

360° barometer study on attractiveness of France for the pharmaceutical industry

2025 edition prepared by PwC Strategy& for Leem

Press conference
17 June 2025



The 2025 360° barometer study is structured around 3 pillars that cover broad aspects of France's attractiveness for the pharmaceutical sector

Structure of the barometer study



The 2025 360° barometer study draws on more than 60 reference data sources

List of data sources utilized in the study

The 2025 360° barometer study of France's attractiveness for the pharmaceutical industry is based on a datasets sourced from public sources, reference databases, Leem studies and surveys of Leem members.



Public sources

Description

- Reports published by public authorities and institutions
- Topic-specific studies conducted by public- or private-sector organisations

Main sources

- EFPIA and EFPIA/PwC study
- Annual European price comparison report produced by the TLV (Swedish Health Authority)
- CEPS annual report
- DREES annual report



Reference databases

Description

- Public and proprietary databases of proven reliability

Main sources

- Medicines database
- ANSM databases
- HAS databases (ASMR and SMR ratings)
- Eurostat
- OECD



Leem studies

Description

- Topic-specific studies conducted by Leem over several years

Main sources

- Leem comparative study of the tax treatment applied to the pharmaceutical industry in France and Europe (2024)
- The Attractiveness of France for Clinical Research study (2025)
- The Leem economic review (2024)
- The Careers Observatory survey (2024)



Surveys of Leem members

Description

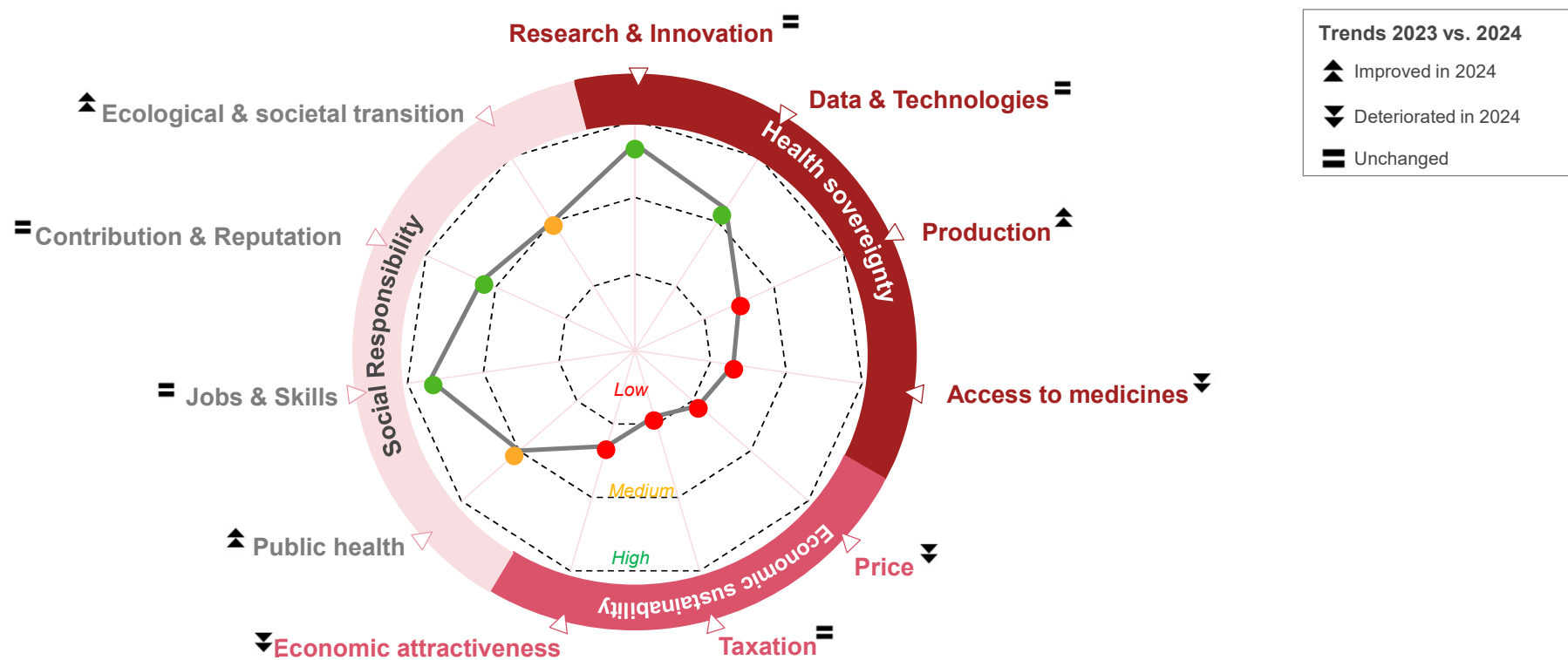
- Data from responses to Leem questionnaires

Main sources

- Questionnaire completed by members for this barometer study (March 2025) - 62 respondents representing 80% of the total turnover reported by Leem members
- The health data access questionnaire (2023)
- The PACTES Progress Report (2024)

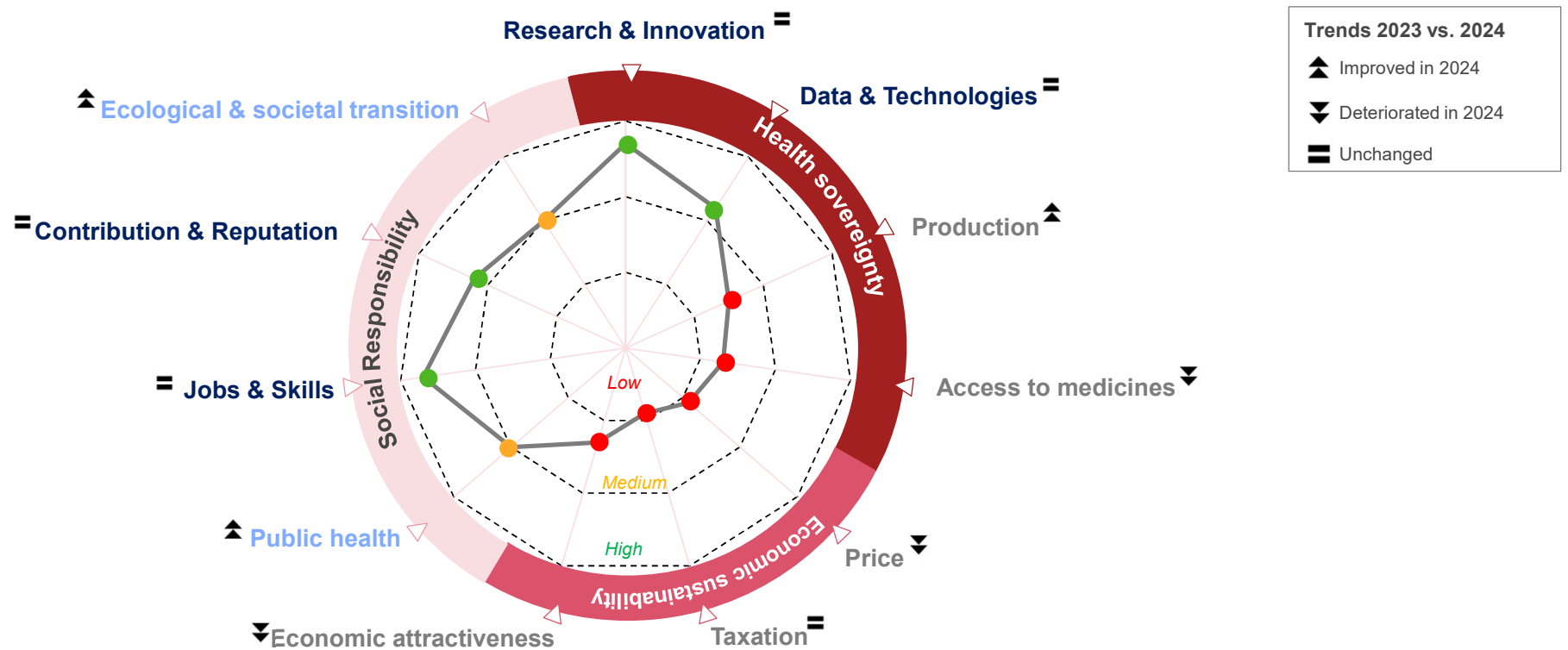
In 2024, despite the progress made on certain topics, the attractiveness of France weakened in terms of several key criteria

Summary of France's attractiveness by topic¹



In 2024, France made progress on areas that are some of its key strengths in the pharmaceutical sector

Summary of France's attractiveness by topic¹



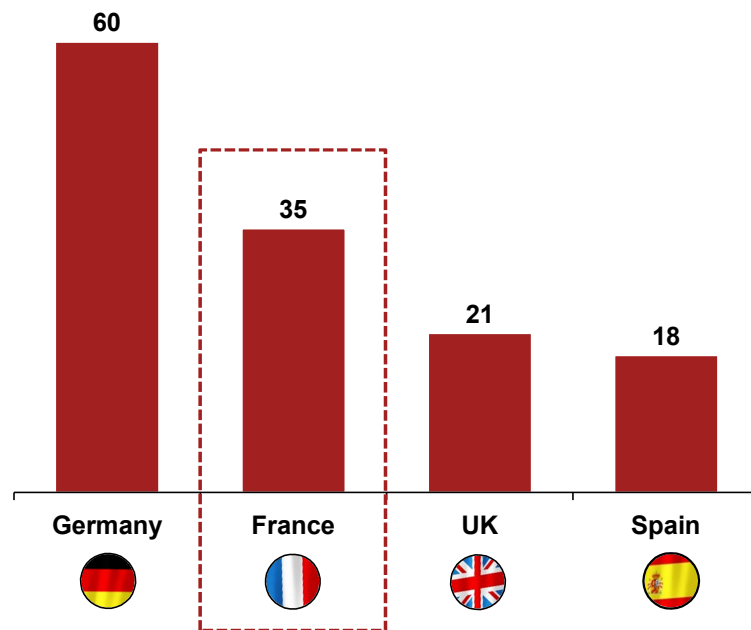


France is the second-largest market in Europe after Germany by value and per capita expenditure

Market size

Comparison of expenditure on pharmaceutical medicines for selected European countries¹²

