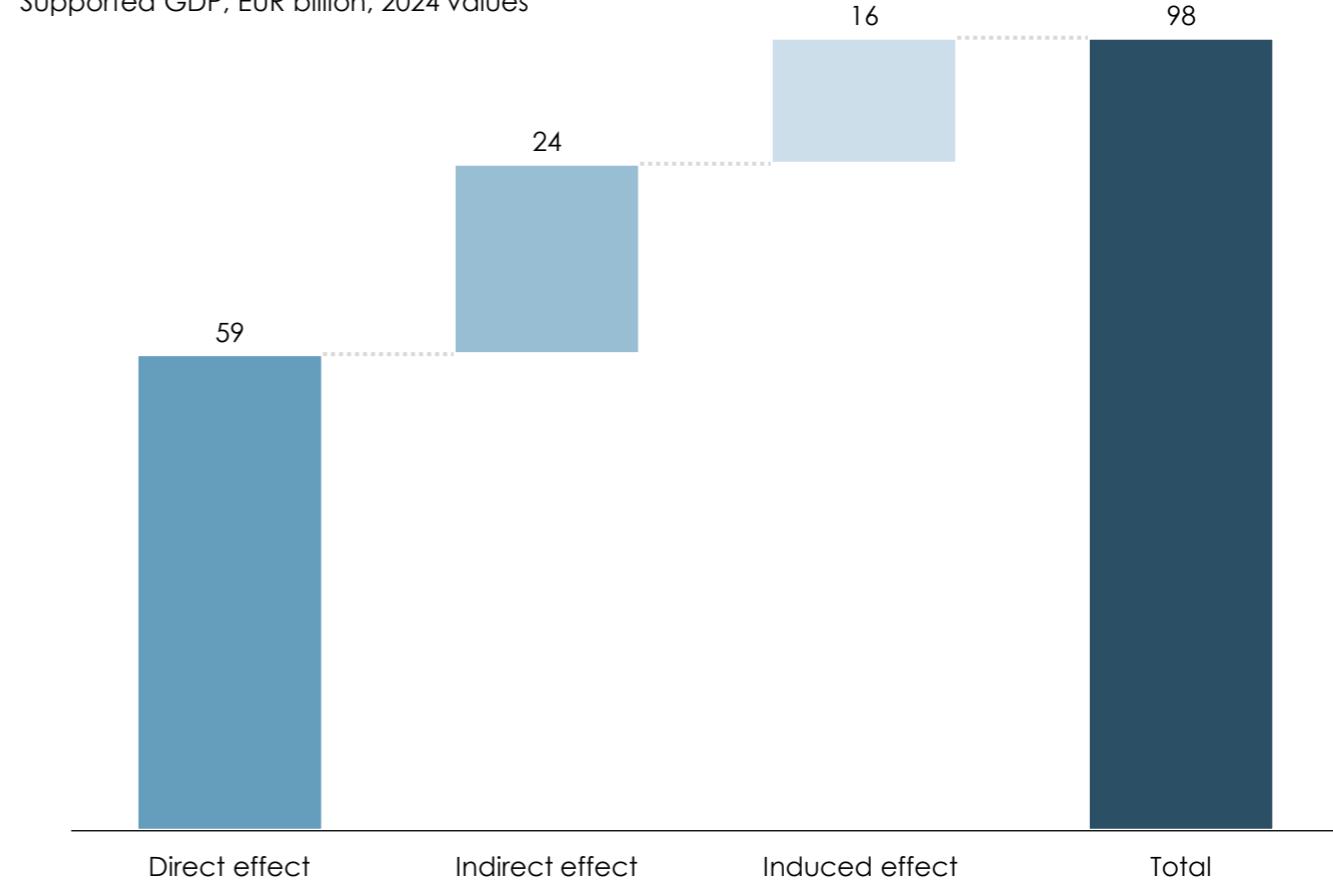
The supported GDP contribution is estimated using scaled survey responses. As we have only received responses from 4%-14% of the members (depending on the parameter), we have scaled these to reflect the entire membership.

When focusing on rare diseases, we find that 15% of survey respondents' revenue in the EU27 comes from rare disease activities. Although revenue is **not** identical to GDP, it provides an indication that the footprint from rare disease activities could be roughly 15% of the total footprint. Please note that this is not an actual estimate.

Notes: 1) GDP measures the total value of all goods and services produced within a region or country in a specific period of time. / 2) Imports from outside EU27 is not included in this analysis.

**Figure 5. The economic footprint of EUCOPE's membership in the EU27**

Supported GDP, EUR billion, 2024 values



Note: Differences are due to rounding.  
Source: Copenhagen Economics based on data from Eurostat, and survey responses. See Appendix B for a description of the methodology.

# Additionally, EUCOPE's biopharmaceutical members support 678,000 jobs in the EU27

## EUCOPE's membership supports 678,000 jobs in the EU27

In addition to supporting GDP, EUCOPE's membership also supports jobs in the EU27. We estimate that EUCOPE's members supported 678,000 jobs in the EU27 in 2024, see Figure 6. As for GDP, this contribution is made up of three effects: a direct effect, an indirect effect, and an induced effect.

First, EUCOPE's members directly employed 225,000 full-time equivalents (FTEs) in the EU27 in 2024. This estimate is based on scaled survey responses, see Appendix B. These jobs are located within EUCOPE's members' own operations and cover all job functions, e.g. manufacturing, R&D, administrative, and support functions.

Second, EUCOPE's members additionally supported 276,000 FTEs indirectly in the EU27 in 2024. This indirect effect arises along the members' value chain, and it mainly reflects employment in supplier industries such as manufacturing, logistics, professional services, and energy. Therefore, it is an estimate of the number of jobs supported in the members' value chains.

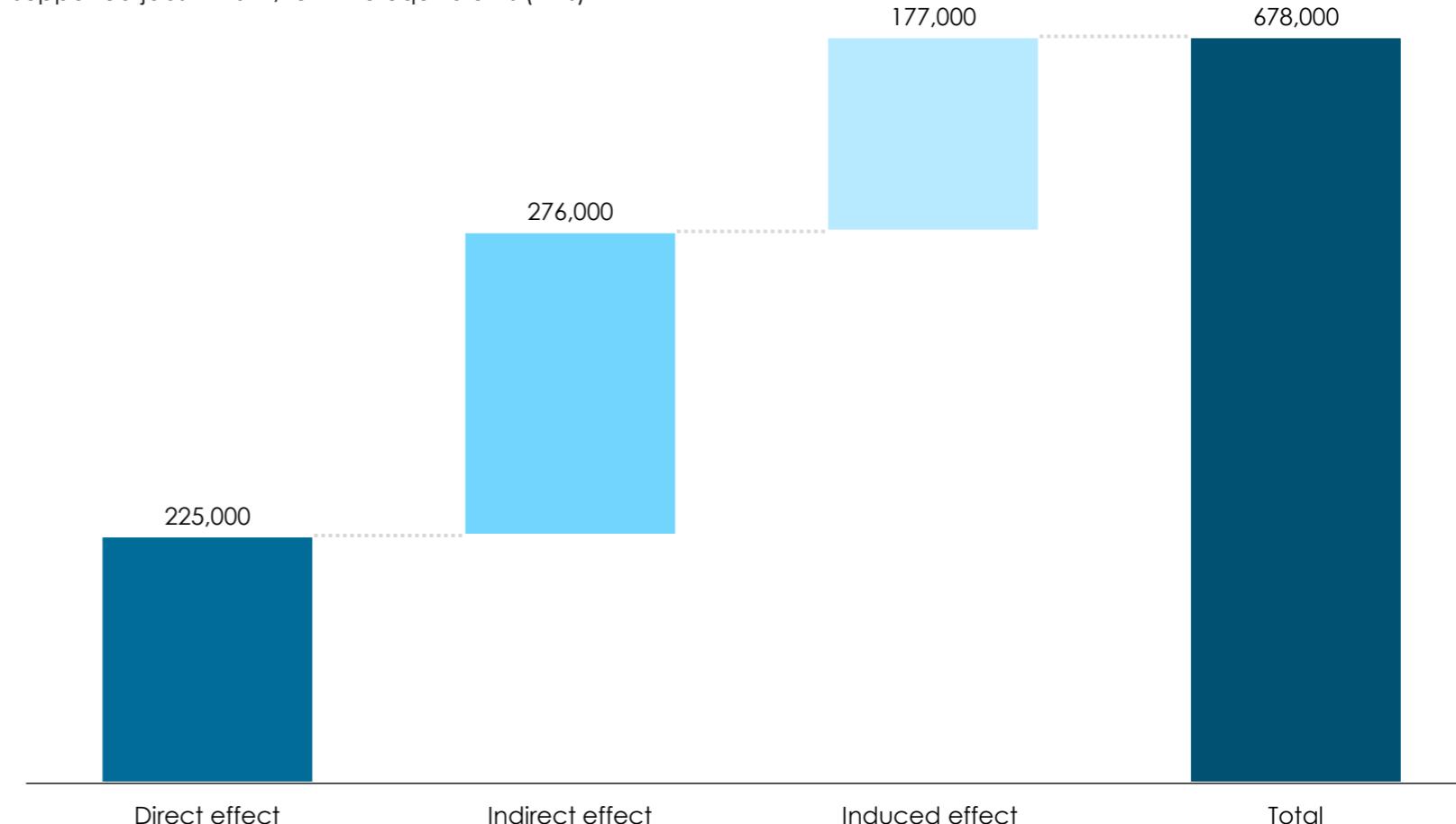
Third, EUCOPE's members also supported an induced job contribution of 177,000 FTEs in the EU27 in 2024. These FTEs are enabled by wages paid to employees of EUCOPE members and their suppliers. It therefore reflects the jobs supported by everyday household consumption such as housing, food, transport, and other goods and services in the EU27 economy.

Overall, the employment footprint implies that for each direct job within EUCOPE's members, around two jobs are supported elsewhere in the EU27 economy through value chains and household spending.

When zooming in on rare diseases, we find that 6% of survey respondents' employees in the EU27 work within rare disease. This provides an indication that the employment footprint from rare disease activities could be roughly 6% of the total footprint. Please note that this is not an actual estimate.

