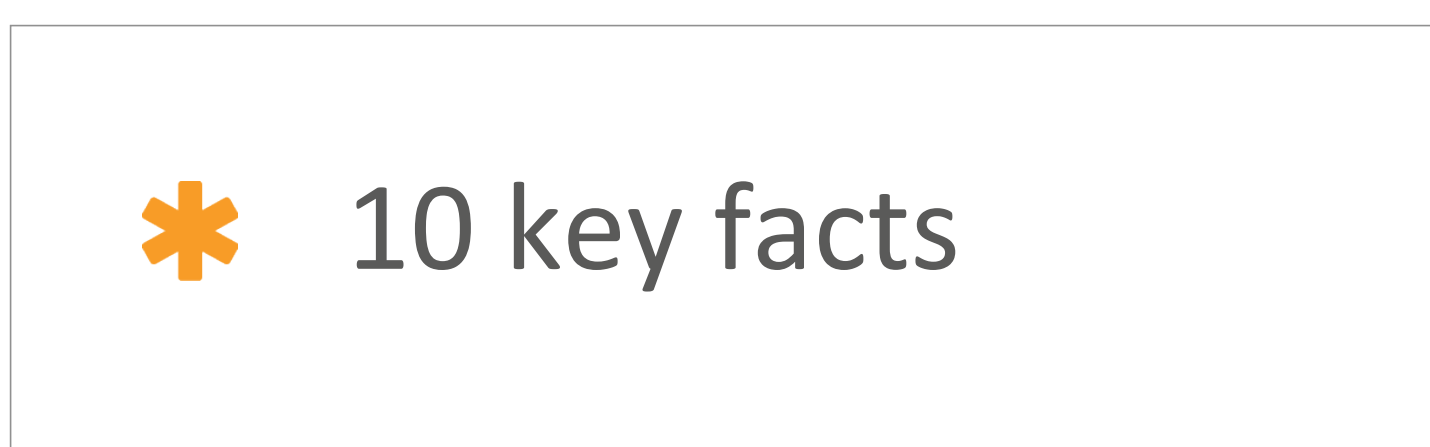


## Health and Growth: 10 key facts

**Final version: 21/09/2015**





# 10 key facts about the pharmaceutical industry

Although Europe has shown substantial improvements in life expectancy over the last 65 years, major disparities persist across countries ..... 3

Progress in the treatment of HIV/AIDS has contributed to a significant decline in death rates..... 4

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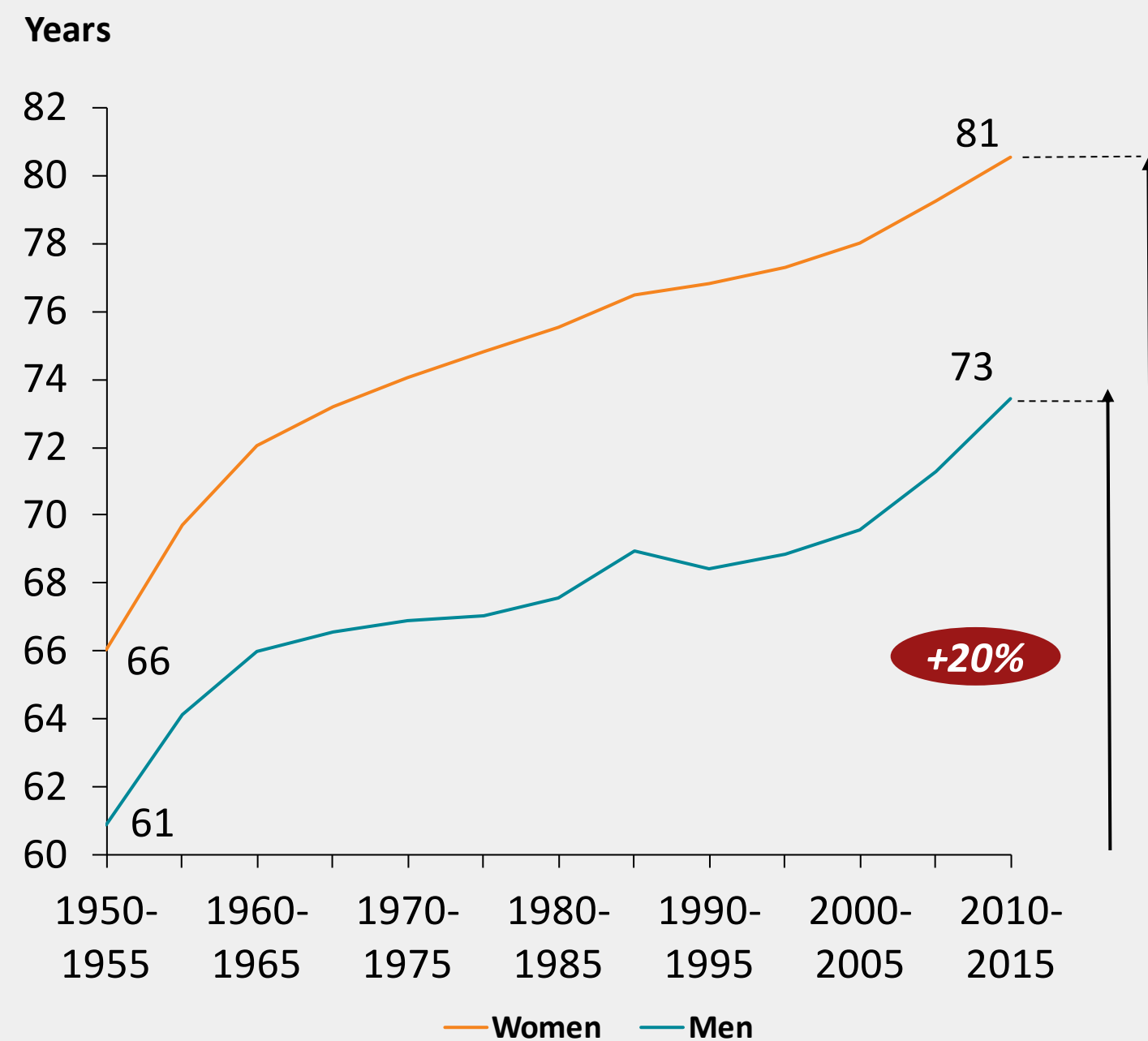
Despite the crisis, employment in the pharmaceutical industry has proven more resilient than many other sectors..... 11