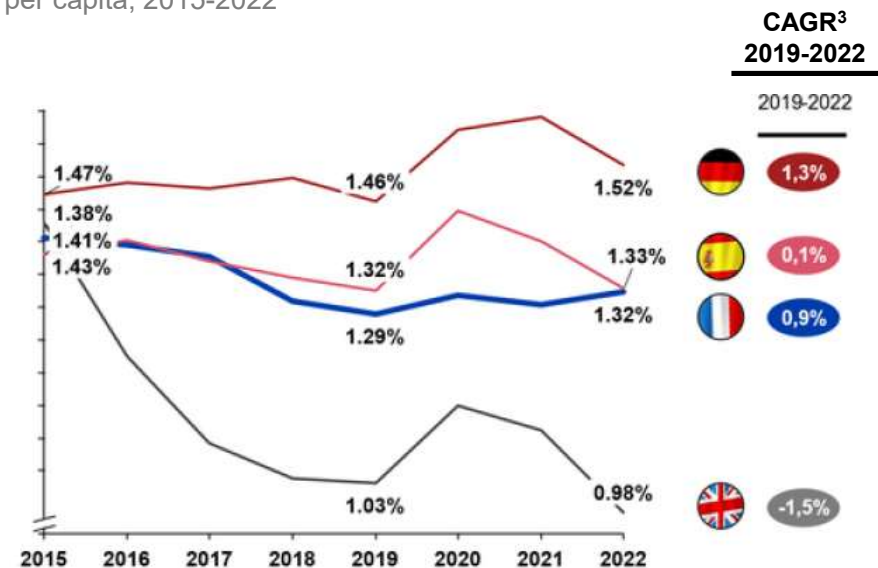
€ billion, 2022



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Comparison of per-capita expenditure on pharmaceutical medicines for selected European countries¹²

€ per capita, 2015-2022



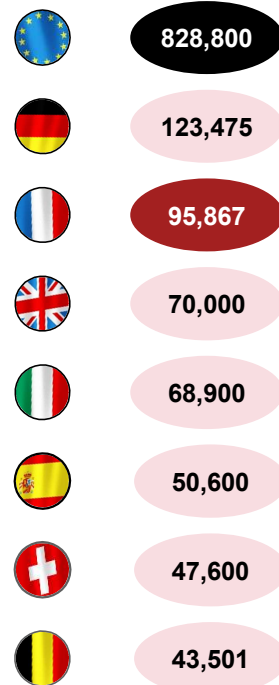
1) Expenditure on pharmaceuticals is defined by the OECD as total expenditure on prescription and non-prescription medicines (HC511 and HC512 respectively in the ICHAHC functional classification). Consumables (HC513) are not included. 2) Expenditure on pharmaceuticals includes wholesale and retail margins and value-added tax. In most countries, the term expenditure relates to net expenditure, i.e. reflecting any manufacturer, wholesaler or pharmacy discounts. Pharmaceutical products consumed in hospitals and other healthcare facilities are excluded. 3) CAGR: Cumulative Annual Growth Rate.
Sources: OECD and PwC Strategy&

France has Europe's second-largest pharmaceutical talent pool after Germany with a modest growth rate

Employment in the industry

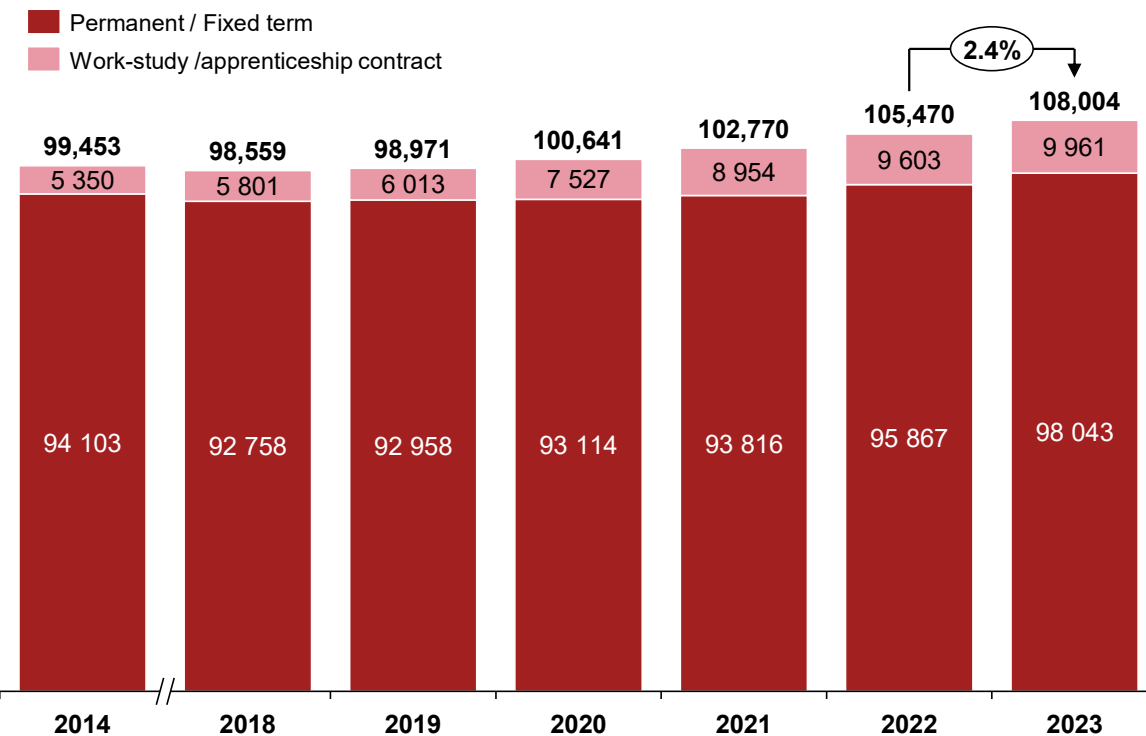
Number of pharmaceutical industry employees in Europe

No., 2022



Employment trend for the pharmaceutical industry in France

No., 2014-2023

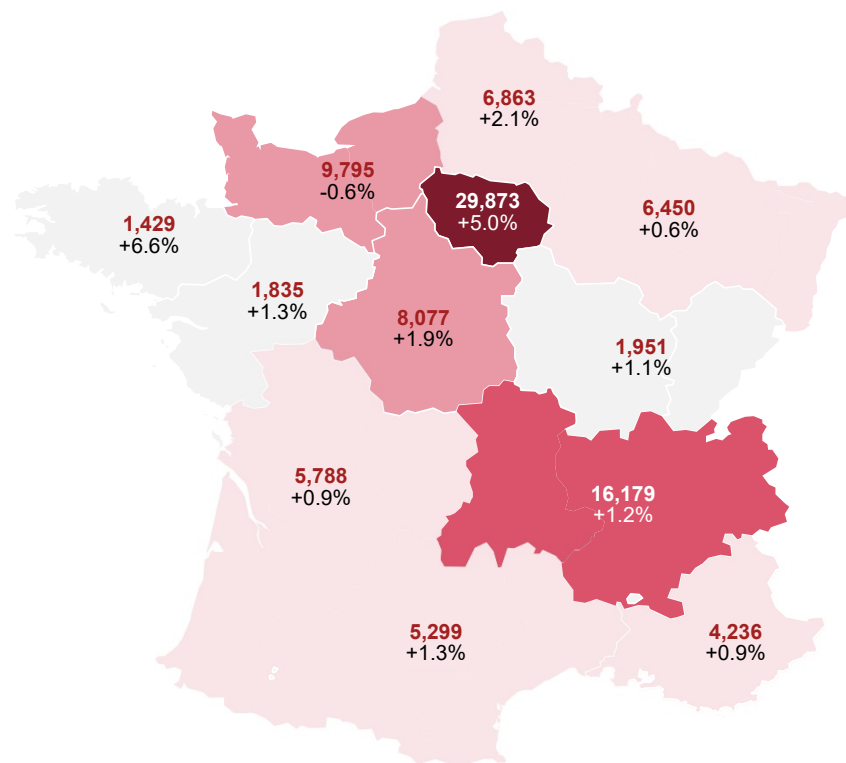


The pharmaceutical industry in France has a strong regional footprint, with 70% of jobs located outside the Île-de-France (Paris) region

Regional distribution of employment

Regional distribution of employees by place of residence

No., 2023 vs. 2022



Legend

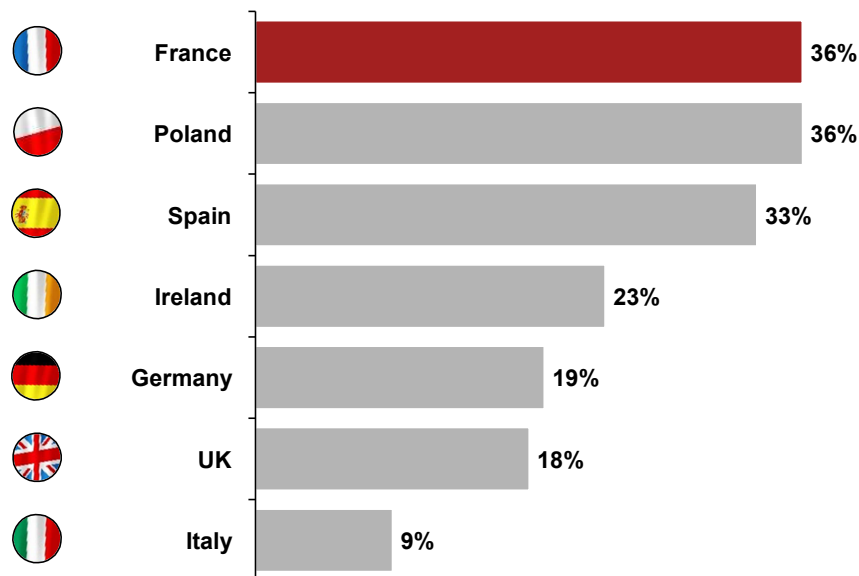
Concentration of pharmaceutical industry jobs by number of employees (red: high)



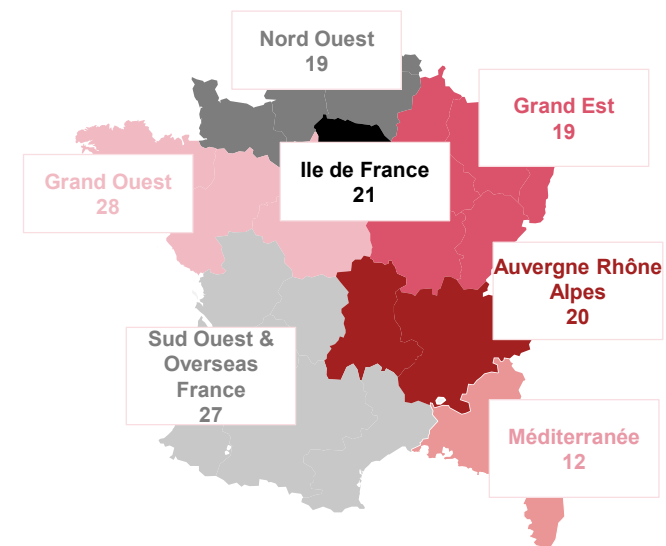
France continues to maintain its position in Research & Innovation thanks to its strong talent pool, fiscal incentives for research and cutting-edge research facilities

The French R&D ecosystem

Tax incentives for R&D expenditure in France and Europe
%, 2023



Ecosystem of healthcare facilities partnering on clinical trials in France
#, 2024