**Figure 6. The employment footprint of EUCOPE's membership in the EU27**

Supported jobs in 2024, full-time equivalents (FTEs)



Source: Copenhagen Economics based on data from Eurostat and survey responses. See Appendix B for a description of the methodology.

# EUCOPE's membership outperforms many industries in terms of labour productivity

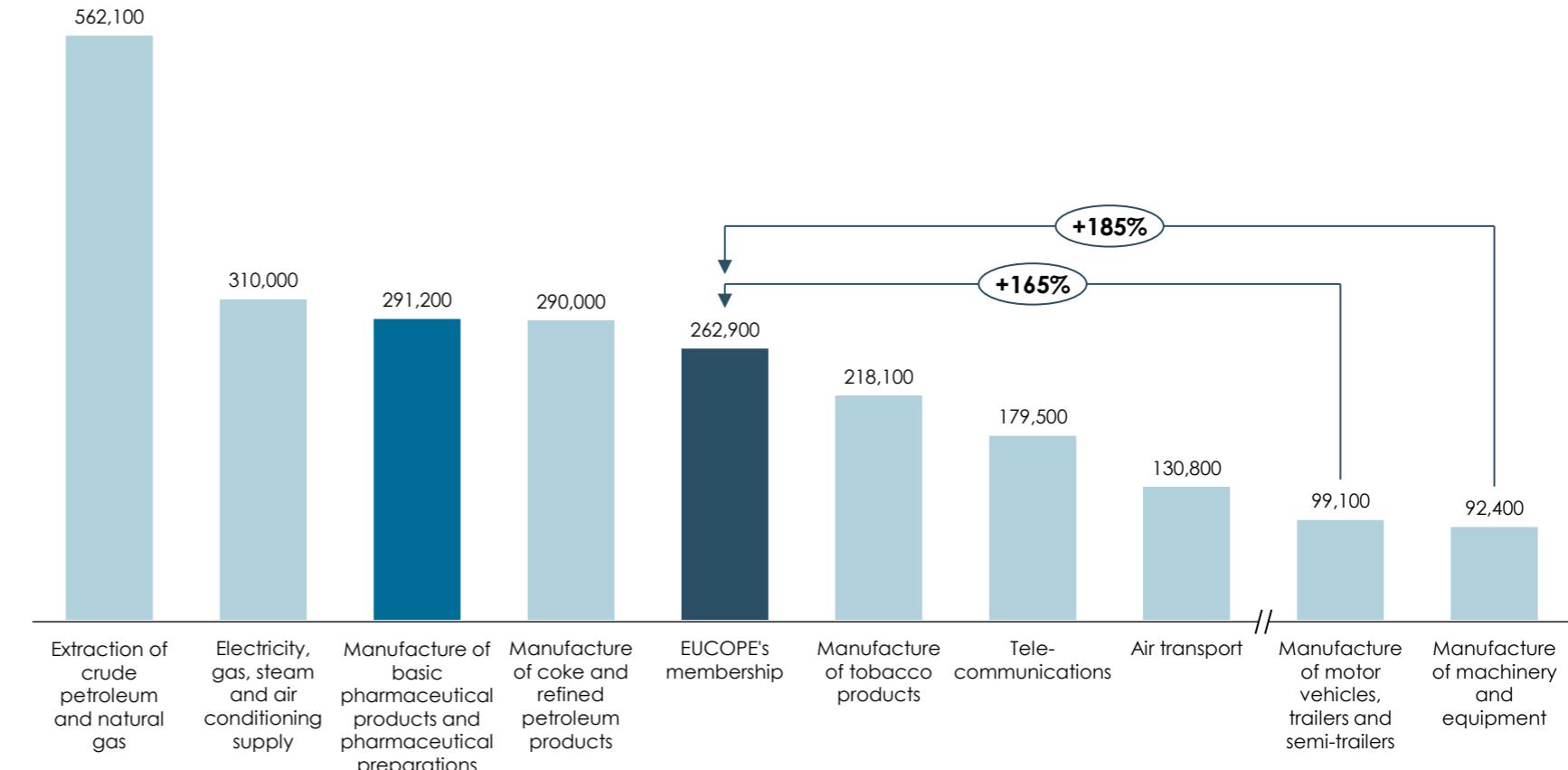
## EUCOPE members outperform most EU27 industries in terms of labour productivity

Comparing the estimated direct GDP contribution and direct employment, we arrive at the measure GDP per employee. GDP per employee is a standard measure of labour productivity which captures the value generated by each employee. We find that the average GDP per employee among EUCOPE's members is EUR 262,900, which is high compared to other industries, see Figure 7. This result is overall consistent with the Eurostat estimate of EUR 291,200 for the pharmaceutical sector, see Figure 7. This implies that each job in the pharmaceutical sector supports a relatively large economic value, and that changes in employment levels may translate into changes in overall GDP. Only the extraction of crude petroleum and natural gas; electricity, gas, steam and air conditioning supply; and manufacture of coke and refined petroleum products have higher labour productivity than the pharmaceutical sector and EUCOPE members specifically.

Pharmaceutical companies typically exhibit a relatively high GDP per employee due to the industry's capital intensity, extensive use of advanced technologies, and reliance on highly skilled employees. Innovation further amplifies this effect as innovative pharmaceutical firms contribute more to GDP than companies focused on generic medicines. This reflects their higher investment in research and development, more complex development pipelines, and greater value from intellectual property.<sup>1</sup>

EUCOPE's average GDP per employee is markedly higher than historically important EU27 industries, namely manufacture of motor vehicles and manufacture of machinery. Specifically, the value added per employee among EUCOPE members are 165% and 185% higher, respectively, see Figure 7. This reflects the pharmaceutical industry's importance to the EU27 economy.

**Figure 7. Labour productivity in high-productivity industries excluding financial services**  
Value added per employee



Note: EUCOPE membership is calculated as GDP per employee for 2024. The remaining numbers are from 2023. Numbers have been rounded to the nearest hundred. The measure "value added per employee" is calculated by Eurostat. The following financial industries have been excluded from this list: "Insurance, reinsurance and pension funding, except compulsory social security" of EUR 316,700, "Rental and leasing activities" of EUR 230,500, "Financial service activities, except insurance and pension funding" of EUR 222,200, "Real estate activities" of EUR 156,500, "Activities auxiliary to financial services and insurance activities" of EUR 132,800, and "Gambling and betting activities" of EUR 124,300.

Source: Copenhagen Economics based on survey and Eurostat table sbs\_oww\_act ([link](#)).



# CHAPTER 2

## EU27-U.S. TRADE IN PHARMACEUTICAL PRODUCTS

### KEY TAKEAWAYS

- Trade in pharmaceuticals generates the largest trade surplus for the EU27 economy, and the U.S. is the EU27's most important export market for pharmaceuticals.
- Pharmaceuticals have historically been exempted from tariffs. However, they now face U.S. import tariffs and Most Favoured Nation (MFN) pricing.
- U.S. trade policy may put global, and therefore European R&D activities at risk.
- Companies report that they are likely to delay or withdraw from launching in selected EU27 countries and to increase prices outside the U.S. when faced with MFN pricing. These responses might be amplified by the unpredictability created by MFN pricing.
- 15% U.S. import tariffs are not likely to make the industry deprioritise the U.S., and tariffs may not be directly felt in the U.S.

# Trade in medicinal and pharmaceutical products has increased continuously in the last decade

## The pharmaceutical industry delivers innovative treatments and supports the EU27 trade surplus

Trade in pharmaceutical products is an important driver of the economic footprint of the pharmaceutical industry in the EU27. Since 2014, EU27 trade in medicinal and pharmaceutical products has increased every year except 2023, with export growth continuously outpacing import growth. Over this period, exports have grown by 149% while imports have grown by 75%, see Figure 8. Exports have increased both in absolute and relative terms every year except 2023, reflecting the strong

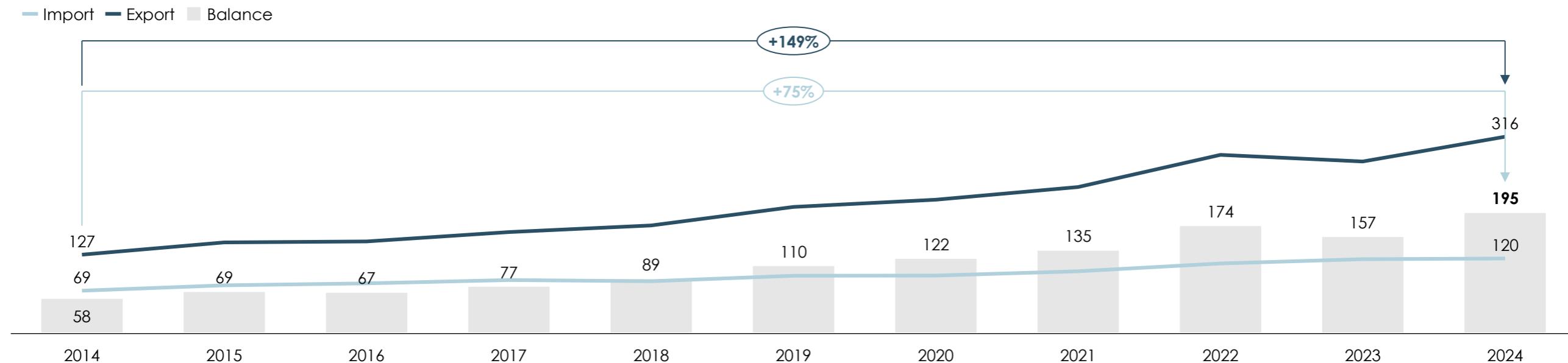
global demand for EU27-produced medicines.

When exports are larger than imports, the trade balance is positive and results in a trade surplus. In 2024, the EU27's trade surplus in medicinal and pharmaceutical products reached EUR 195 billion, the highest level in a decade.<sup>2</sup> Since 2014, the trade surplus has increased from EUR 58 billion, illustrating the increasing importance of the pharmaceutical industry. A trade surplus can be seen as a sign of economic strength, and it is an indicator that the pharmaceutical sector is of great significance to the EU27 economy.

Compared with other industries, the pharmaceutical industry performs well. In 2022, it generated the largest trade surplus of any EU27 industry, outperforming both automotive and chemicals.<sup>1</sup> This surplus is important, as it provides value that the EU27 can use to import goods and services in which it does not hold a comparative advantage. The trade surplus and value to import other goods and services reflects not only the strength of the EU27's research and manufacturing base but also the high global demand for EU27 pharmaceutical innovations.