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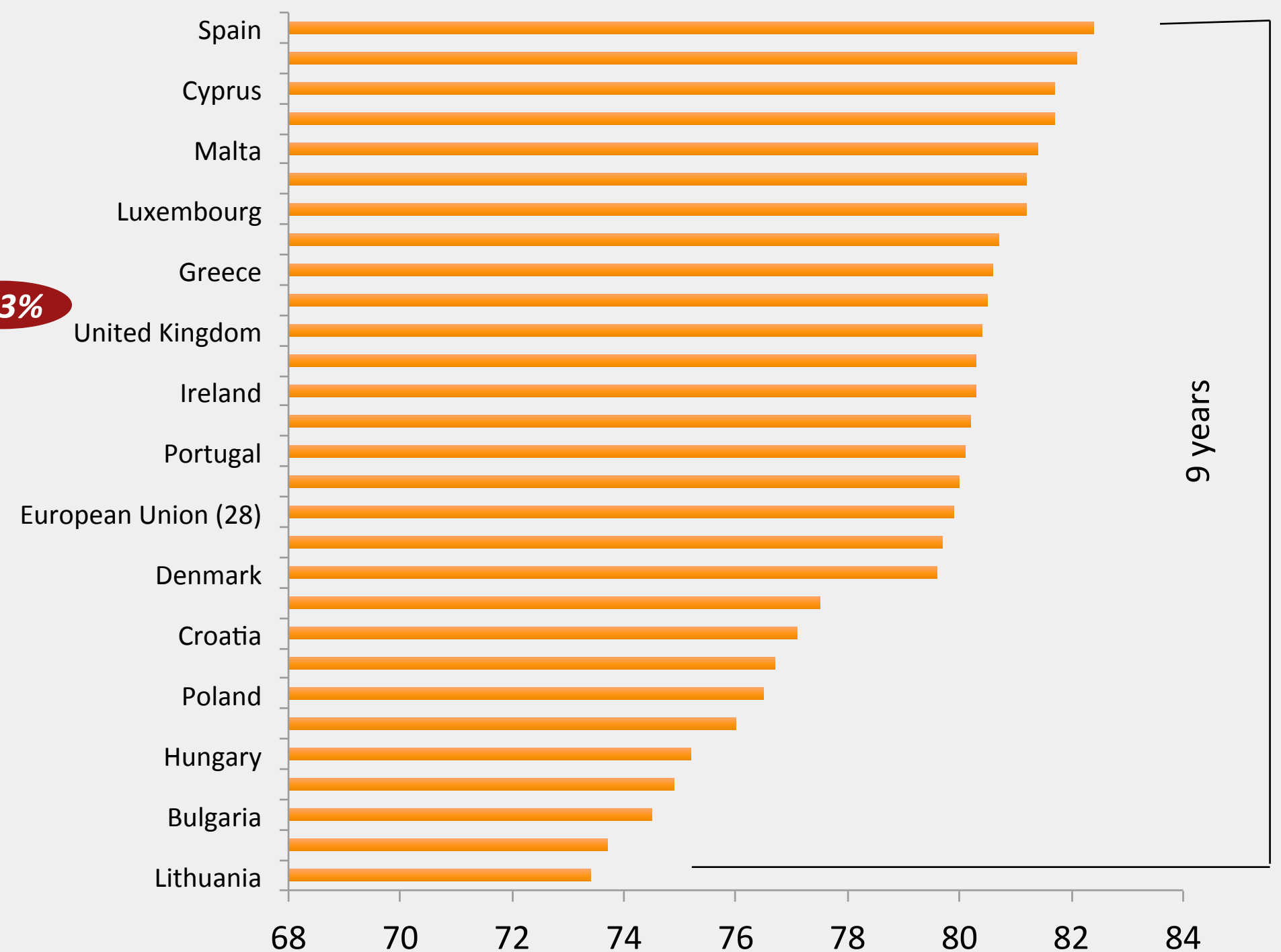
## Fact 1