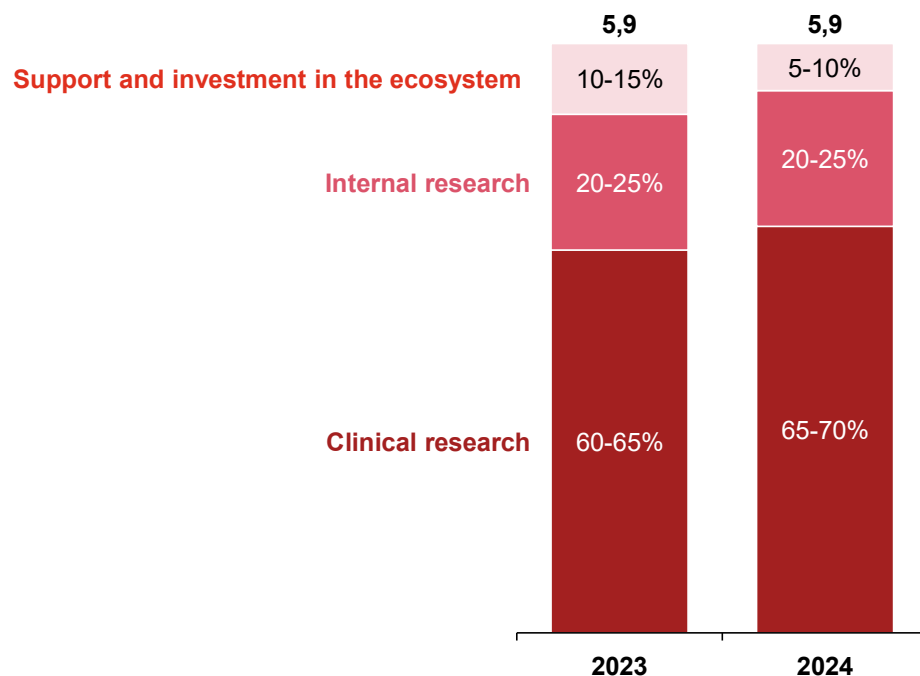




According to survey respondents, R&D investment in France remained stable in 2024 at €5.9 billion, of which nearly 70% was dedicated to clinical research

Expenditure on R&D investment in France

Estimated expenditure on R&D investment in France by category¹
€ billion, 2023-2024





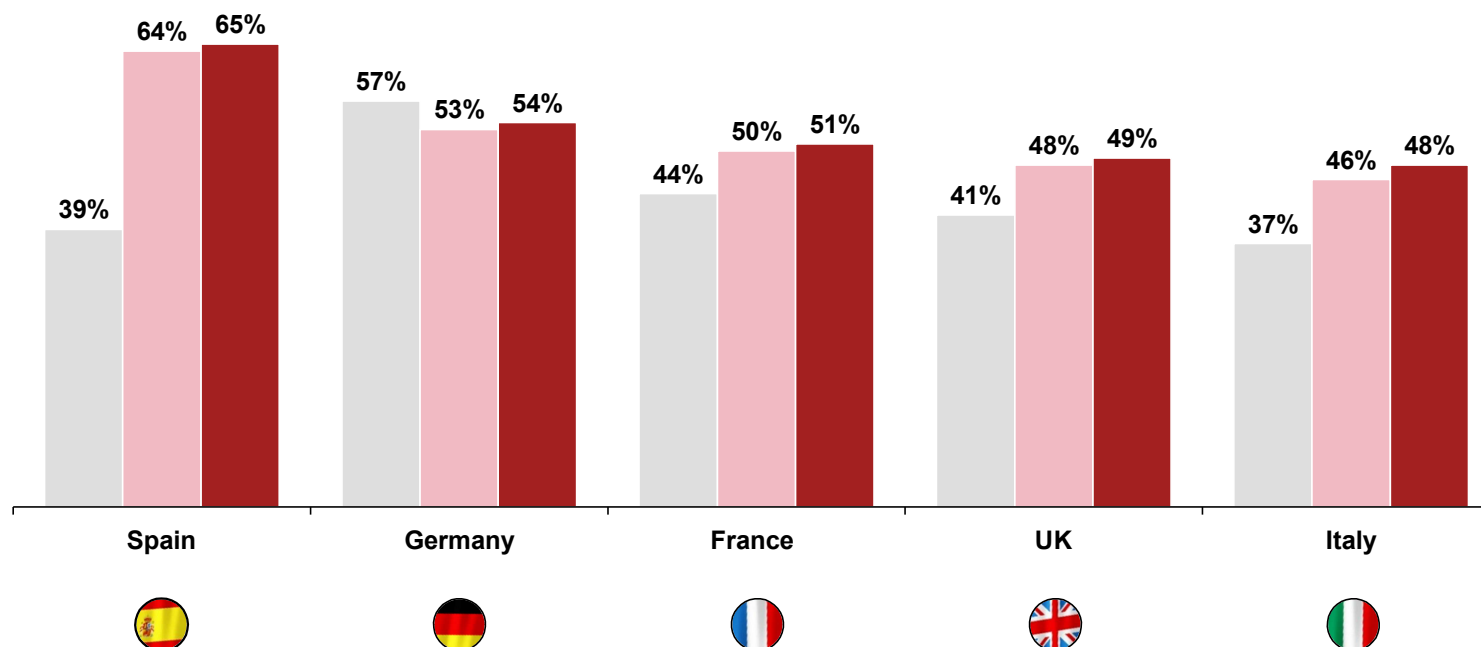
France ranks third in Europe for the share of clinical trials conducted in the country, one place behind its ranking in 2010 (second)

Clinical trials

Number of multinational clinical trials conducted in Europe over an 18-month period between 2010 and 2024

% of total multinational clinical trials in Europe conducted in each country

2010-H1 2011 2022-H1 2023 2023-H1 2024



Number of multinational clinical trials conducted in Europe

2010-H1 2011	1548
2022-H1 2023	1261
2023-H1 2024	1,173

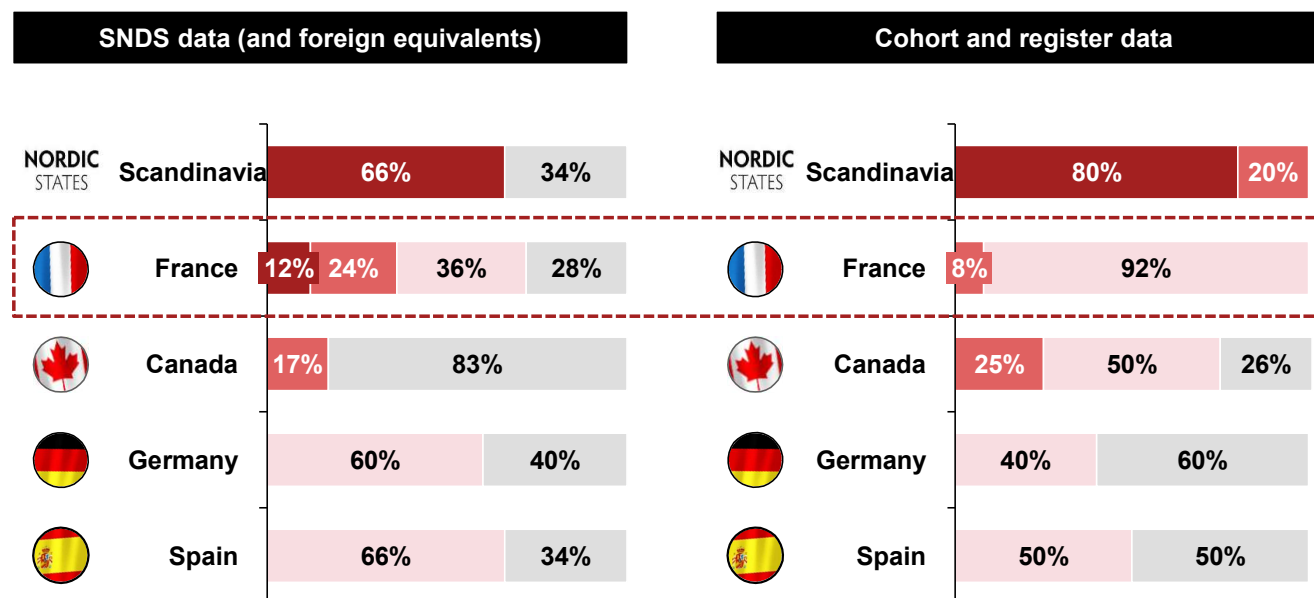


France has robust capabilities in linking healthcare data, but access to the data for companies remains a key challenge

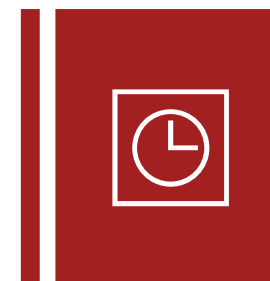
Healthcare data

Frequency with which link is used for SNDS¹ (and foreign equivalent), cohort and register data

Always Often Occasionally Never



Le SNDS¹ provides a **comprehensive and reliable database** covering a **very large sample: 1.2 billion treatment forms** per year covering nearly **99% of the French population**



Health data extraction times are longer in France (>12 months) than in Germany (3-6 months), Scandinavia (6-12 months) and Spain (<1 year)