**Figure 8. EU27 trade in medicinal and pharmaceutical products, 2014-2024**

Trade surplus, billion EUR



Notes: 1) Copenhagen Economics (2024). / 2) Our analysis covers data through 2024. Therefore, the trade increase that occurred ahead of the U.S. tariff announcement in 2025 is not reflected in these figures.

Note: Includes extra-EU trade from all EU27 countries. Differences are due to rounding.  
Source: Copenhagen Economics based on Eurostat table ds-059331, see [link](#).

# The U.S. is the EU27's main exporting market for medicinal and pharmaceutical products

4 in 5 EUCOPE members export to the U.S.

## The U.S. is the most important market for EU27 medicinal and pharmaceutical exports

The U.S. stands as the EU27's largest export destination for medicinal and pharmaceutical products, accounting for over a third of total EU27 pharmaceutical exports. In 2024, exports to the U.S. reached EUR 121 billion, representing 38.3% of the EU27's total pharmaceutical export value, see Figure 9. This pattern underscores the critical importance of the transatlantic relationship for the EU27 biopharmaceutical sector.

Switzerland is the EU27's second-largest export market for pharmaceuticals, with exports valued at EUR 51 billion (16.3% of total EU pharmaceutical exports). Switzerland's role in the sector extends far beyond trade: it is home to many pharmaceutical companies.<sup>1</sup>

The United Kingdom, China, and Japan follow as the next largest export markets, but each represents a substantially smaller share than the U.S. The United Kingdom accounts for EUR 19 billion (5.9%), China EUR 17 billion (5.4%), and Japan EUR 12 billion (3.7%) of EU27 pharmaceutical exports, see Figure 9.

Given this export profile, any changes in U.S. trade policy may have large implications for the EU27 biopharmaceutical industry.

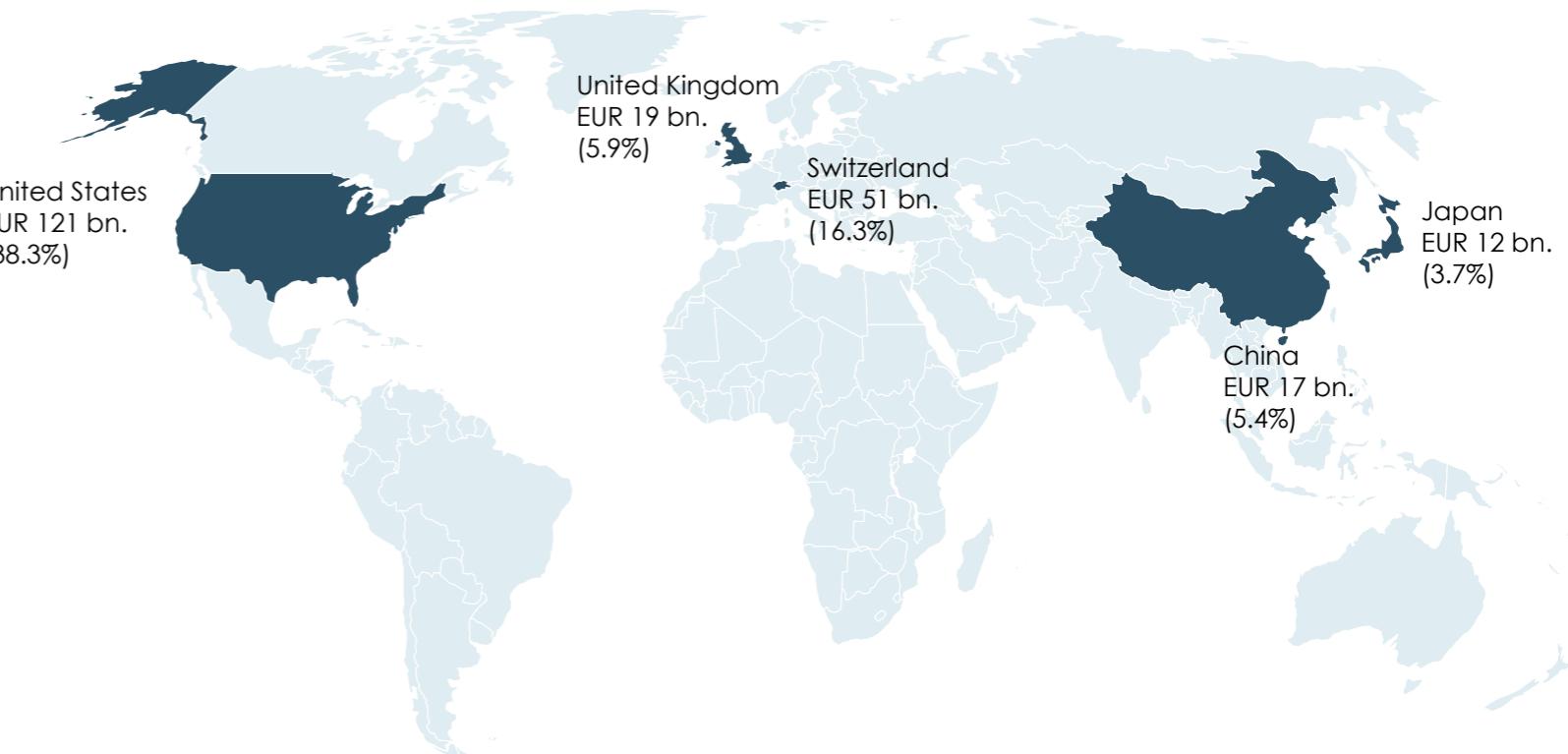
## 4 in 5 EUCOPE members export to the U.S.

Our survey provides more detail on the trade pattern of EUCOPE members with the U.S. According to survey data, four in five companies export to the U.S., confirming that the U.S. is a strategically important export market. Therefore, a large share of EUCOPE's member companies will be exposed to any trade policy changes. Specifically, 43% of EUCOPE members report that their trade with the U.S. is exclusively one-way, with products flowing from the EU27 to the U.S. This one-way trade may be

because EUCOPE's membership primarily commercialises its products outside the EU27. 36% of respondents report bilateral trade meaning that they both export to and import from the U.S., reflecting the highly integrated nature of pharmaceutical supply chains in which products and components often move multiple times across jurisdictions for manufacturing, testing, packaging, and final distribution.

## Figure 9. Top five EU27 pharmaceutical exporting markets, 2024

EUR billion and share of total EU27 pharmaceutical exports



Note: Share of extra-EU export, i.e. exports from EU countries to non-EU countries.

Source: Copenhagen Economics based on Eurostat table ds-059331, see [link](#).

# Pharmaceutical products face U.S. import tariffs and Most Favoured Nation pricing

## A 30-year consensus on no tariffs on pharmaceuticals is being challenged

Pharmaceutical products have, historically, been exempted from tariffs on the principle that medicines are essential for public health. During the World Trade Organisation's Uruguay Round negotiations, the U.S. and several other countries agreed to reciprocal tariff elimination through the "Pharmaceutical Zero-for-Zero initiative," which entered into force on 1 January 1995. This agreement eliminated tariffs on thousands of pharmaceutical products and chemical intermediates, covering over 10,000 items and representing approximately 90% of global pharmaceutical production at the time. The rationale was that pharmaceuticals are necessary for public health and should not be subjected to trade barriers.<sup>1</sup>

This consensus is now being challenged. In 2025, the Trump administration proposed various tariff measures and pricing mechanisms for pharmaceuticals. The measures have the explicit intention of reshoring pharmaceutical activity to the U.S. If they are successful, this would likely have negative consequences on the sector's economic activity and footprint in the EU27.

To get an understanding of likely responses to the Trump administration's policy measures, we have asked EUCOPE members to assess their potential responses in the short run and in the long run to the following trade measures:

### 15% import tariffs on pharmaceutical products

Following initial announcements of potential tariffs as high as 250% on pharmaceutical imports, the U.S. and the EU27 announced their Framework on an Agreement on Reciprocal, Fair, and Balanced Trade on 21 August 2025. The agreement established a 15% maximum tariff on most EU27 goods, including

branded pharmaceuticals, while confirming that generic pharmaceuticals and their ingredients would continue to face only MFN tariffs from 1 September 2025.<sup>2</sup> However, the necessary extension of Section 232 of the U.S. Trade Expansion Act of 1962 is still under investigation<sup>3</sup>, and the tariff will not be in place until the investigation is concluded.<sup>4</sup>

In principle, generic pharmaceuticals, pharmaceutical ingredients, and chemical precursors receive exemptions from reciprocal tariffs under specific provisions. Additionally, companies with active construction underway for U.S.-based manufacturing facilities can avoid the tariffs, creating an incentive for investing in manufacturing sites in the U.S.

### Most-Favoured Nation (MFN) pricing

On 12 May 2025, the White House issued an Executive Order on Most Favoured Nation (MFN) pricing for prescription medicines. Under this approach, U.S. prices would be tied to the lowest price available in any OECD country with a GDP per capita of at least 60% of that of the U.S.<sup>5</sup> The Executive Order is an attempt from the Trump administration to reduce pharmaceutical prices in the U.S. as, according to the Executive Order, U.S. citizens pay more than three times more than other OECD nations.<sup>6</sup>

Since the Executive Order was issued, the White House has pursued voluntary pricing agreements with pharmaceutical manufacturers rather than imposing mandatory government pricing. Today, several major pharmaceutical companies, including Pfizer, AstraZeneca, Novo Nordisk, and Eli Lilly, have entered into voluntary pricing agreements with the U.S. government.<sup>7</sup> These agreements typically include commitments to offer reduced prices to Medicaid programmes, launch new medicines at internationally comparable prices, and to provide direct-to-consumer purchasing options through the upcoming platform *TrumpRx*.

Many implementation details remain uncertain, for example, whether MFN will apply to all products or only new launches, and whether it will cover all channels or only Medicaid. Regardless of the final design, MFN pricing is likely to affect pharmaceutical companies.<sup>8</sup> The status regarding MFN and MFN announcements reflects the state on the day of writing 10 December 2025.