Although Europe has shown substantial improvements in life expectancy over the last 65 years, major disparities persist across countries

Life expectancy at birth in Europe\* 



Life expectancy at birth in EU28 (2013)<sup>†</sup> 

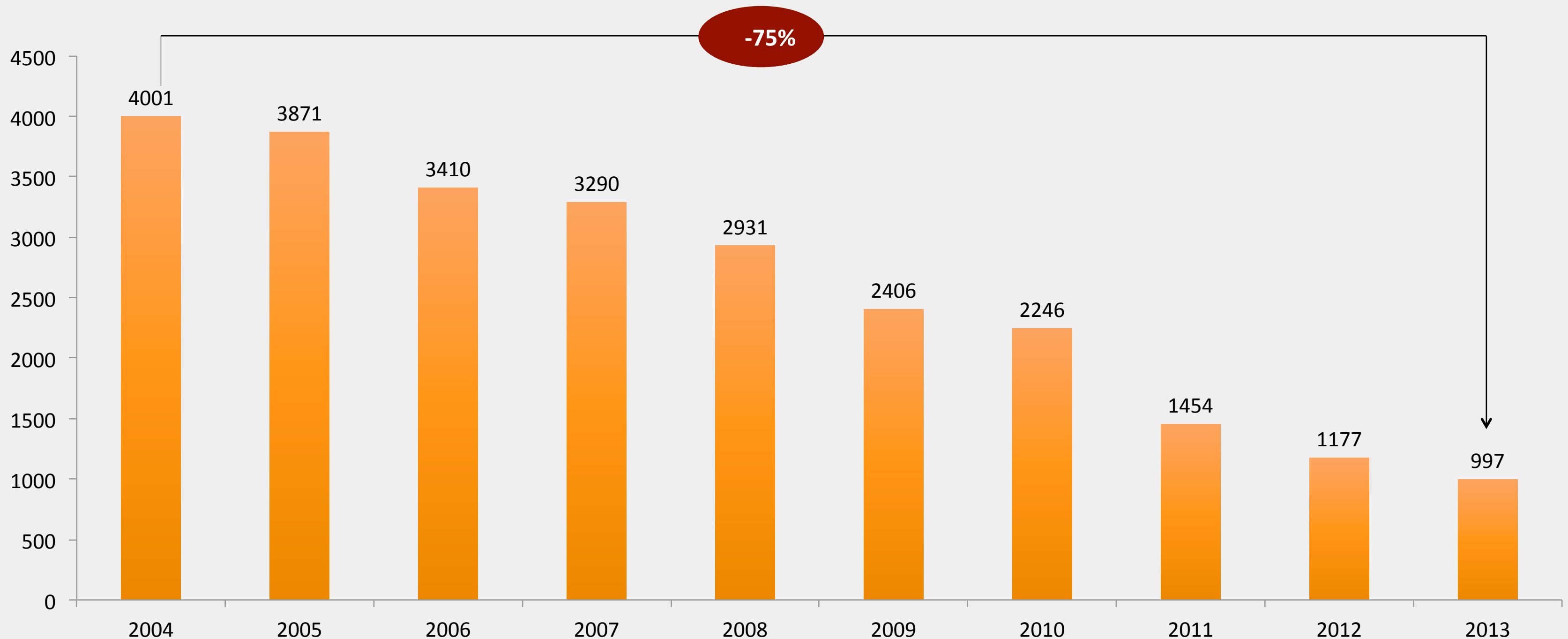


\*Projected life expectancy for Belarus, Bulgaria, Czech Republic, Hungary, Poland, Republic of Moldova, Romania, Russian Federation, Slovakia, Ukraine, Channel Islands, Denmark, Estonia, Finland, Iceland, Ireland, Latvia, Lithuania, Norway, Sweden, United Kingdom, Albania, Bosnia and Herzegovina, Croatia, Greece, Italy, Malta, Montenegro, Portugal, Serbia, Slovenia, Spain, TFYR Macedonia, Austria, Belgium, France, Germany Netherlands, Switzerland.  
Source: United Nations: World Population Prospects – The 2015 Revision (2015) accessed via the United Nation database on life expectancy at birth (accessed in August 2015); <sup>†</sup>Eurostat database (accessed in May 2015)