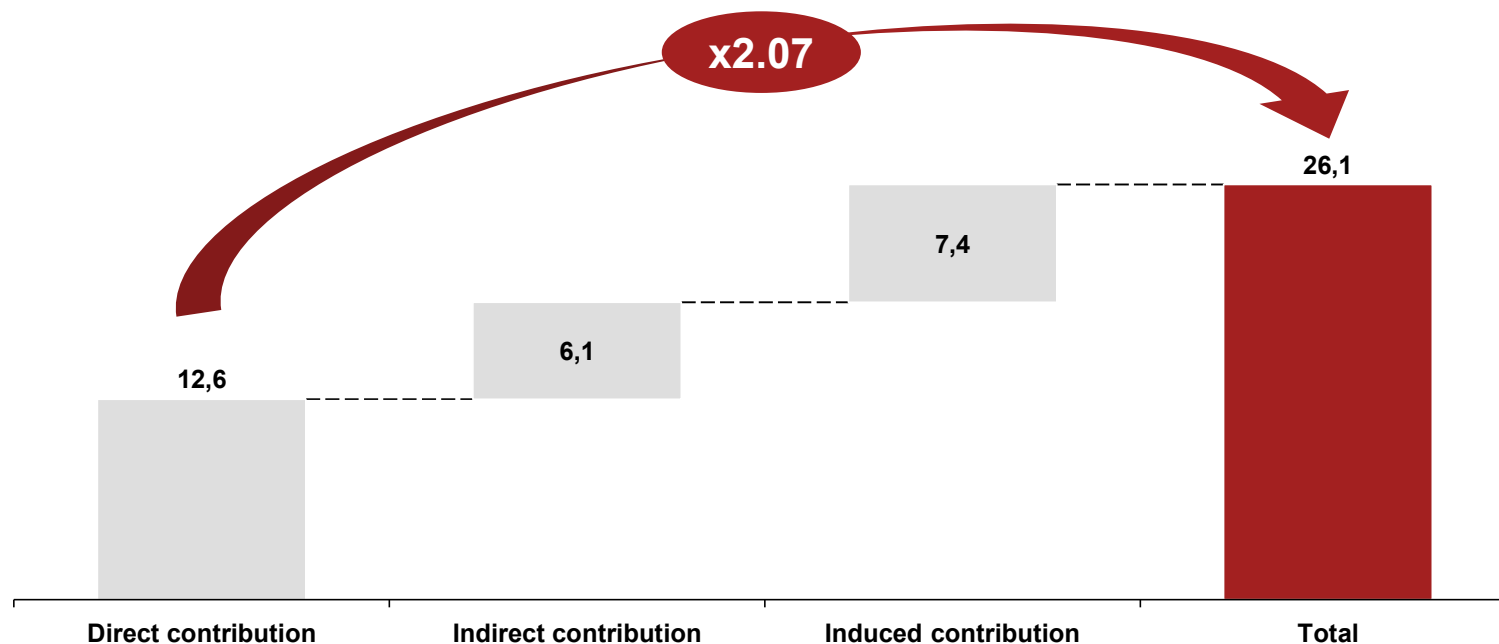
Every €1 injected by the pharmaceutical industry generates ~€2.1 for the French economy

Contribution of pharmaceutical industry to French economy

Contribution of pharmaceutical industry to French economy¹

€ billion, 2022

The contribution made by the pharmaceutical industry¹ to the French economy is defined as equivalent to the gross added value contributed to GDP, after excluding taxes on products and including subsidies on products



- The **direct contribution** reflects the operations of pharmaceutical companies: this includes salaries and other expenditure in France (e.g. salaries, procurement, rentals, marketing, IT, etc.)
- The **indirect contribution** is that generated in the supply chain of the industry by its purchasing activities
- The **induced contribution** is that generated by the expenditure made by employees from their income. It includes both pharmaceutical industry employees and those working in the supply chain.



By coordinating closely with the ANSM, the French pharmaceutical industry has reduced medicine stock-outs significantly in 2024

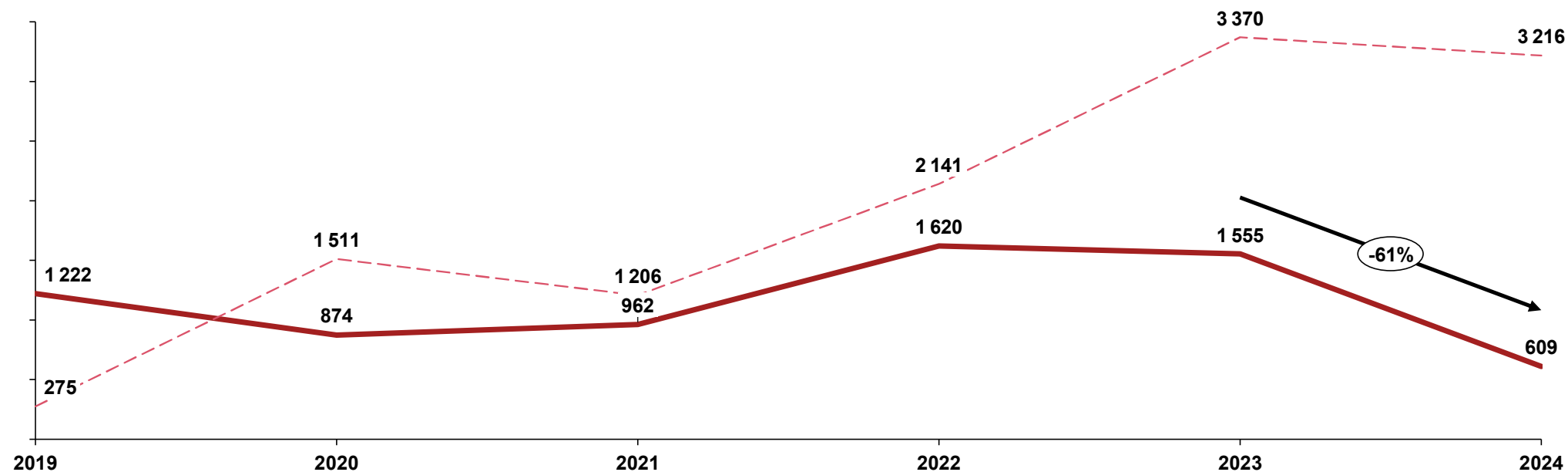
Actual stock-outs and risks of stock-outs

Evolution of stock-out and risks of stock-out of medicines in France

No., 2019-2024

— Reported stock-outs

- - - Reported of risks of stock-out



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Sources: ANSM, Member survey / 43 respondents together representing 69% of turnover generated by the industry in France and PwC Strategy&

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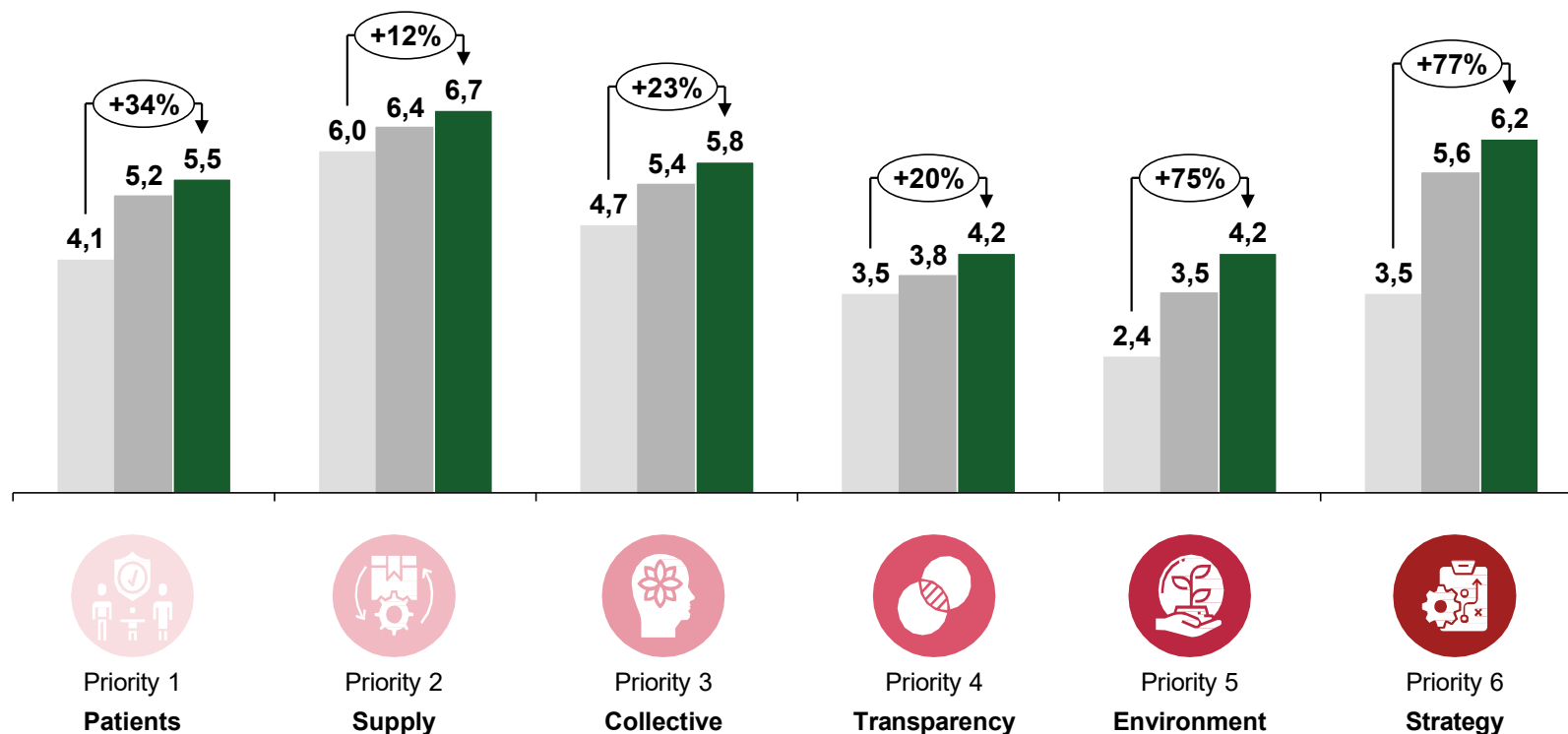
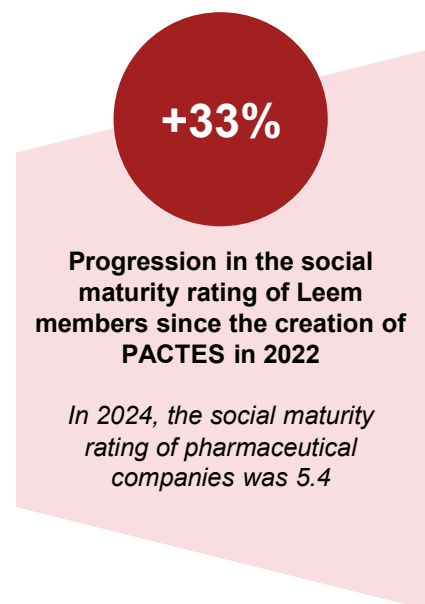
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The industry is continuing its efforts to decarbonise and structuring its anti-corruption and transparency governance

Progress on social maturity rating

Social maturity rating of pharmaceutical companies on the 6 priorities set by PACTES¹ (on a scale from 1 to 10)

2022 2023 2024



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1) In 2024, those companies engaged in the PACTES program accounted for 41.6% of people employed by Leem members, and 60% of their total turnover.
Sources: Leem and PwC Strategy&