### The policy environment is continuously changing making it challenging to capture everything in a survey

We ran the survey in September, October and November 2025. Hence, for MFN pricing, some developments did happen while the survey was open<sup>9</sup>:

- 29 September 2025: Deadline for manufacturers to comply
- 30 September 2025: Pfizer reached MFN agreement<sup>10</sup>
- 10 October 2025: AstraZeneca reached MFN agreement<sup>11</sup>
- 16 October 2025: EMD Serono reached MFN agreement<sup>12</sup>
- 6 November 2025: Eli Lilly and Novo Nordisk announced joint MFN agreement targeting GLP-1 diabetes and obesity medicines.<sup>13</sup>

However, we do not expect that any responses would change based on the developments.

Please note that only 10%-13% of the relevant EUCOPE membership completed the U.S. trade policy questions. The conclusions in this report are based on few responses. Hence, the likely effects presented on the following pages give an initial picture of the likely range of effects but may not be representative of the whole EUCOPE membership. We present more detail on the survey and the exact text and response options for transparency and clarity in the Appendix.

Notes: 1) United States Trade Representative (n.d.). / 2) European Commission (2025). / 3) congress.gov (2025). / 4) European Commission Press corner (2025). / 5) The White House (2025a). / 6) The White House (2025b). / 7) The White House (2025c), The White House (2025d), The White House (2025e). / 8) Truong and Wang (2025). / 9) The European Commission announced the "Pharma Package" on 11 December 2025. This report does not reflect the provisions of the revised proposal. / 10) The White House (2025f). / 11) The White House (2025g). / 12) The White House (2025h). / 13) The White House (2025i).

# U.S. tariffs and MFN pricing may put global, and therefore European, R&D activity at risk

## High research and development intensity is a defining characteristic of the pharmaceutical industry

The EU27 pharmaceutical industry ranks among the most research-intensive and innovation-driven sectors in the EU27<sup>1</sup>, operating within a regulated environment that creates treatments to the benefit of patients. Pharmaceutical companies reinvest a relatively large proportion of their revenues into research and development (R&D). In 2023, the industry invested approximately EUR 32.8 billion in R&D across the EU27, maintaining its position as the sector with the highest ratio of R&D investment relative to net sales.<sup>2</sup> This commitment to R&D is a defining characteristic of the industry.

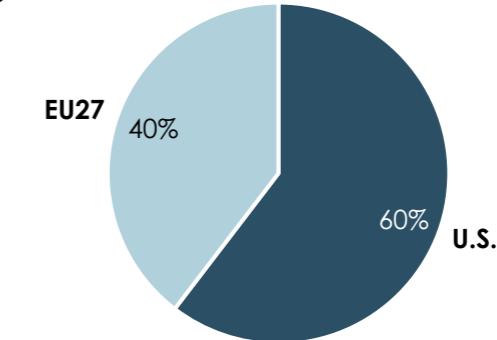
EUCOPE members contribute to these R&D efforts. Analysing the regional distribution of their R&D expenditures, approximately 60% is directed toward the U.S., and 40% goes to the EU27, see Figure 10. **In both regions, around 70% of R&D expenditures focuses on research into rare diseases**, a sign of strategic prioritisation and the high unmet need in this therapeutic area. The U.S. focus may be linked to a more accommodating environment for R&D operations compared to the EU27, although many EUCOPE-affiliated companies are headquartered in the U.S., which likely reinforces investment in their home market.

## U.S. trade policy measures will affect global, and therefore, European R&D expenditures

Data from our survey indicate that, faced with MFN pricing policies and/or tariffs on pharmaceutical products and absent any policy changes in the EU27, 57% of respondents anticipate a decrease in global R&D expenditures, and no respondent expects an increase, see Figure 11.

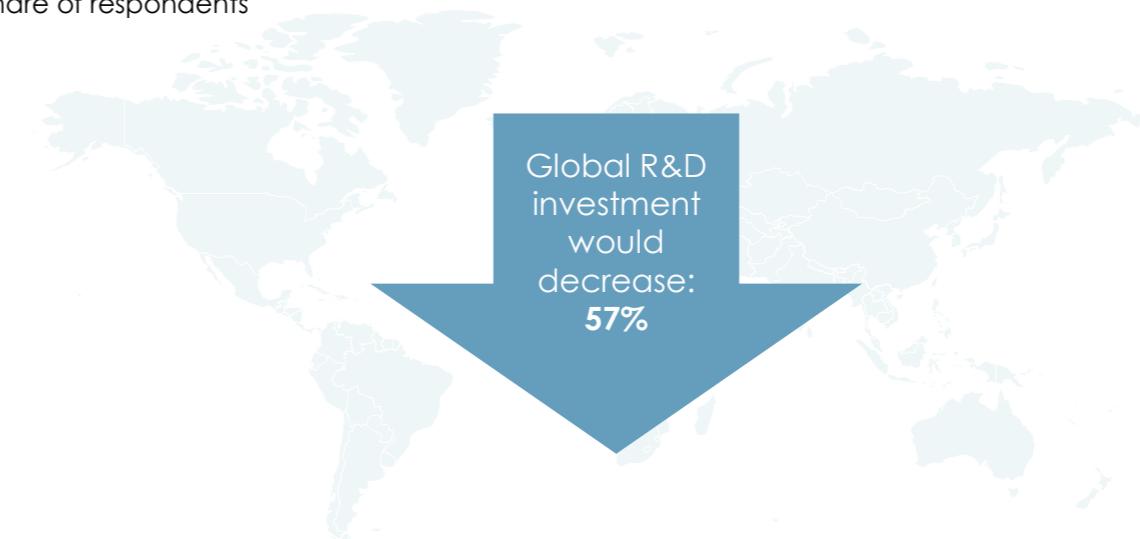
A scenario with MFN pricing and/or tariffs on pharmaceuticals may therefore, inadvertently decrease global pharmaceutical R&D expenditures. A decrease in global R&D expenditures may have ripple effects throughout the pharmaceutical value chain and ultimately lead to a lower GDP contribution from the industry, fewer jobs, and potentially fewer new treatments many years down the road.

**Figure 10. Regional distribution of R&D expenditures**  
Share of total R&D expenditure



Note: Based on 6 survey responses.  
Source: Copenhagen Economics.

**Figure 11. Change in global R&D expenditures following MFN pricing and/or tariffs**  
Share of respondents



Note: Based on 14 survey responses.  
Source: Copenhagen Economics.

# Companies are likely to delay or withdraw from launching in selected EU27 countries when faced with MFN pricing

## MFN pricing will likely delay EU27 launches

MFN pricing, if implemented, presents companies with a choice between foregoing significant revenue and profits from the U.S. market and delaying launches or not launching at all in the EU27. This is because (early) launches in the EU27 at an average lower prices than the U.S. will automatically lead to lower prices in the U.S. as well. Especially in the long run, launch delays in the EU27 are therefore likely, especially in lower-priced countries.<sup>1</sup>

From our survey, it becomes clear that MFN pricing is likely to have a significant influence on companies' launch strategies in the EU27. The reaction that most EUCOPE members consider

likely both in the short and in the long run is to withdraw from or delay launches in selected EU27 countries, see Figure 12. 64% of respondents consider this a likely strategy in the short run, growing to 82% in the long run. While entirely withdrawing from or not launching individual products in the EU27 is considered unlikely in the short run by 73% of respondents, this changes in the longer run, when 64% of respondents view this as a likely scenario, confirming that MFN pricing may lead to gradual but significant shifts in market presence.

While our survey only covered the question of MFN pricing, we note that these reactions may be further amplified if companies

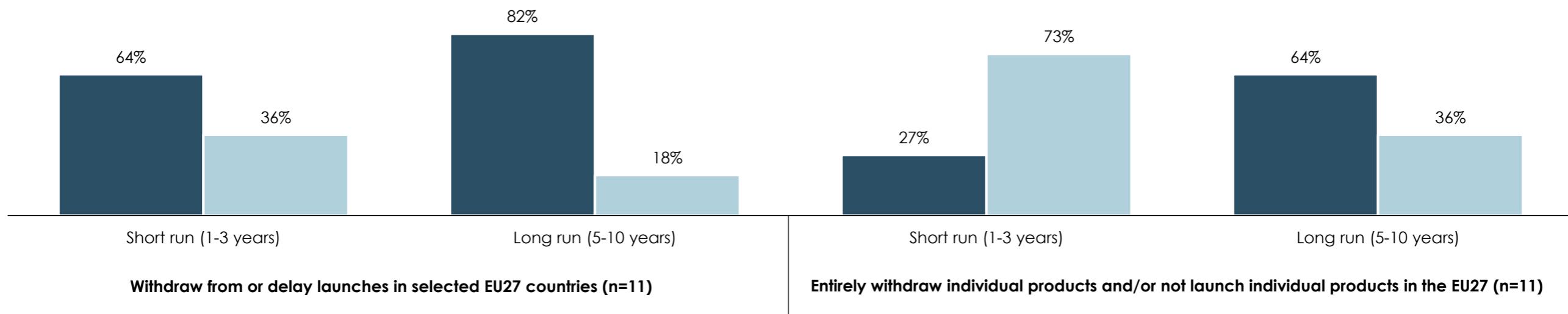
face additional pressures in other parts of the pricing and market-access environment in EU27.

Our interviews with selected EUCOPE members further show that MFN pricing presents significant uncertainty and lack of predictability. Several companies expressed that they do not know what to expect, find it difficult to devise a clear response strategy and therefore, adopt a "wait-and-see" attitude, waiting for first reactions from their larger counterparts.<sup>2</sup> Overall, the uncertainty of the launch and investment environment in the EU27 and globally has increased.

**Figure 12. Distribution of launch responses to MFN pricing in both the short and long run**

Share of respondents

■ Likely ■ Unlikely



Note: "Unlikely" combines the response categories "Very unlikely" and "Unlikely," while "Likely" combines "Very likely" and "Likely." The number of responses is 11.

Source: Copenhagen Economics.