## Fact 2

# Progress in the treatment of HIV/AIDS has contributed to a significant decline in death rates

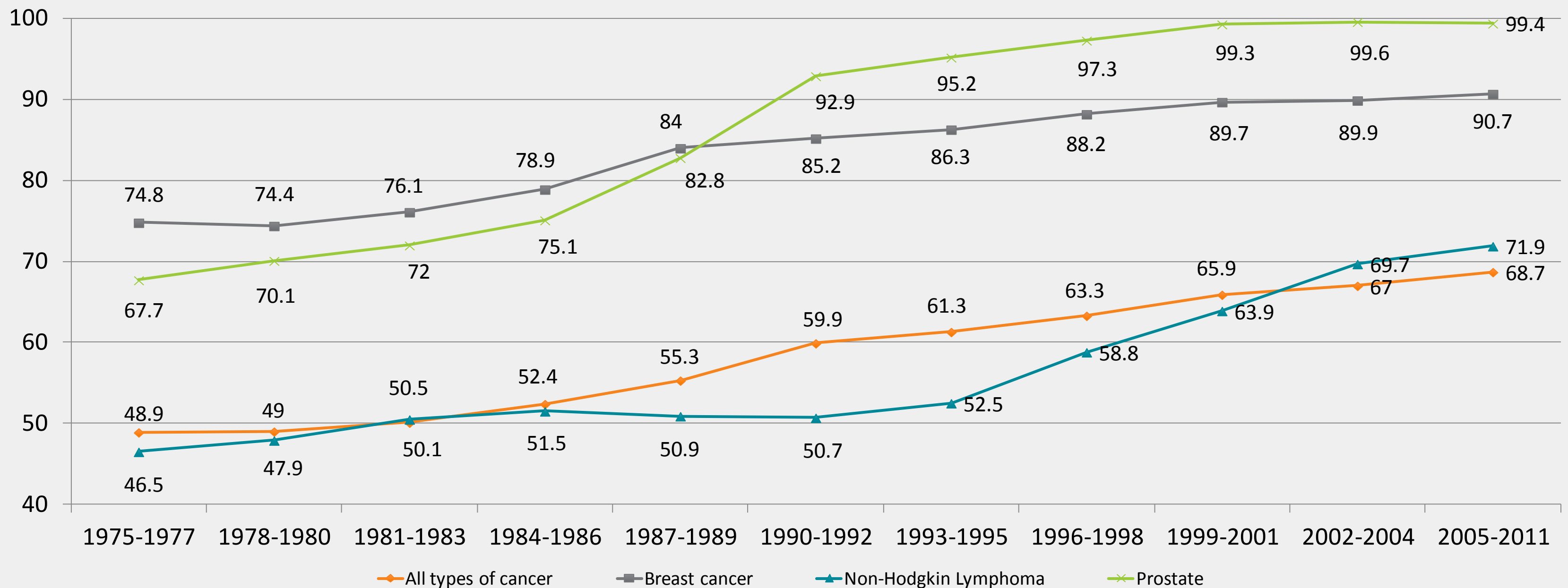
Number of deaths among Aids cases in Europe (Total EU/EEA) 



### Fact 3


## Experience from the US shows that improvement in treatments and earlier detection have contributed to an increase in cancer survival rates