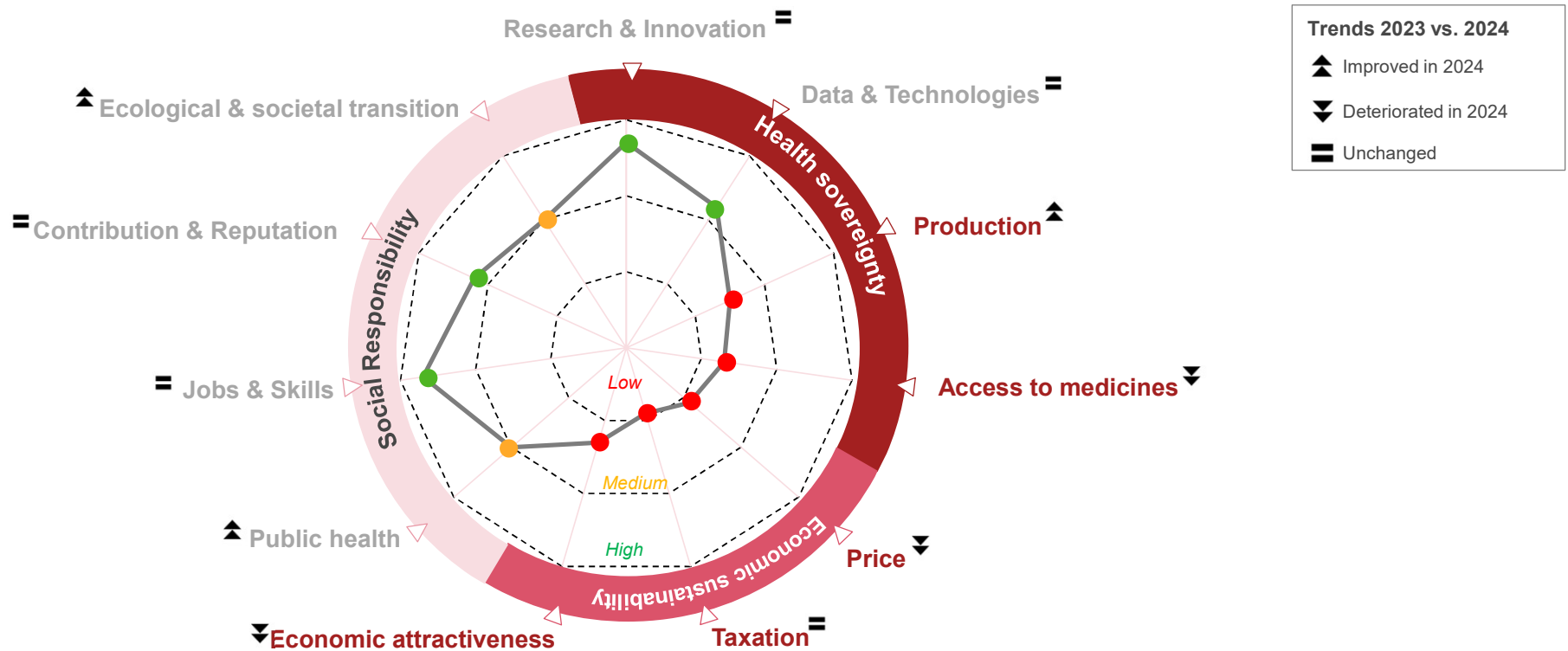
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The weaknesses of France

Economic sustainability and Sovereignty remain key areas of weakness and continue to deteriorate

Summary of France's attractiveness by topic¹



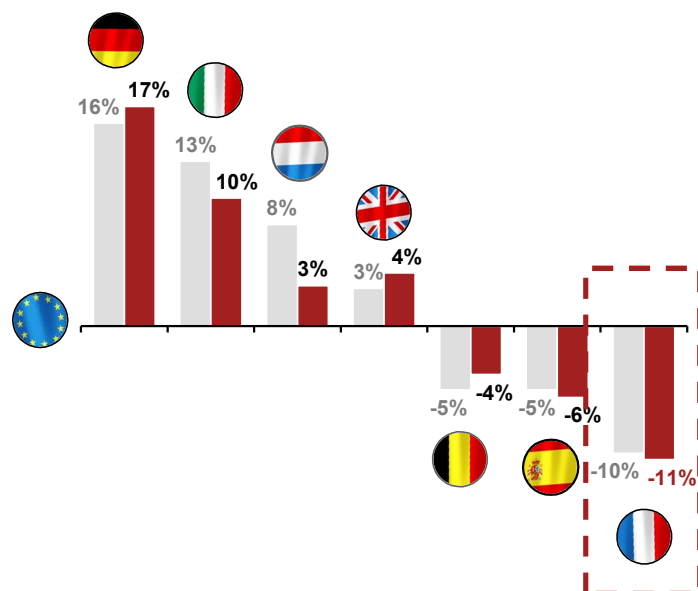


The gross sales price of medicines in France is lower than the European average for medicines with or without generic competition

Price of medicines in Europe

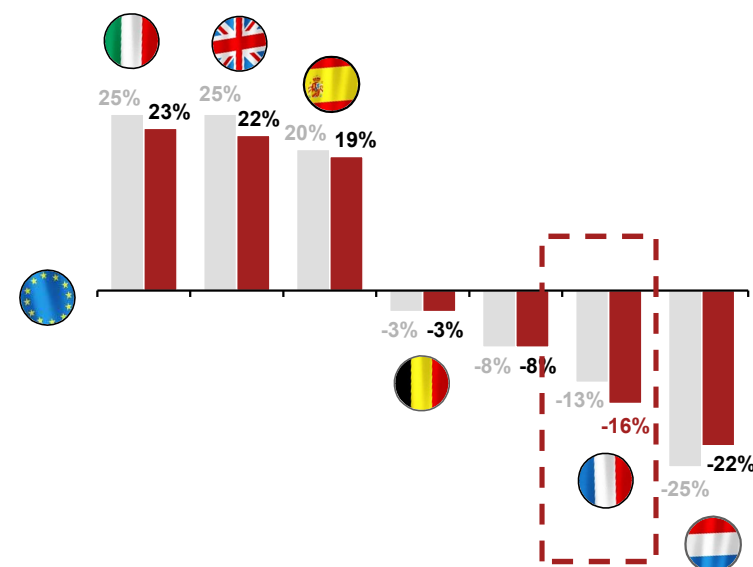
European comparison of gross sales price of medicines with no generic competition¹²⁴
%, 2023-2024

■ 2023 ■ 2024



European comparison of gross sales price of medicines with generic competition²³⁴
%, 2023-2024

■ 2023 ■ 2024



1) The 2024 TLV study was based on a panel of 899 substances and 5,626 medicines to establish the average price per country of medicines with no generic competitors 2) The prices shown in respect of medicines for outpatient use are those applicable in the Quarter 1 of 2024 3) The 2024 TLV study was based on a panel of 238 substances and 729 medicines to establish the average price per country of medicines with generic competitors 4) The European average indicated here refers to the 19 countries compared by this study: Belgium, Denmark, Finland, France, Greece, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Switzerland, Slovakia, Spain, United Kingdom, Sweden, Czech Republic, Germany, Hungary and Austria
Sources: IQVIA, TLV and PwC Strategy&

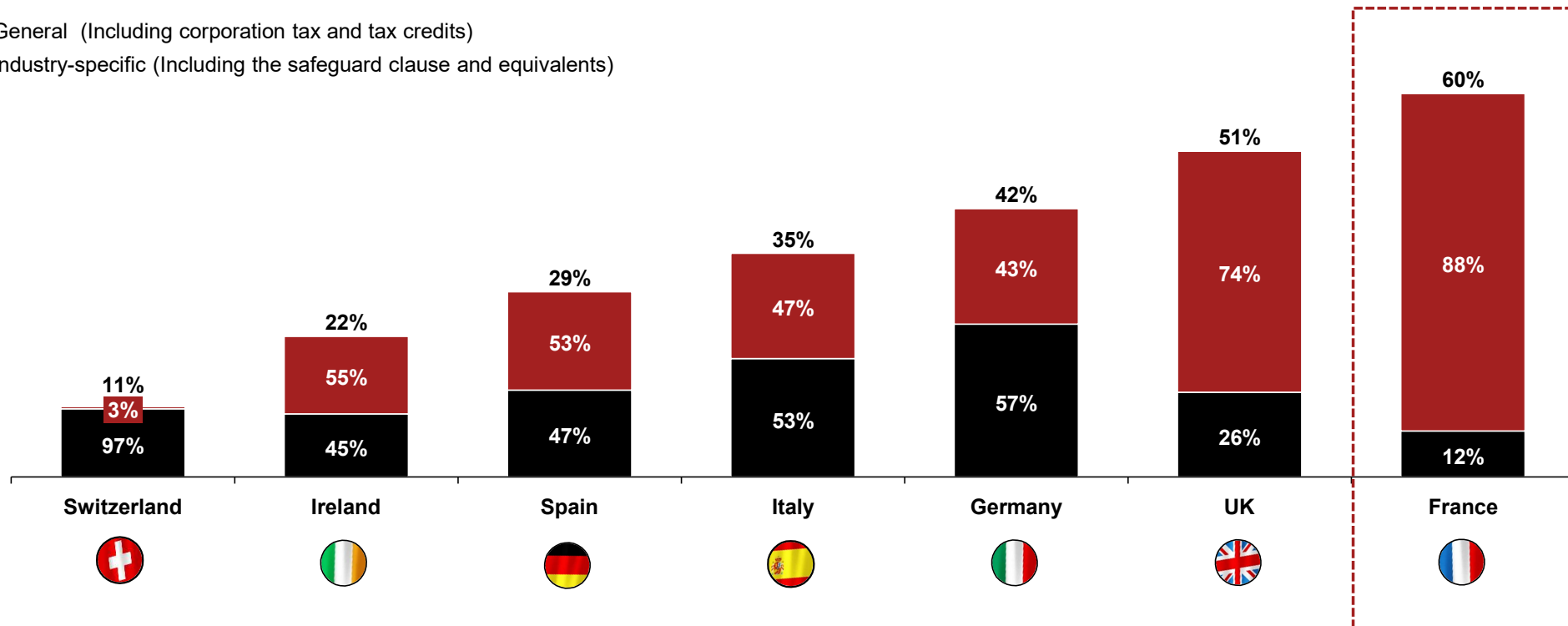
Taxation for pharmaceutical companies in France remains one of the most elevated among its European peers

Taxation in France

Mandatory tax rate applied to the pharmaceutical industry¹

% of operating profit for 2023 among the 7 European countries surveyed

- General (Including corporation tax and tax credits)
- Industry-specific (Including the safeguard clause and equivalents)



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1) The tax rate is that of the 'entrepreneur' profile used in the (2024) PwC / Leem study, which includes general taxation and industry-specific taxation, including regulatory measures. The 'entrepreneur' profile is defined as having intangible assets, R&D activities and the production and distribution of pharmaceutical products
Sources: Leem / PwC comparative study of the tax treatment applied to the pharmaceutical industry in France and Europe, PwC Strategy&