# Companies are likely to increase prices outside the U.S. when faced with MFN pricing

## MFN pricing will likely lead to higher prices outside the U.S.

Pricing considerations reveal substantial differences across survey respondents, underscoring the environment of uncertainty. Most respondents find it likely that they will increase prices outside the U.S. (60% in the short run and 70% in the long run), see Figure 13. These responses indicate that companies expect to rebalance global pricing strategies over time. At the same time, 44% of respondents find it unlikely that they will just accept lower prices in the U.S. in the short run, while this decreases to 33% in the long run. However, there is some

heterogeneity in the responses, reflecting the difficulty companies face in making pricing decisions under uncertain and evolving conditions, and highlighting that predictability is key in strategic planning. This dynamic may be reinforced by the fact that, in the absence of concrete policy details, companies often respond to political signals and broader messaging, as these become the only indicators available for shaping expectations.

Survey respondents were also asked to assess the likelihood of shifting pipeline focus. 75% of respondents deem this unlikely in the short run, most likely due to fixed pipeline investments in the

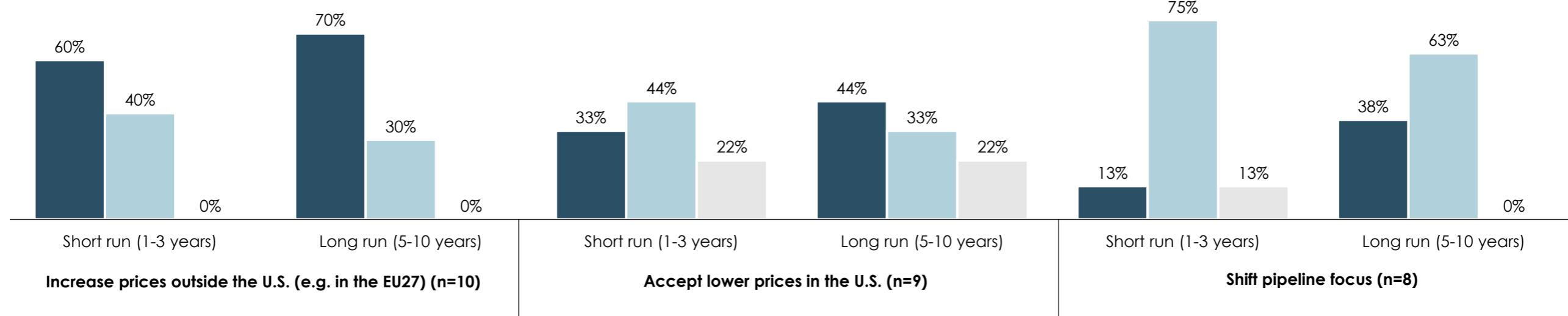
short run. In the long run, slightly more (38%) find a shift in pipeline focus likely. However, the majority still find this unlikely (63%).

Interviews with selected EUCOPE members reinforce the observed response heterogeneity. Companies emphasised the difficulty of predicting precise outcomes, and responses vary widely depending on factors such as current geographic presence, development stage, pipeline composition, existing trade flows, and company size. Across interviews, predictability emerged as a key requirement for effective planning, investment, and pipeline decisions.

**Figure 13. Distribution of pricing responses to MFN pricing in both the short and long run**

Share of respondents

■ Likely ■ Unlikely ■ Neither likely nor unlikely / not relevant



Note: "Unlikely" combines the response categories "Very unlikely" and "Unlikely," while "Likely" combines "Very likely" and "Likely." The number of responses per question ranges from 8 to 10. Source: Copenhagen Economics.

# U.S. import tariffs are unlikely to be directly felt in the U.S. and more likely impact markets outside

## Tariffs are more likely to impact prices in markets outside the U.S.

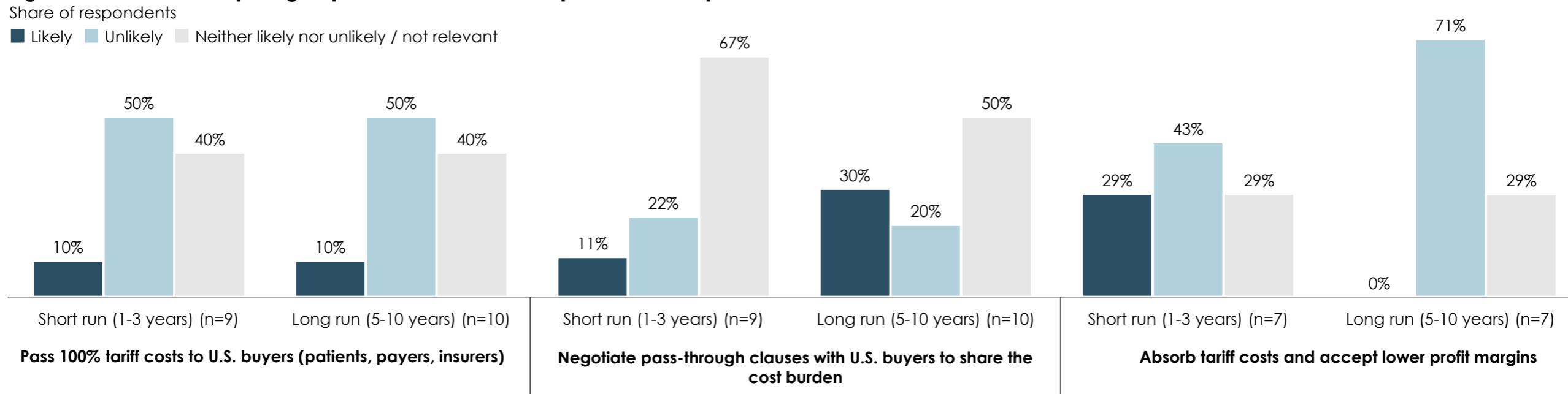
When faced with tariffs for a large export market, companies typically react by trying to find ways to protect their margins, all while preserving access to the export market in question. Moreover, companies may consider accelerating decisions on locating more manufacturing and packaging in the export market to circumvent tariffs. These strategies may differ in the short and long run, when both firm strategies and capital are more flexible.

We tested this in EUCOPE members and found that, overall, companies consider many different strategies following introduction of tariffs. Focusing on pricing, the survey results show that, in the short run, it is unclear whether companies will need to absorb or can cushion cost shocks coming from tariffs. On one hand, only around 1 in 10 companies believe they are likely to pass on some or the entirety of the tariff cost to the U.S. This remains constant in the long run, see Figure 14. Moreover, the majority of respondents find it neither likely nor unlikely, or not relevant, to negotiate pass-through clauses with U.S. buyers.

On the other hand, 43% of respondents state that they are unlikely to simply absorb tariff costs and accept a lower profit margin, indicating other possible reactions such as cost cutting or selective price increases elsewhere. This increases to 71% in the long run, implying that price adjustments, supply-chain redesign, and strategic changes take time to implement.

All in all, the survey responses indicate that the consequences of tariffs are unlikely to be directly felt in the U.S. and more likely to impact markets outside.

**Figure 14. Distribution of pricing responses to a 15% tariff on pharmaceutical products**



Note: "Unlikely" combines the response categories "Very unlikely" and "Unlikely," while "Likely" combines "Very likely" and "Likely." The number of responses per question ranges from 7 to 10.

Source: Copenhagen Economics.

# U.S. import tariffs will not see the industry deprioritise the U.S.

## U.S. import tariffs are very unlikely to delay or forego launches in the U.S.

We asked survey respondents to assess the likelihood of delaying or foregoing product launches in the U.S. and the likelihood of relocating to the U.S. The responses reveal a clear trend: U.S. tariffs do not appear to discourage EUcope's biopharmaceutical members from prioritising the U.S. market. 91% of respondents state that delaying or foregoing product launches in the U.S. is unlikely in the short run, see Figure 15. This highlights the continued attractiveness of the U.S. market

despite the introduction of import tariffs. This result remains robust over time, with 90% of respondents maintaining this view even when considering the long run.

As both firm strategies and capital are more flexible in the long run, we find that the likelihood of more structural changes increases. Specifically, we find that more than half of the companies consider relocating manufacturing or packaging capacities to the U.S. in the long run, compared to 1 in 3 in the short run, see Figure 15. This aligns with the stated objective of U.S. import tariffs, which aim to encourage U.S. domestic

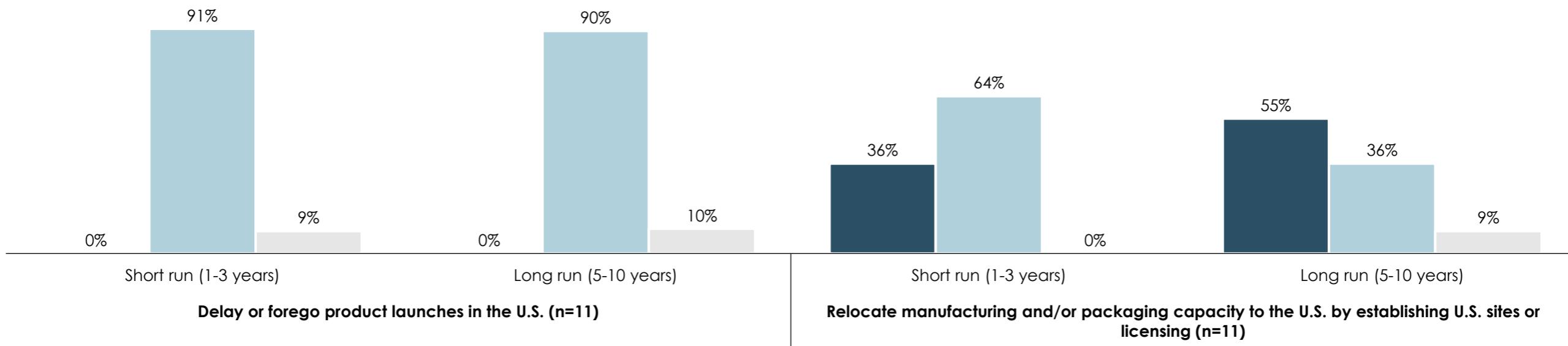
production and reduce reliance on foreign supply.

Overall, the findings suggest that while import tariffs do not deter product launches in the U.S., they may influence longer-term decisions on manufacturing location, licensing arrangements, and investment strategies.

**Figure 15. Distribution of U.S. launch responses and relocation responses to a 15% tariff on pharmaceutical products**

Share of respondents

■ Likely ■ Unlikely ■ Neither likely nor unlikely / not relevant



Note: "Unlikely" combines the response categories "Very unlikely" and "Unlikely," while "Likely" combines "Very likely" and "Likely." The number of responses per question ranges from 7 to 12.