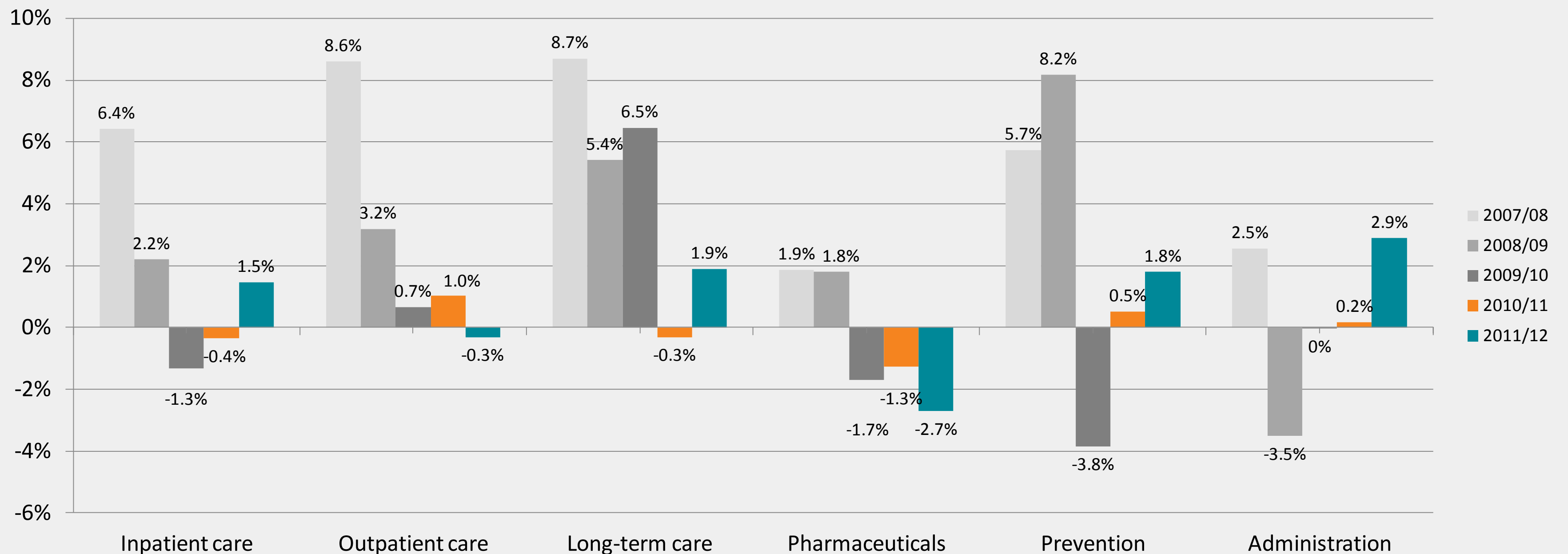
5 years cancer survival rates by year of diagnosis (%) 



## Fact 4

# The growth of pharmaceutical spending decreased from 2009 to 2012\*

Annual growth rates of retail pharmaceutical spending for selected components (real term, 2012, EU average) 