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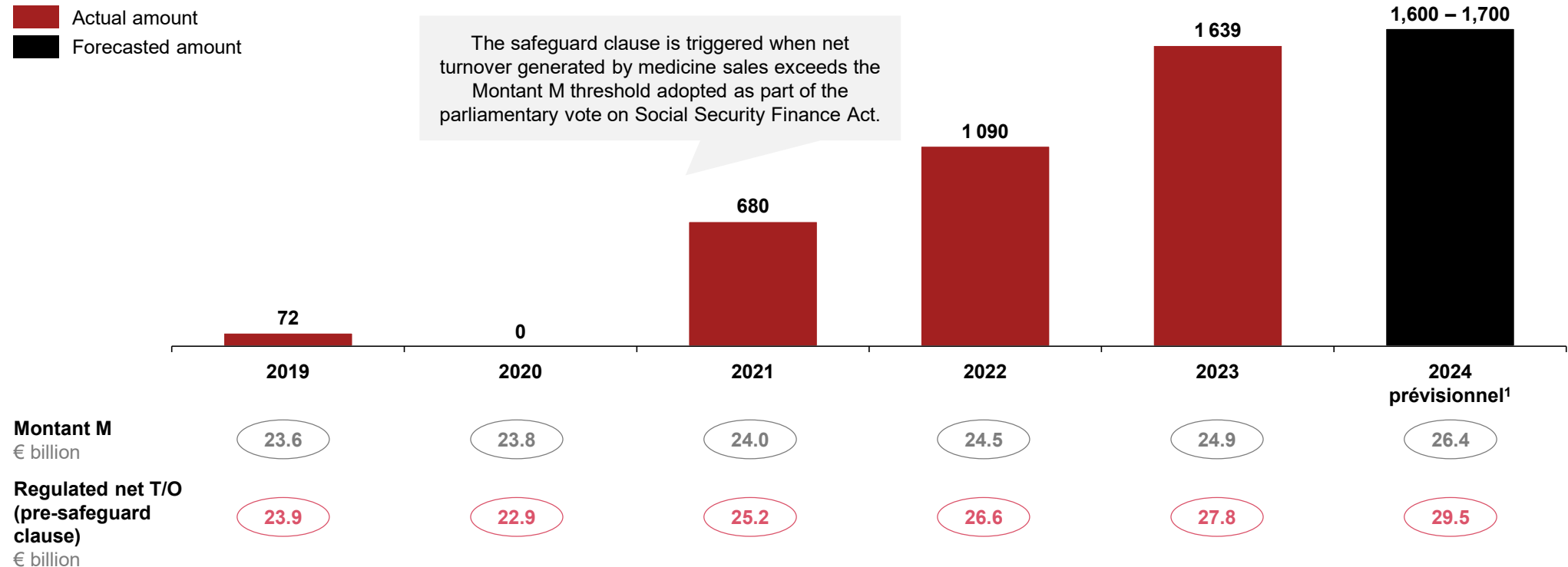
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The “clause de sauvegarde” instrument has stabilized around €1.6-1.7bn representing ~6% of local revenue for the pharmaceutical companies

Safeguard clause in France (clause de sauvegarde)

Evolution of the safeguard clause ('clause de sauvegarde') between 2019 and 2024

€ million, %, 2019-2024



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1) Forecast range between the amount estimated by the authorities and that estimated by Leem based on data sourced from Gers
Sources: Senate legislative package for the 2024 PLFSS, Gers, Leem and PwC Strategy&

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The percentage of new medicines available in France fell in 2024 (6pts lower than in 2023)

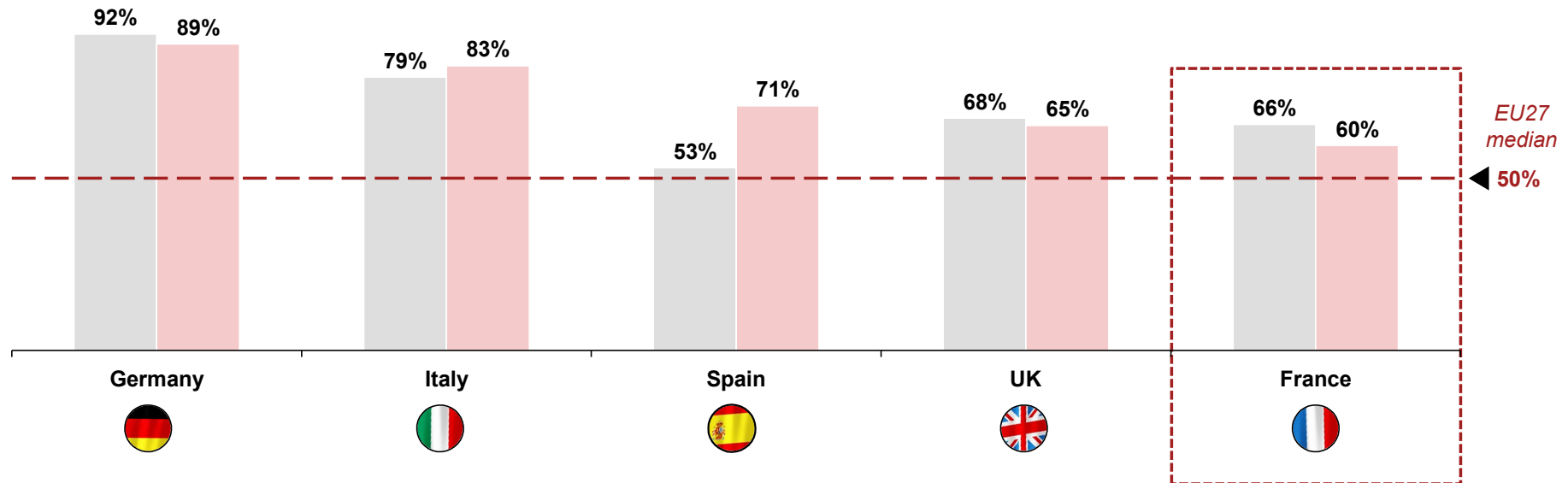
Availability of medicines in France

Proportion of medicines available in France and Europe

MA's granted between 2016-2019, availability at 31/12/2020; MA's granted between 2020-2023, availability as of 31/12/2024; % of total MA's available in Europe

MA 2016-2019 MA 2020-2023

The percentage of new medicines available is defined as the number of medicines granted European marketing authorisation that are accessible to patients in each European country



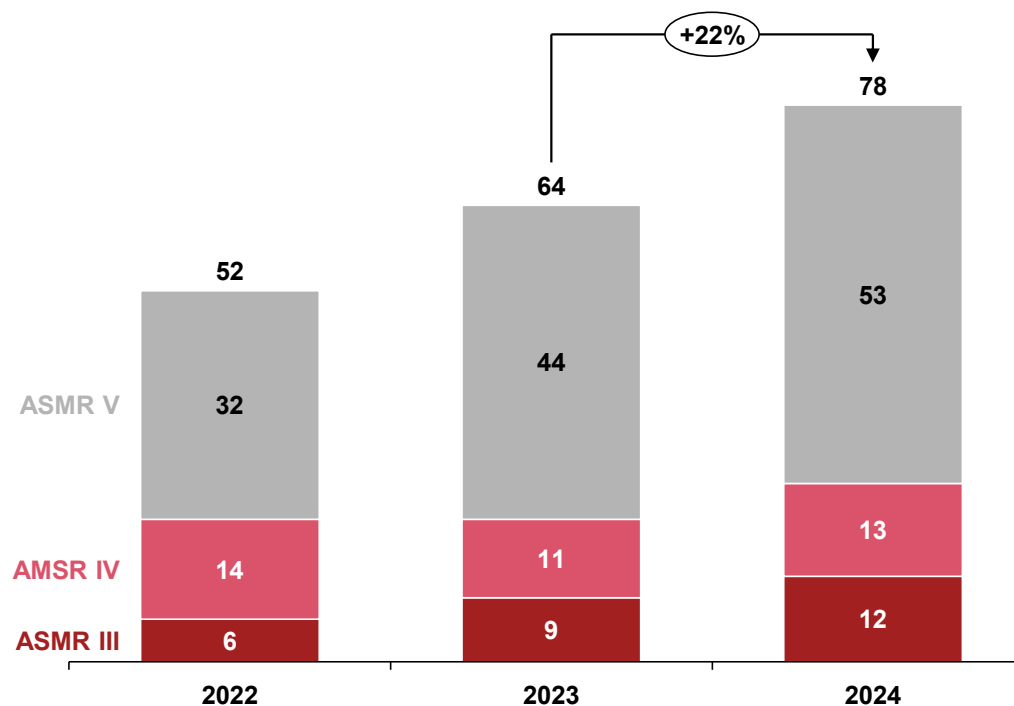


Medicines (indications) in price negotiation for more than 500 days has increased in 2024 (+22% vs 2023)

Medicines in price negotiation

Number of indications spending more than 500 days in the price negotiation process on 31st December of the year shown¹

No. of MAs for 2022, 2023, 2024





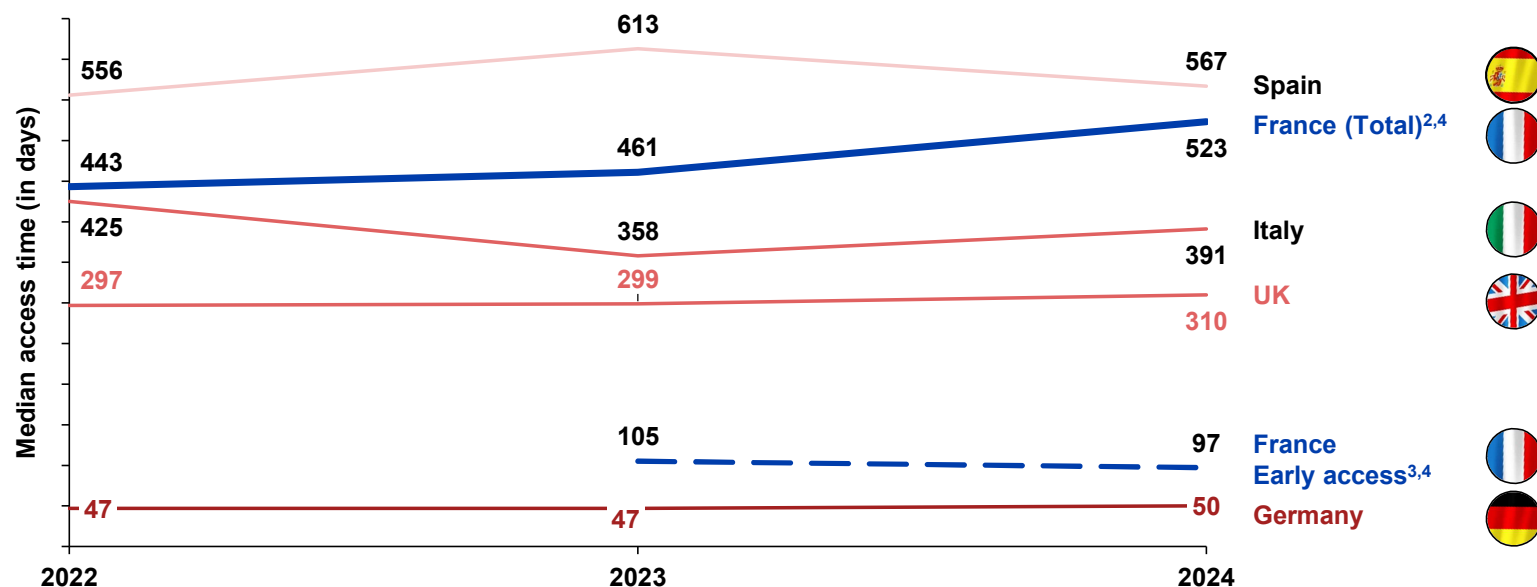
The waiting time for market access in France is getting longer despite being one of the longest among its peers

Median lead time for access to medicines

Median lead time for access to medicines¹ in Europe (initial listing)

No. of days, MAs 2018-2021, MAs 2019-2022 and MAs 2020-2023²

The median access time is the number of days between the granting of marketing authorisation and the date on which the medicine becomes available to patients (included on the reimbursed medicines list)



1) The median lead time for each year is calculated for initial listings of medicines granted MAs in the previous 3-year period (e.g. the lead time for 2024 is based on MAs granted between 2020 and 2023)

2) The scope of the EFPIA survey for France covers initial listings via the standard and early access schemes

3) The median lead time for early access is calculated for each year by including early access applications for initial listings of medicines granted MAs in the previous 3-year period (e.g. the lead time for 2024 is based on MAs granted between 2020 and 2023)

4) Within the scope of the EFPIA WAIT 2024 Survey, 35 medicines were granted an MA in 2023, 4 of which were available via the early access scheme.