Source: Copenhagen Economics.

# U.S. import tariffs may lead to investment hesitation in the EU27 in the short run

## In the short run, slowing down activities in the EU27 may be a likely strategy

When faced with a 15% tariff on pharmaceutical products, companies might reconsider their investment strategies to protect profit margins and manage risk by preserving U.S. operations. Survey responses show a divergence between expected investment behaviour in the U.S. and in the EU27.

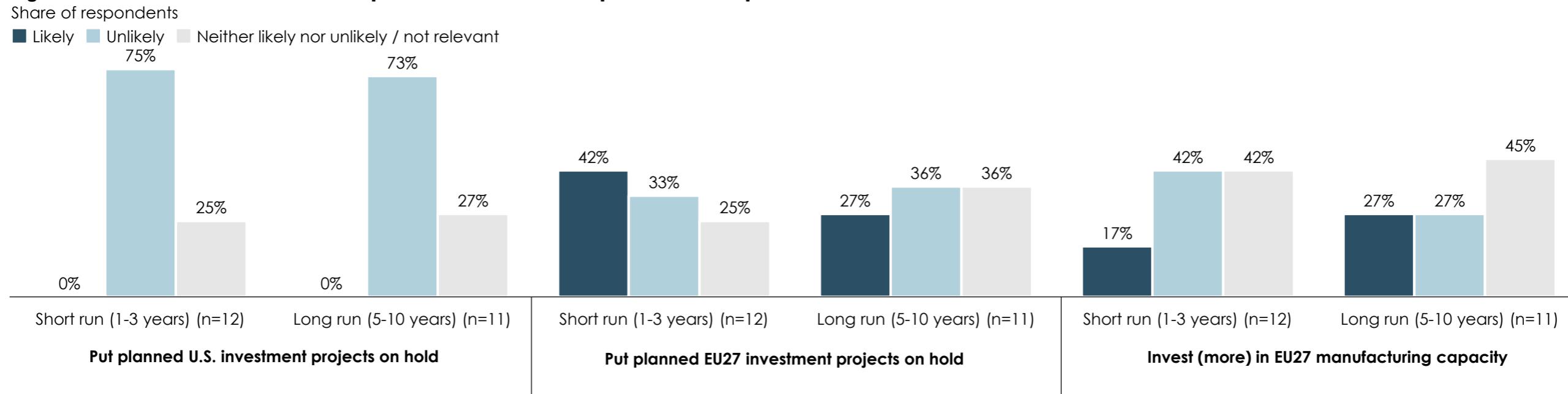
In the short run, respondents indicate that investment activity in the U.S. will continue. 75% of respondents state that putting

planned U.S. investment projects on hold is unlikely, see Figure 16. This assessment remains largely unchanged in the long run, with 73% maintaining this view.

By contrast, responses regarding the EU27 indicate greater uncertainty in the short run. 42% find it likely that they will put planned EU27 investments on hold, and a similar share may refrain from additional EU27 investment in the short run. While neither response represents a majority, they signal hesitation regarding EU27-based expansion under the current policy environment.

In the long run, expectations for EU27 investment become more positive. Specifically, the share of respondents who consider it likely to put planned EU27 investments on hold declines from 42% to 27%. At the same time, 27% of respondents find additional investment in EU27 manufacturing capacity likely, compared to 17% in the short run. Overall, the results suggest that import tariffs may prompt a temporary slowdown of EU27 investment, while long run commitments appear more resilient as companies adjust their strategies.

**Figure 16. Distribution of investment responses to a 15% tariff on pharmaceutical products**



Note: "Unlikely" combines the response categories "Very unlikely" and "Unlikely," while "Likely" combines "Very likely" and "Likely." The number of responses per question ranges from 11 to 12.

Source: Copenhagen Economics.

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# Appendix A

## Our survey

To collect general information on EUCOPE's membership, obtain variables necessary for the footprint analysis (see also Appendix B), and assess expected responses to the introduction of a 15% import tariff on pharmaceutical products and MFN pricing, we designed and distributed a survey to EUCOPE's members. As part of the survey design process, we also conducted interviews with a small number of EUCOPE members to ensure that the questions were clear, feasible to answer, and relevant to companies with different profiles.

The survey link was distributed to 104 EUCOPE members by EUCOPE, and we hosted an online Q&A session for the members, allowing them to ask questions related to the survey. Members could also consult a designated FAQ page or contact Copenhagen Economics directly by email.

All survey responses were collected and managed exclusively by Copenhagen Economics. EUCOPE has not had access to any individual responses. Copenhagen Economics complies with all relevant legal requirements, and all respondents have consented to share their information with us.

Not all EUCOPE members are included in this study. We have excluded the following types of members:

- Companies with no expected EU27 footprint. These companies are included in the general overview, but they have been excluded from the economic footprint analysis. A company with no expected EU27 footprint is a company with no activities in the EU27.
- Companies for which no publicly available accounting information could be retrieved. To increase the sample size for the footprint analysis, we added publicly available accounting information where possible. Companies for which no such data could be found were excluded.

- Members that are not biopharmaceutical manufacturers, i.e. consultancies and trade associations have been excluded.

The final list of eligible members consists of 86 companies. The survey was open from 15 September to 21 November 2025. We received 21 responses to the survey, corresponding to 24% of the relevant membership. Not all respondents have answered every question.

On the following pages we present additional details from the questions on U.S. trade policy measures. We describe the footprint analysis and the underlying data in more detail in Appendix B.

# Appendix box 1: Tariff question text and possible responses

We provide pictures of the specific question asked related to the introduction of 15% tariff on pharmaceutical products

On 21 August 2025, the U.S. and EU announced their Framework on an Agreement on Reciprocal, Fair, and Balanced Trade. As part of this agreement, a **15% tariff on pharmaceuticals was introduced**.

At present, it remains unclear whether the tariff will apply at the level of active pharmaceutical ingredients (APIs), the final manufactured product, or both. The **precise scope and timing are also uncertain**, and the impact will vary depending on product characteristics and supply chain structures. Importantly, the tariff will **not** be applied to list prices but to the accounting value of exports. Nevertheless, such a tariff would likely affect European pharmaceutical companies exporting to the U.S.

In the following questions, **we ask you to consider how your company will respond when a 15% tariff on EU pharmaceutical exports is implemented**. We recognise that responses may differ across products, but please answer as best you can for your company overall.

Please respond using the following scale: Very unlikely – Unlikely – Neither likely nor unlikely – Likely – Very likely – Not relevant, and provide your view for both the short run (1-3 years) and the long run (5-10 years) assuming the tariffs remain in place throughout this period.

	Short run (1-3 years)	Long run (5-10 years)
Relocate manufacturing and/or packaging capacity to the U.S. by establishing U.S. sites or licensing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Invest (more) in EU27 manufacturing capacity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Put planned U.S. investment projects on hold	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Put planned EU27 investment projects on hold	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Absorb tariff costs and accept lower profit margins	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pass 100% tariff costs to U.S. buyers (patients, payers, insurers) (noting this could increase risk of an IRA penalty)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Negotiate pass-through clauses with U.S. buyers to share the cost burden, ending up absorbing X% of the tariff, please provide a share in the text field	<input type="text"/>	
Delay or forego product launches in the U.S.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="text"/>	

## Appendix box 2: MFN question text and possible responses

We provide pictures of the specific question asked related to the MFN pricing

On 12 May 2025, the White House issued an Executive Order on **Most Favoured Nation (MFN) pricing for prescription medicines**. Under this approach, U.S. prices would be tied to the lowest price available in any OECD country with a GDP per capita of at least 60% of that of the U.S.

**The exact scope and implementation remain uncertain** – for example, whether MFN will apply to all products or only new launches, and whether it will cover all channels or only Medicaid. Regardless of the final design, MFN pricing is likely to affect European pharmaceutical companies.

In the following questions, **we ask you to consider how your company might respond if MFN pricing were implemented, assuming there is no policy reaction in the EU**. We recognise that responses may vary by product, but please answer as best you can, indicating which strategies would be more or less likely for your company overall.

Please respond using the following scale: Very unlikely – Unlikely – Neither likely nor unlikely – Likely – Very likely – Not relevant, and provide your view for both the short run (1–3 years) and the long run (5–10 years) assuming that MFN remains in place throughout the entire period.

	Short run (1-3 years)	Long run (5-10 years)
Accept lower prices in the U.S.	<input type="checkbox"/>	<input type="checkbox"/>
Increase prices outside the U.S. (e.g. in the EU)	<input type="checkbox"/>	<input type="checkbox"/>
Withdraw from or delay launches in selected EU countries	<input type="checkbox"/>	<input type="checkbox"/>
Entirely withdraw individual products and/or not launch individual products in the EU	<input type="checkbox"/>	<input type="checkbox"/>
Shift pipeline focus (please, explain in text field)	<input type="text"/>	
Other	<input type="text"/>	

# Appendix B

## Footprint analysis using input-output modelling (1/3)

To calculate the economic footprint of EUCOPE's membership, we need two elements: An input-model (IO) model and input data. In the following, we first explain input data that we base on our generated survey data and publicly available information, and then we explain the IO model.

### We base our estimates on survey input

To calculate the direct, indirect, and induced effects of EUCOPE's membership, we rely on four important parameters from EUCOPE's members, see the list below. As we did not receive responses from all EUCOPE members, we have scaled the parameters to represent EUCOPE's membership, see how below:

#### 1. Employment in the EU27

Employment in EUCOPE's members in the EU27 feeds directly into the direct employment result. We received 15 responses that we grouped into six categories: biotechnology, rare diseases, established pharma, speciality companies, diagnostics and/or MedTech and other. For each category, we calculated an average number of employees per category. We scaled this to the total number of companies in each category and thereby arrived at an estimate of 225,000 for EUCOPE's membership, see Table A1 on the next page.

We test our simplified scaling method against employment information from annual reports. As annual reports often report employment numbers for Europe as a region and not EU27, we cannot use the reported regional estimates. Instead, we compare our scaled global employment estimate (1,074,000 FTEs) with total global employment numbers from annual reports for the 86 identified EUCOPE members (1,023,000 people). The two results are rather close, and we find the survey results representative and the scaling method valid.