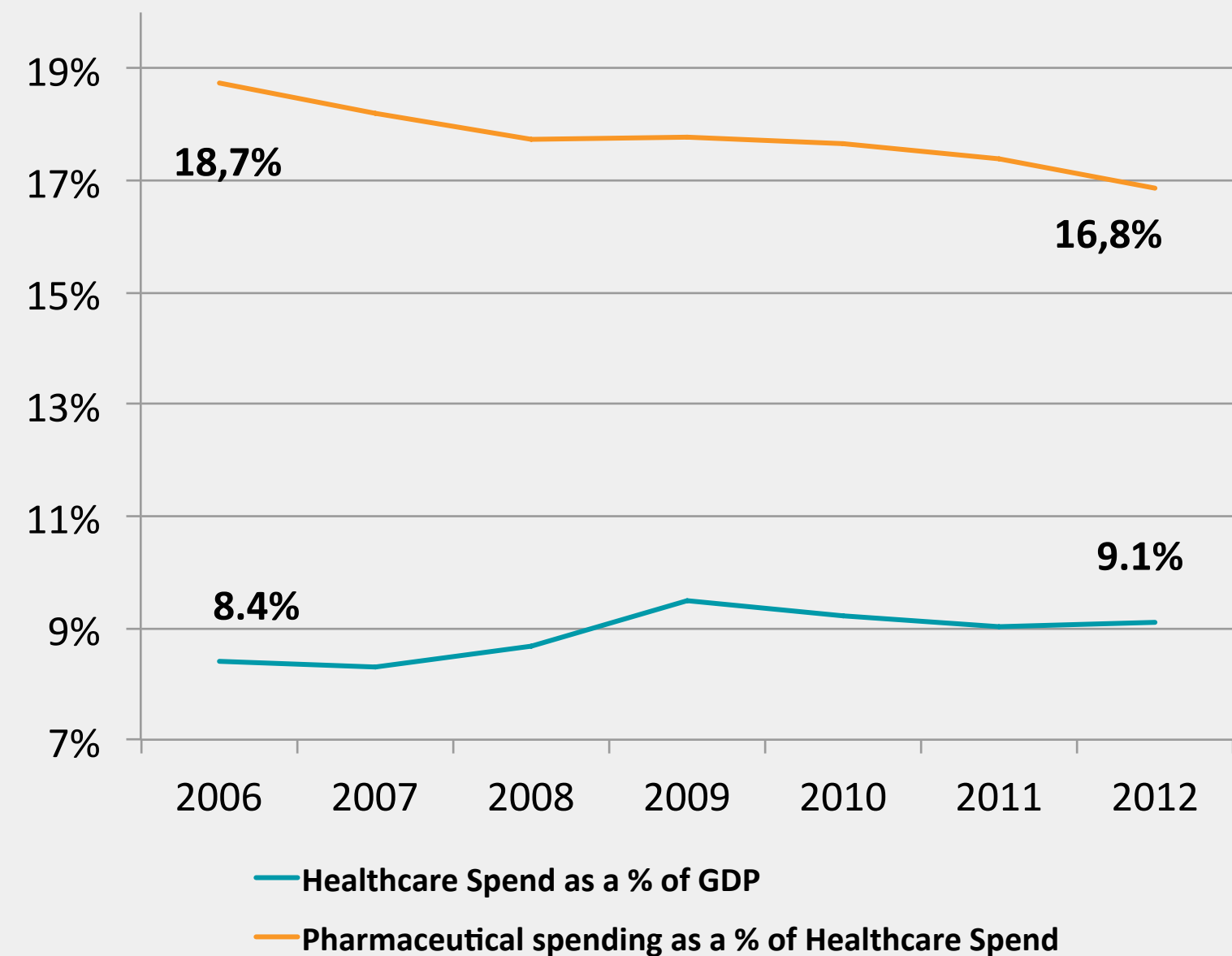
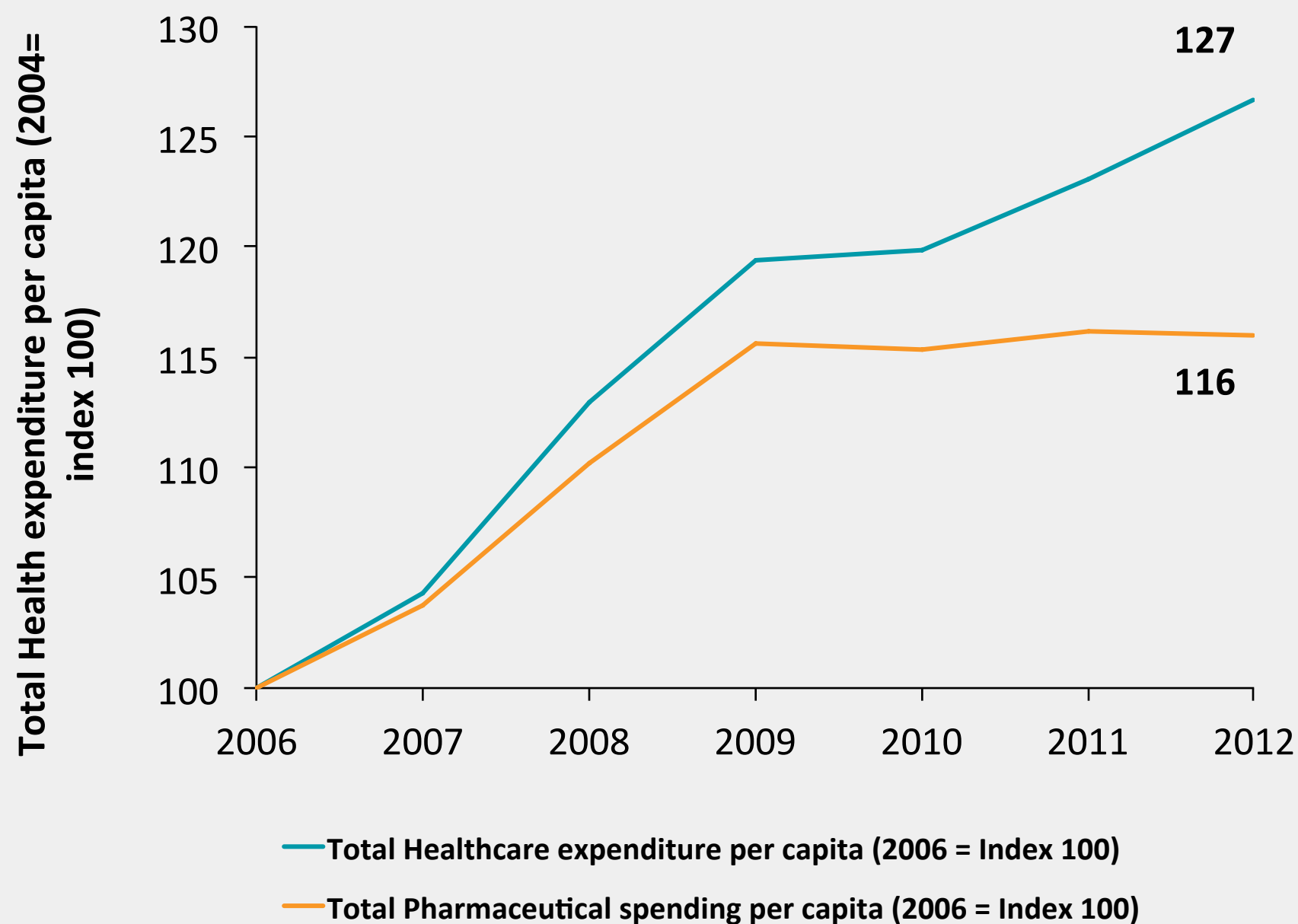
Note: \*According to the OECD definition, pharmaceutical spending include expenditures on prescriptions medicines and over-the-counter products. Pharmaceuticals consumed in hospitals are excluded.  
 Source: OECD (2014), Current health expenditure by function, 2012 (or nearest year), in *Health at a Glance: Europe 2014*, OECD Publishing, Paris. DOI: [http://dx.doi.org/10.1787/health\\_glance\\_eur-2014-graph129-en](http://dx.doi.org/10.1787/health_glance_eur-2014-graph129-en) (accessed via the OECD e-library in April 2015)