Within the scope of the EFPIA WAIT 2023 Survey, 53 medicines were granted an MA in 2022, 17 of which were available via the early access scheme

Sources: EFPIA Patients WAIT Indicator 2024 Survey, HAS and PwC Strategy&

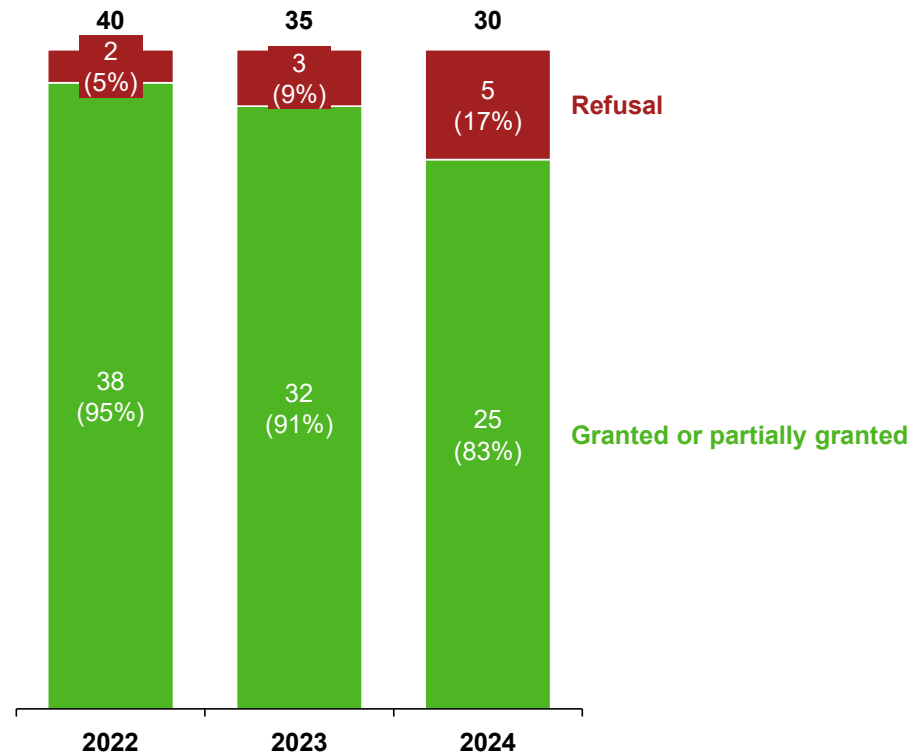


The number of eligible medicines approved for early access (rated ASMR I-IV) fell in 2024 (25 vs 32 in 2023)

Approvals in early access scheme in France (Accès précoce)

Evolution of early access approvals in France under the “Accès Précoce” scheme

Number of applications(%), 2022-2024

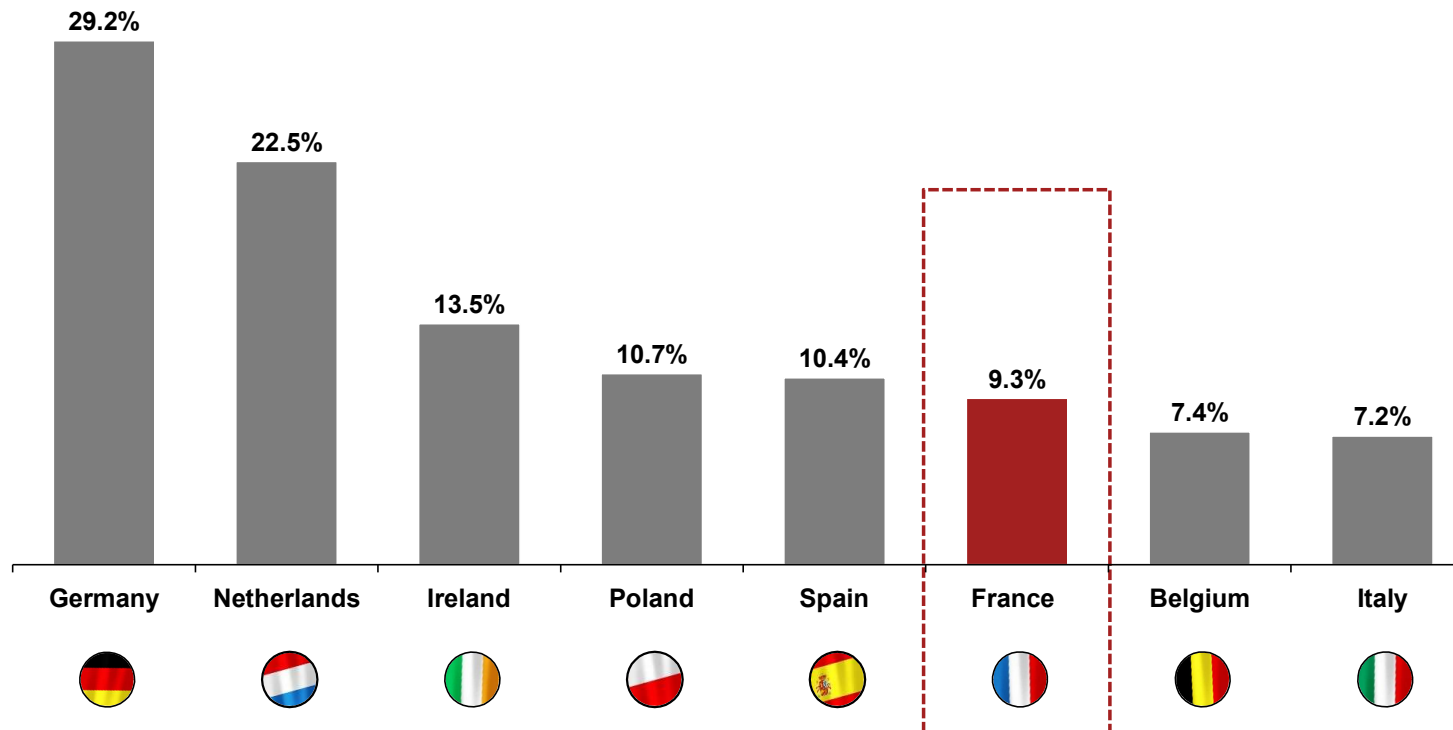


Of the 431 new indications (MAs) approved in Europe since 2020, only 9% have a French fabrication site

Geographic fabrication location of approved new medicines

No. of new MAs approved in Europe with at least one fabrication site in the country shown

No. of MAs 2020-2024

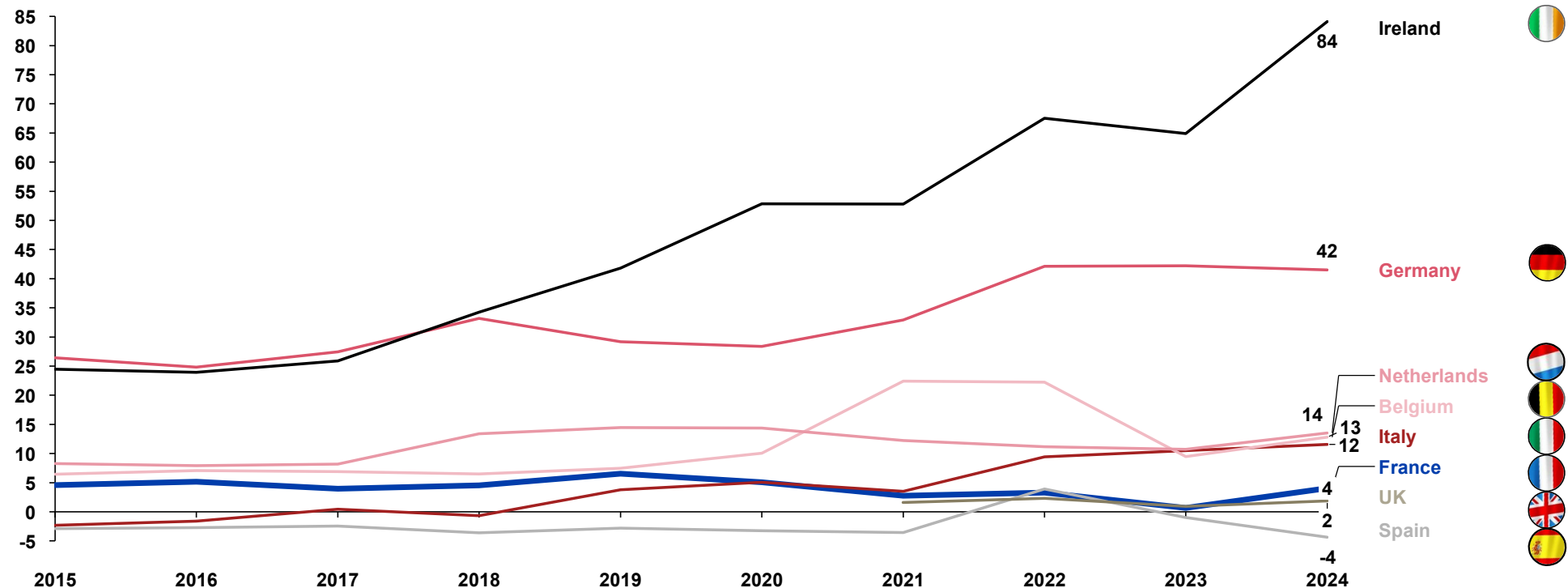


France ranks tenth for pharmaceutical trade balance in Europe, with a marginal surplus of €4 billion in 2024