#### 2. Salary expenditure in the EU27

Salary expenditure feeds into the calculation of the direct GDP contribution, induced GDP contribution, and induced job contribution. As for employment, we grouped the 10 responses we received into the six categories previously described and calculated an average per category. We scaled this to total number of companies in each category and thereby arrived at an estimate of EUR 32,900 million for EUCOPE's membership.

We cannot benchmark the salary expenditure directly as it is not published by e.g. Eurostat. However, it feeds into GDP per employee measure as described and benchmarked on page 9.

#### 3. Spending in the EU27

Spending feeds into the indirect and induced GDP and employment effects. EU27 spending is a variable that has been difficult for many survey respondents to identify, most likely because company accounts are not regionally split, and/or because when accounts are split, they are often split by region and not EU27. We received 5 responses that we have scaled using the same methodology as salary expenditure and employment, and arrive at an estimate of EUR 29,300 million.

We find that the calculated indirect and induced effects that they are a bit lower than other footprint analyses for the pharmaceutical industry. Hence, we do believe that the results are representative and do not lead to overestimation. We also test the EUCOPE spending share of total EU27 pharmaceutical spending. We find that EUCOPE's members make up 21% of total pharmaceutical spending. This is in line with EUCOPE's share of EU27 pharmaceutical employment, see Table A1 on the next page.

#### 4. Profit in the EU27

Profit feeds into the calculation of the direct GDP contribution. From the survey responses, we had not received representative input. Specifically, EU27 profit makes up 94% of global profit, which is not a reliable result. Regional profit reporting can be difficult due to IP rights, which can create a disconnect between where the value is created and where the profits are booked.<sup>1</sup> This disconnect may explain why the profit survey responses are not representative.

Therefore, we conservatively, assume that the share of EU27 profits relative to global profits is an average of the share of EU27 revenue to global revenue, EU27 employment to global employment, and EU27 wages to global wages. These three shares were alike (ranging from 20% to 25%), and we find that this is representative.

As the method described above is very simplified, we test the significance of the share chosen in sensitivity analyses, see Appendix C.

Once we have collected this input, we proceed to the IO model, see page 28.

# Appendix B

## Footprint analysis using input-output modelling (2/3)

**Table A1. Description of our tests to validate the survey input**

	<b>Our estimate</b>	<b>Other's estimates</b>	<b>Comment</b>
Employment	<ul style="list-style-type: none"> <li>Global: 1,074,000 FTEs</li> <li>EU27: 225,000 FTEs</li> </ul>	<ul style="list-style-type: none"> <li>Global: 1,023,000 jobs (number of employees)</li> <li>Total EU27 pharmaceutical employment in 2023 from the Eurostat IO table: 666,400</li> </ul>	<ul style="list-style-type: none"> <li>Global results from scraping annual reports of the 86 companies.</li> <li>EUCOPE membership make up 34% of total EU pharmaceutical employment.</li> <li>EUCOPE EU27-to-global ratio based on our estimates: 21%.</li> </ul>
Salary expenditure	<ul style="list-style-type: none"> <li>Global: 165,100 mEUR</li> <li>EU27: 32,900 mEUR</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>We cannot test the direct input. However, this parameters feeds directly into GDP per employee which we benchmark and describe on page 10.</li> <li>EUCOPE EU27-to-global ratio based on our estimates: 20%.</li> </ul>
Spending	<ul style="list-style-type: none"> <li>EU27: 29,300 mEUR</li> </ul>	<ul style="list-style-type: none"> <li>Total EU27 pharmaceutical spending in 2023 in EU27 from the Eurostat IO model: 140,000 mEUR</li> </ul>	<ul style="list-style-type: none"> <li>EUCOPE membership make up 21% of total EU pharmaceutical spending, roughly in line with employment share.</li> </ul>
Profit	<ul style="list-style-type: none"> <li>Global: 119,300 mEUR</li> <li>EU27: 26,200 mEUR</li> </ul>	<ul style="list-style-type: none"> <li>Global: 117,200 mEUR</li> </ul>	<ul style="list-style-type: none"> <li>Global results from scraping annual reports of the 86 companies.</li> <li>Our global estimate is 102% that of the result from the annual reports.</li> <li>We estimate EU27 profit based on the EU27-to-global ratios for employment, salary expenditure, revenue as reported here due to non-representative survey responses.</li> </ul>
Revenue	<ul style="list-style-type: none"> <li>Global: 644,800 mEUR</li> <li>EU27: 163,000 mEUR</li> </ul>	<ul style="list-style-type: none"> <li>Global: 621,300 mEUR</li> </ul>	<ul style="list-style-type: none"> <li>Global results from scraping annual reports of the 86 companies.</li> <li>Our global estimate is 103% that of the result from the annual reports.</li> <li>EUCOPE EU27-to-global ratio based on our estimates: 25%.</li> </ul>

*Note: All presented numbers are rounded.*  
*Source: Copenhagen Economics based on survey results, annual reports, and Eurostat.*

# Appendix B

## Footprint analysis using input-output modelling (3/3)

### **Setting up the input-output model**

We use an input-output (IO) model to estimate the economic contribution of EUCOPE's membership. Our input-output model is based on input-output tables from Eurostat.<sup>1</sup> An input-output table is built around industries and contains information on inter- and intra-industry purchases. Thus, the table captures the flow of purchases throughout the value chain in an economy, i.e. who buys what from whom, and what the wider upstream effects of this is. In this analysis, we follow the standard IO model assumptions<sup>2</sup> with some additional assumptions listed below.

When calculating the economic footprint of EUCOPE's members, we base it on the industry C21 "Manufacture of basic pharmaceutical products and pharmaceutical preparations". To check that EUCOPE's membership matches well with this sector, we asked respondents in the survey to list the sectors which they purchase the most from. The responses confirm that EUCOPE's members' spending pattern resembles that of industry C21.

We calculate the IO model multipliers for the direct, indirect, and induced effects on supported GDP and jobs, respectively. Direct effects capture the economic activity generated by EUCOPE's members themselves. Indirect effects reflect the upstream economic activity supported in the supply chain as a result of EUCOPE's members' purchases of intermediate goods and services. Induced effects capture the additional economic activity supported when employees in the directly and indirectly affected industries spend their wages on consumption.

Notes: 1) The symmetric input-output table at basic prices with 2023 values, the most recent, is used as input for the modelling. We scale the monetary values to 2024 with GDP-growth and employment with growth in total domestic employment. / 2) Standard assumptions of an input-output model are that it is a static model implying no constraints on capital or labour, and that markets are not required to clear and there are no price effects. In addition, an input-output model uses sector averages for interregional purchases, number of jobs, etc. Impacts are measured linearly from the current economic situation.

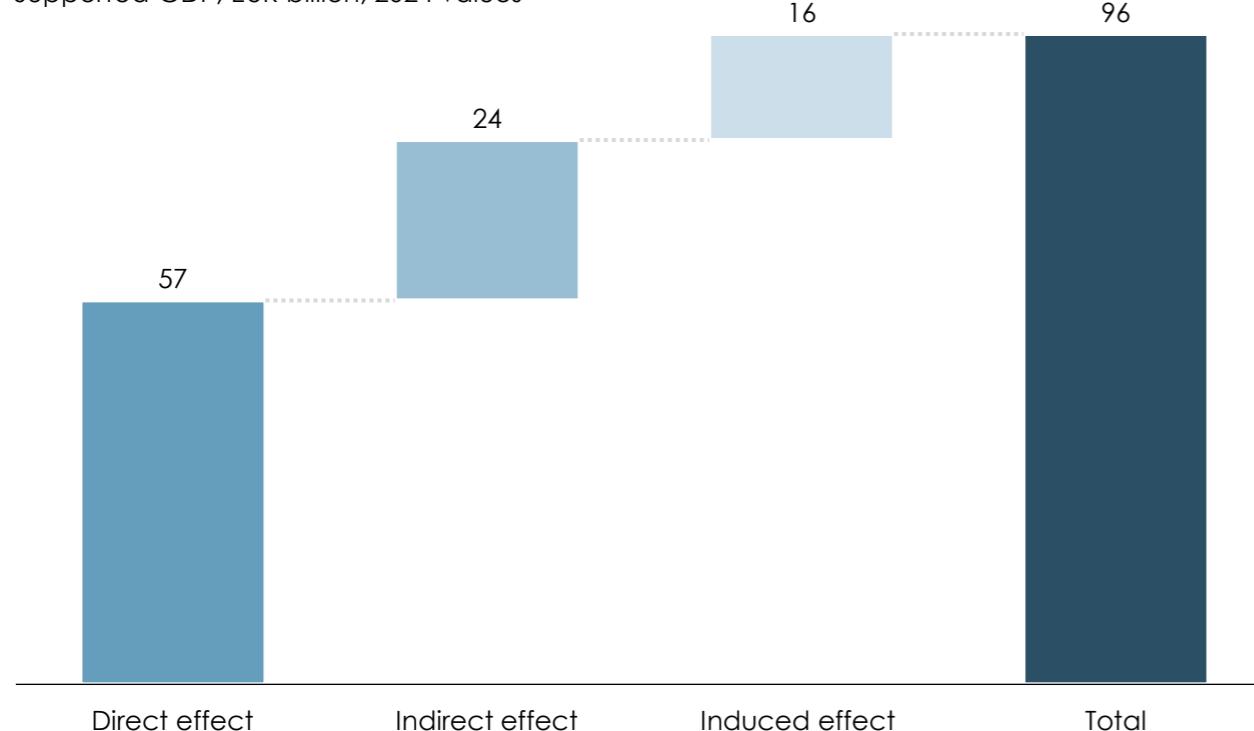
# Appendix C

## Sensitivity analyses

In these sensitivity analyses, we change the share used to calculate the EU27 profit. Instead of using an average, we use the lower bound of 20% and the upper bound of 25%. Profits feed into the direct supported GDP, which is the only component that changes. We find that the total supported GDP decreases from EUR 98 to 96 billion when applying the lower bound estimate. Applying the upper bound estimate increases total supported GDP from EUR 98 to 102 billion. Overall, changing the share does not significantly alter the numbers, and the conclusions remain unchanged.