## Fact 5

# Across Europe growth of medicines expenditure is lagging behind growth in total healthcare expenditure\*



Total healthcare expenditure per capita and pharmaceutical expenditure per capita (2006 – 2012, 17 EU OECD Countries, population-weighted, current prices, PPP, \$) 

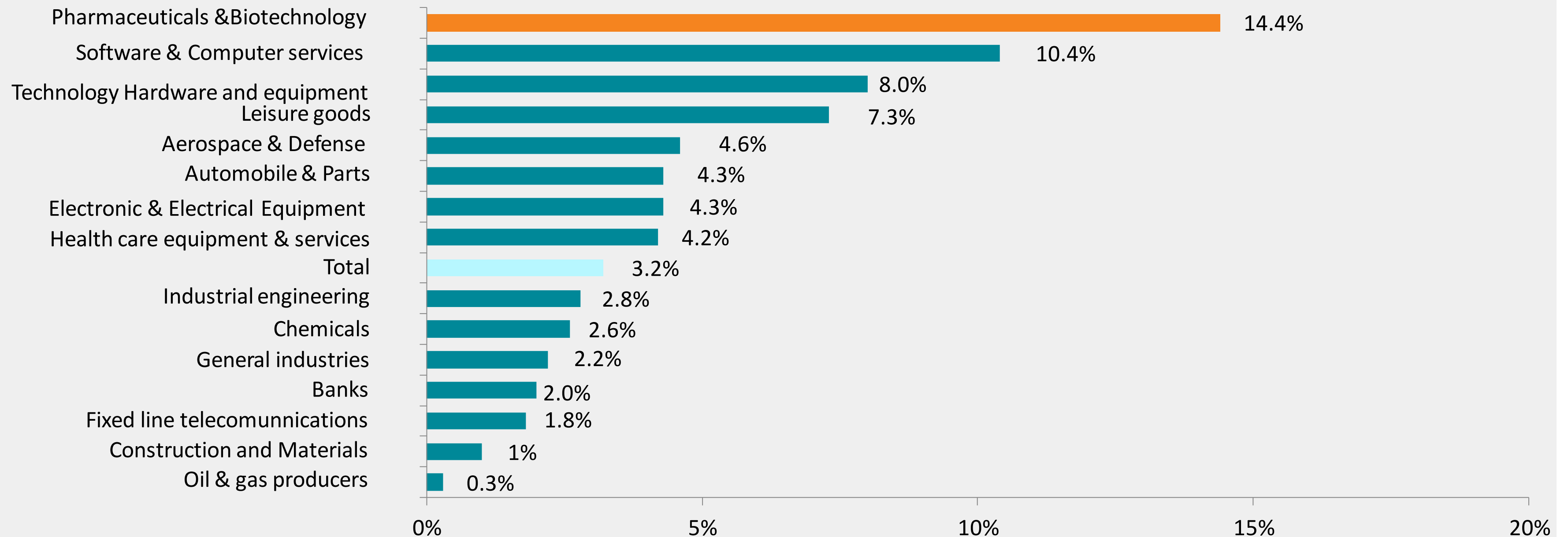


Note: \*According to the OECD definition, pharmaceutical spending include expenditures on prescriptions medicines and over-the-counter products. Pharmaceuticals consumed in hospitals are excluded. Countries included are Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Luxembourg, Poland, Slovak Republic, Slovenia, Spain, Sweden.  
Source: OECD Health Statistics Database (accessed in April 2015).