French trade balance for the pharmaceutical industry

Evolution of pharmaceutical trade balance for France compared its European neighbours¹

€ billion, 2015-2024



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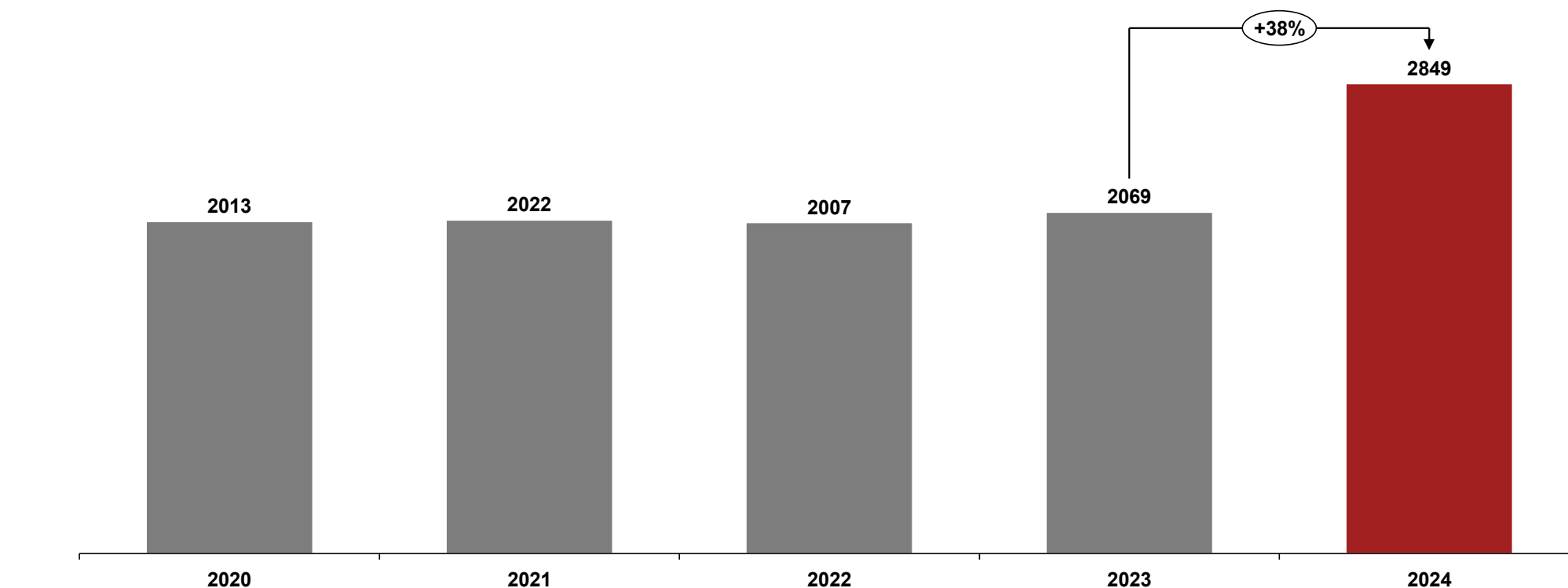
1) This graph does not represent all European countries
Sources: Eurostat and PwC Strategy&

Based on the survey conducted, investments in pharmaceutical production in France have increased 38% year-on-year in 2024

Investments in production

Pharmaceutical industry's investments in production within France

€mn; 2024



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Sources: 2025 Leem member survey conducted by PwC Strategy& / 50 respondents together representing 72% of turnover generated by the industry in France

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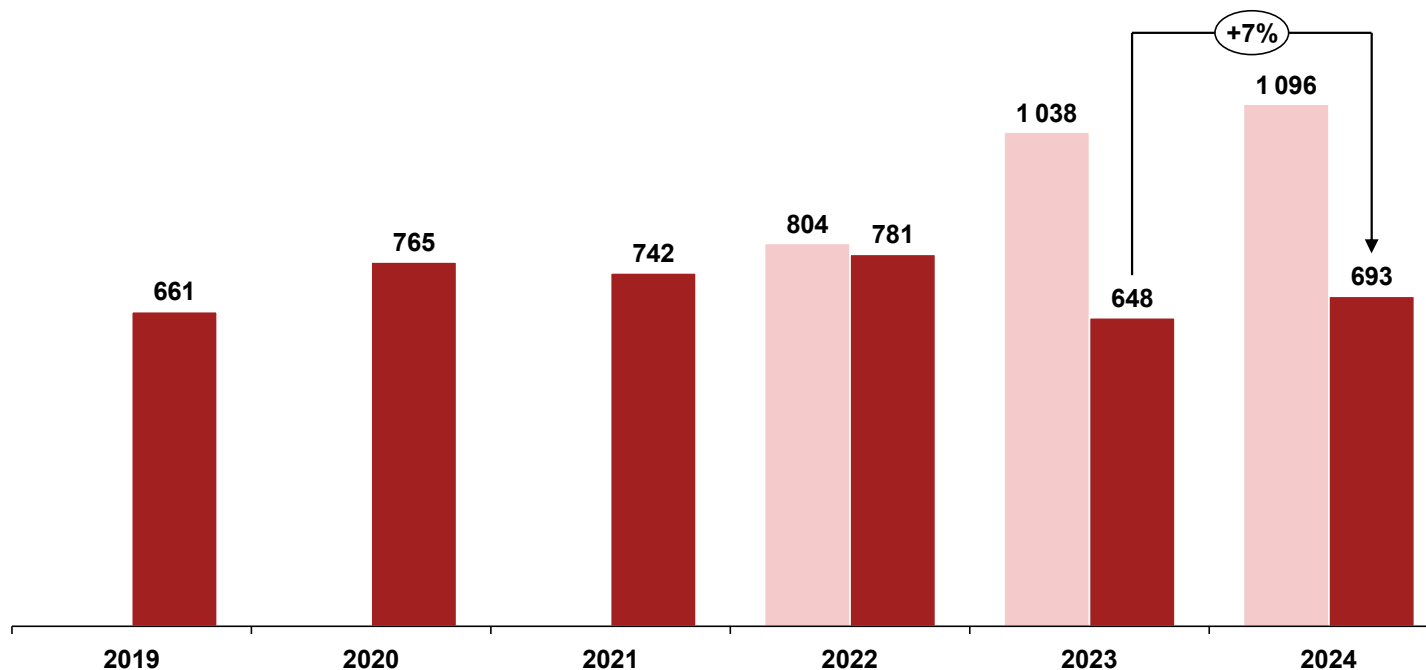
Following a drop after covid, market withdrawals of medicines have increased by more than 7% in France during 2024

Market withdrawals

Number of market withdrawals between 2019 and 2024

No., 2019-2024

Intention to withdraw
Market withdrawals





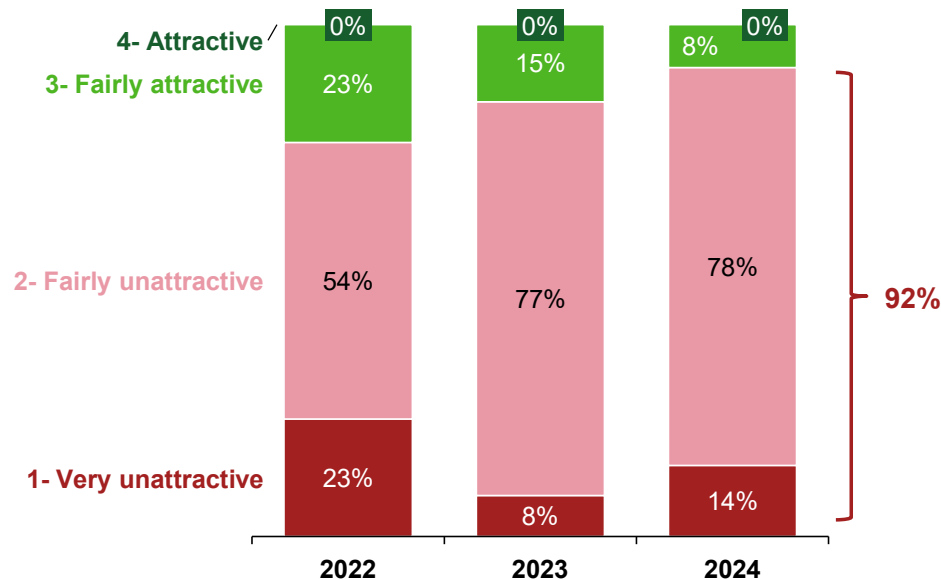
92% of pharmaceutical leadership surveyed highlighted France's lack of attractiveness for the pharmaceutical industry

Key highlights from leadership survey on attractiveness of France

Level of attractiveness from the perspective of pharmaceutical company leadership

%, 2022-2024

How would you describe France's current attractiveness for inward investment by the pharmaceutical industry?

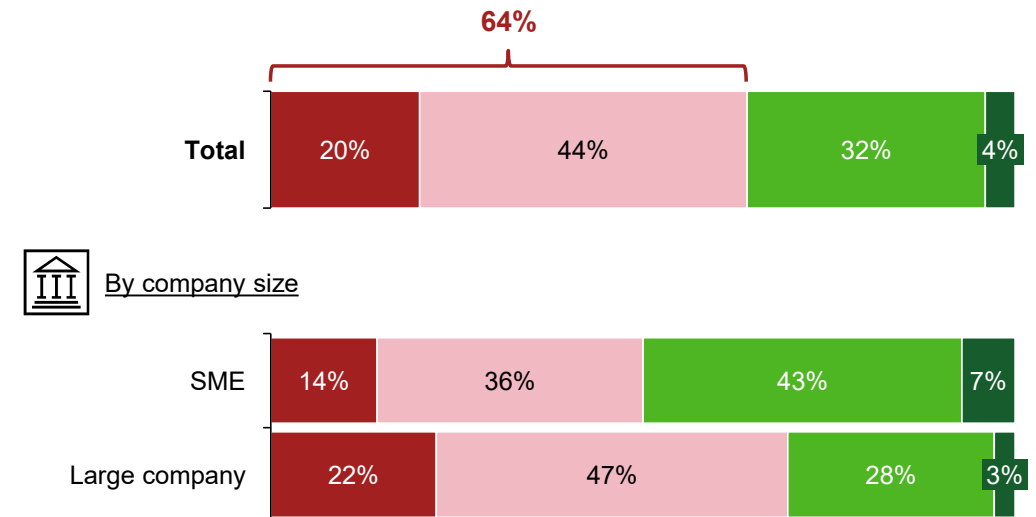


The willingness of pharmaceutical companies to invest in France

%, 2023-2025

How would you rate the likelihood of your company investing in France within the next 3 years?

1- Very unlikely 2- Fairly unlikely 3- Likely 4- Very likely



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