**Figure A1. The economic footprint of EUCOPE's membership in the EU27 using EU27-to-global salary expenditure ratio of 20%**

Supported GDP, EUR billion, 2024 values

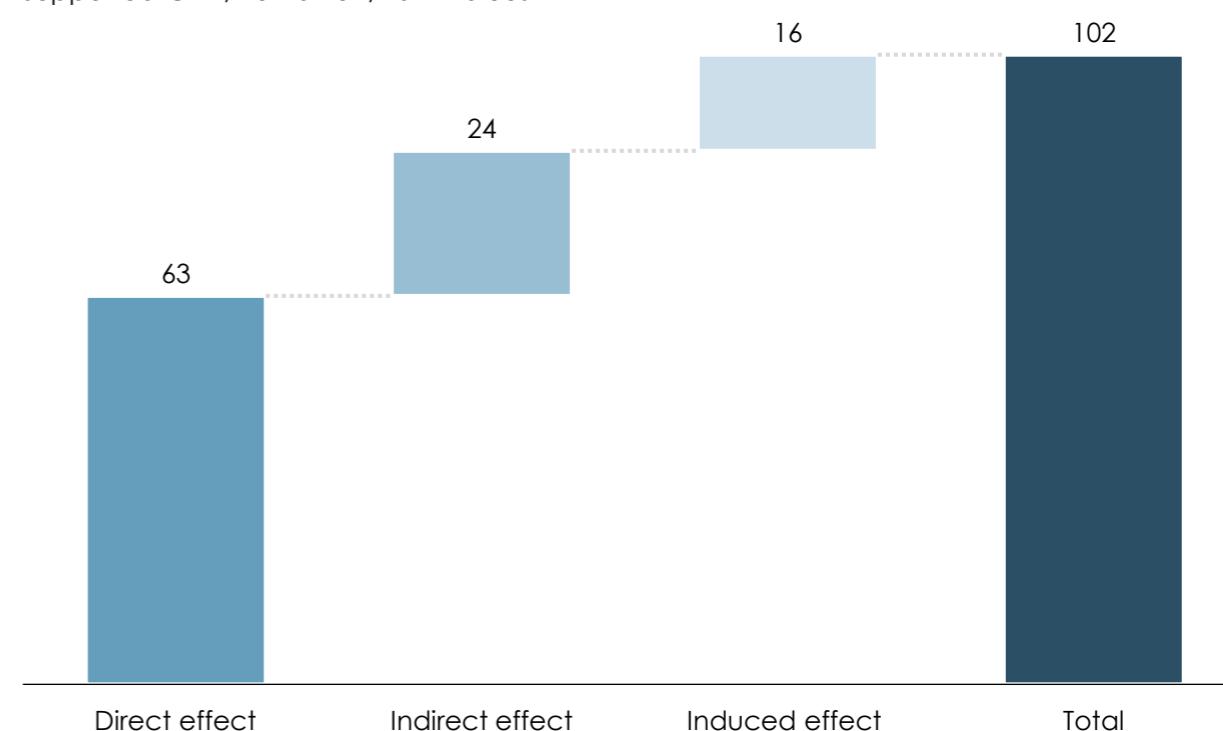


*Note: Difference are due to rounding.*

Source: Copenhagen Economics based on data from Eurostat, and survey responses. See Appendix B for a description of the methodology.

**Figure A2. The economic footprint of EUCOPE's membership in the EU27 using EU27-to-global revenue ratio of 25%**

Supported GDP, EUR billion, 2024 values



*Note: Difference are due to rounding.*

Source: Copenhagen Economics based on data from Eurostat, and survey responses. See Appendix B for a description of the methodology.

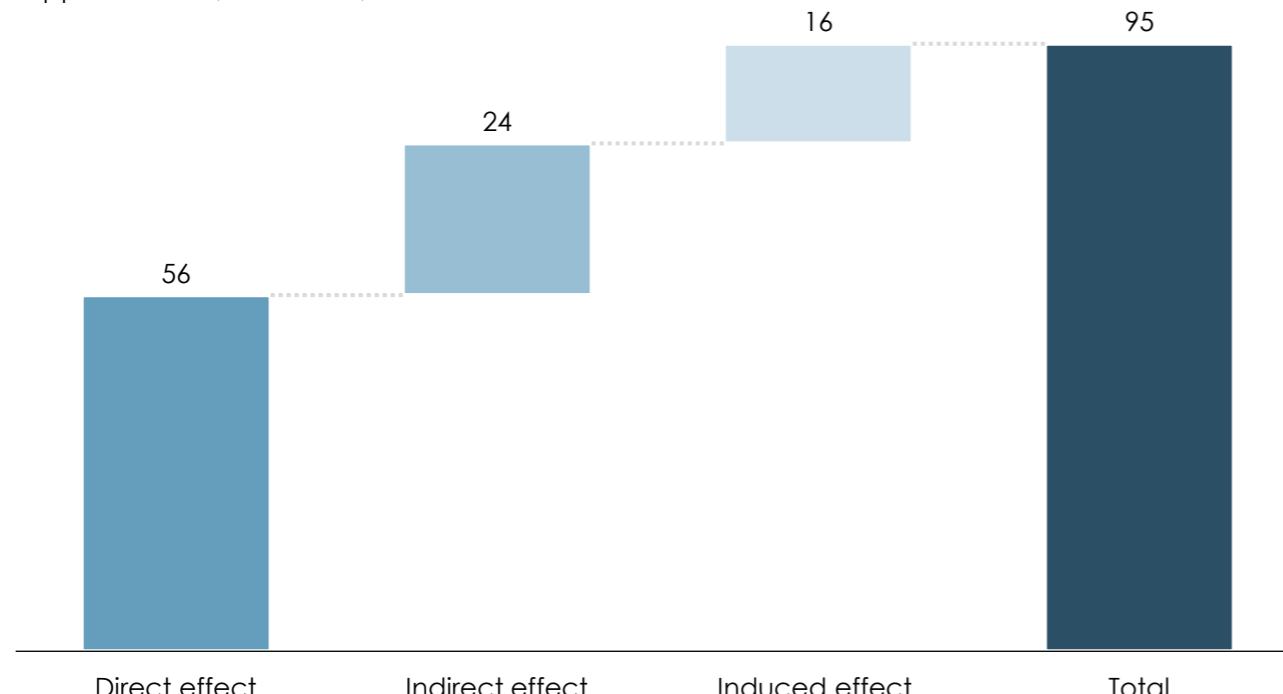
# Appendix C

## Sensitivity analyses

The estimate of the footprint of EUCOPE members relies on scaled survey responses. When we scale the survey responses, we calculate an average for company categories, or use simple averages when the number of responses is low. To test the effect of this category scaling, we estimate the economic footprint and employment footprint based on simple averages across all survey responses. Doing so decreases the estimates slightly, see Figure A3 and A4 below. We prioritise using the category-scaled survey responses as our main output due to the relatively stable EU27-to-global ratios described on page 27. The conclusions of the report do not change even if using the figures presented in these sensitivity analyses. Also, as we exclude a part of EUCOPE's membership due to unavailable public data, we are not concerned about overestimation.

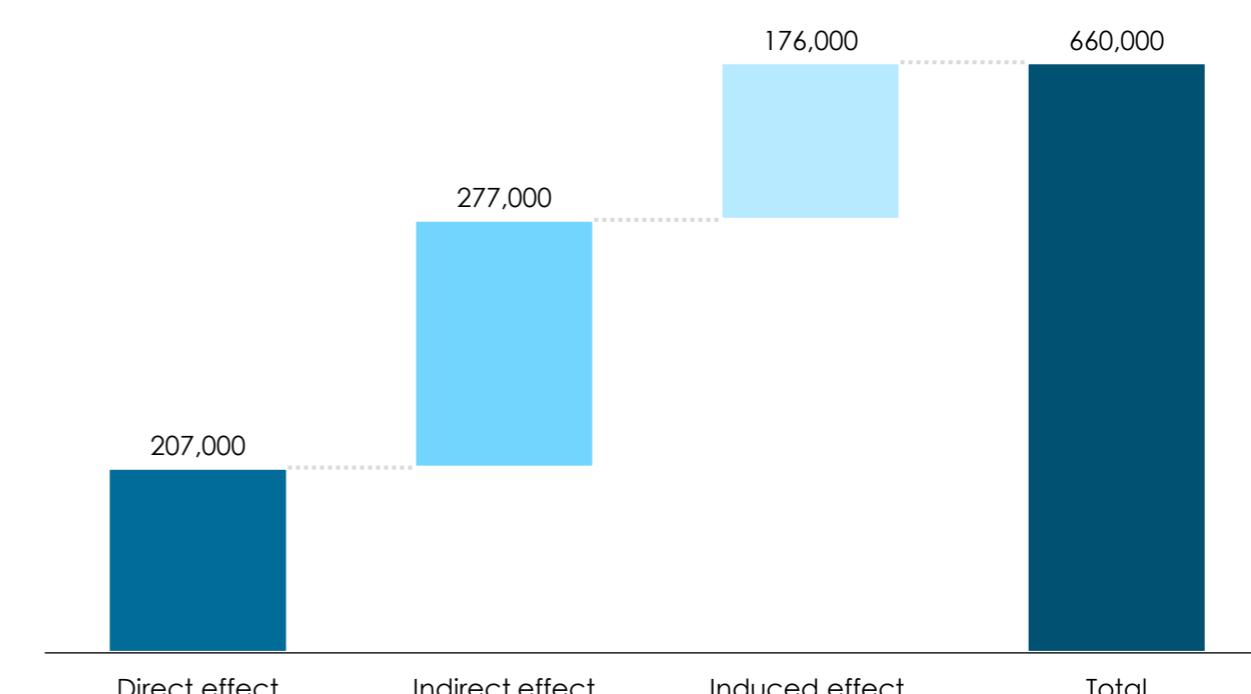
**Figure A3. The economic footprint of EUCOPE's membership in the EU27 using scaled survey responses based on simple averages**

Supported GDP, EUR billion, 2024 values



**Figure A4. The employment footprint of EUCOPE's membership in the EU27 using scaled survey responses based on simple averages**

Supported jobs in 2024, full-time equivalents (FTE)



Source: Copenhagen Economics based on data from Eurostat, and survey responses. See Appendix B for a description of the methodology.

Source: Copenhagen Economics based on data from Eurostat, and survey responses. See Appendix B for a description of the methodology.

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