## Fact 6

# The pharmaceutical industry spends a greater percentage of its revenue on research and development than any other industry

### Ranking of industrial sectors by overall R&D intensity (2013)



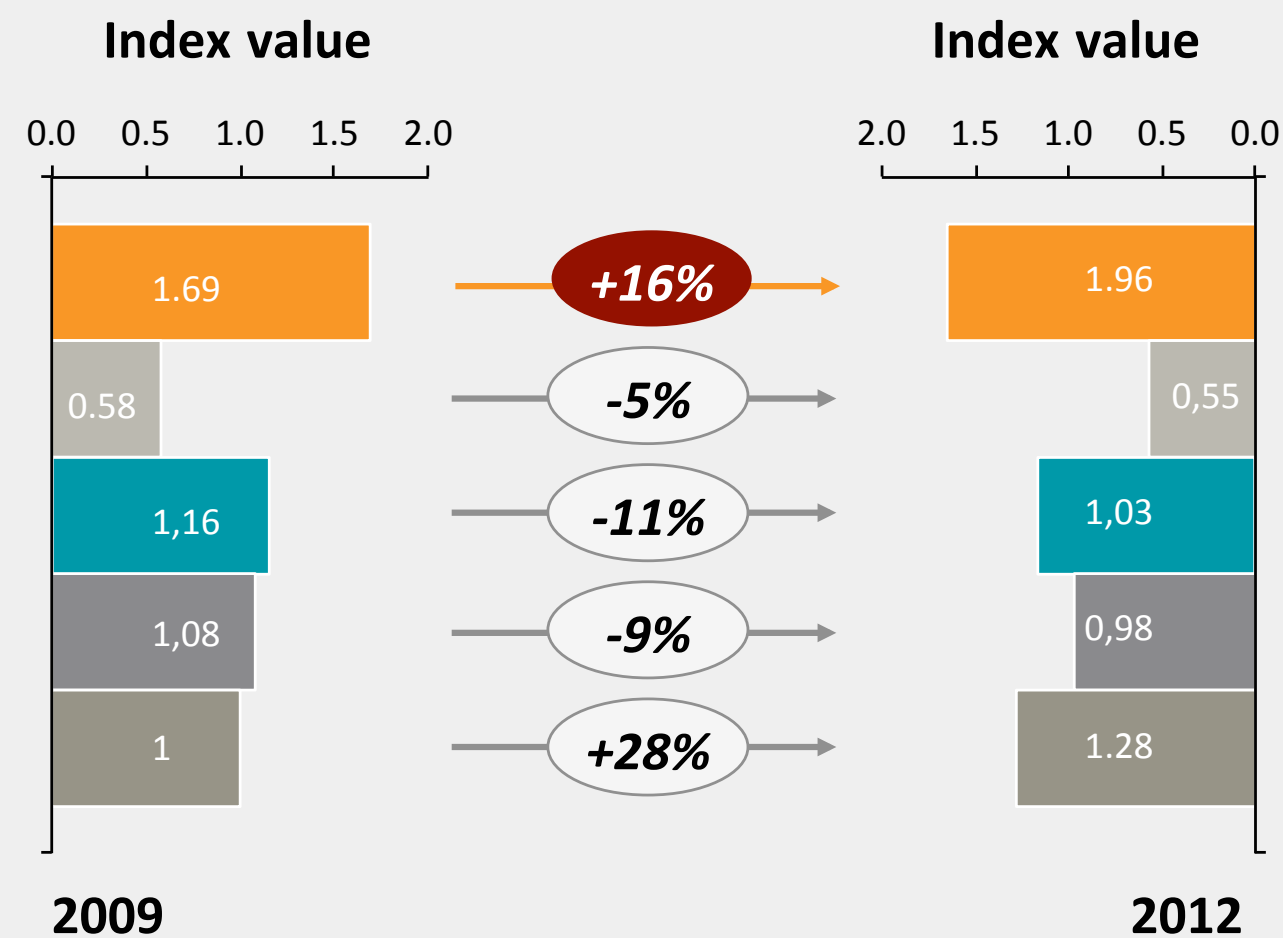
Note: R&D intensity refers to R&D spending as percentage of net sales. Data relate to the top 2,500 companies with registered offices in the EU (633), Japan (387), the USA (804) and the Rest of the World (676), ranked by total worldwide R&D investment (with R&D investment above €15.5M)  
Source: The 2014 EU industrial R&D investment scoreboard, European Commission, JRC, DG RTD.



## Fact 7

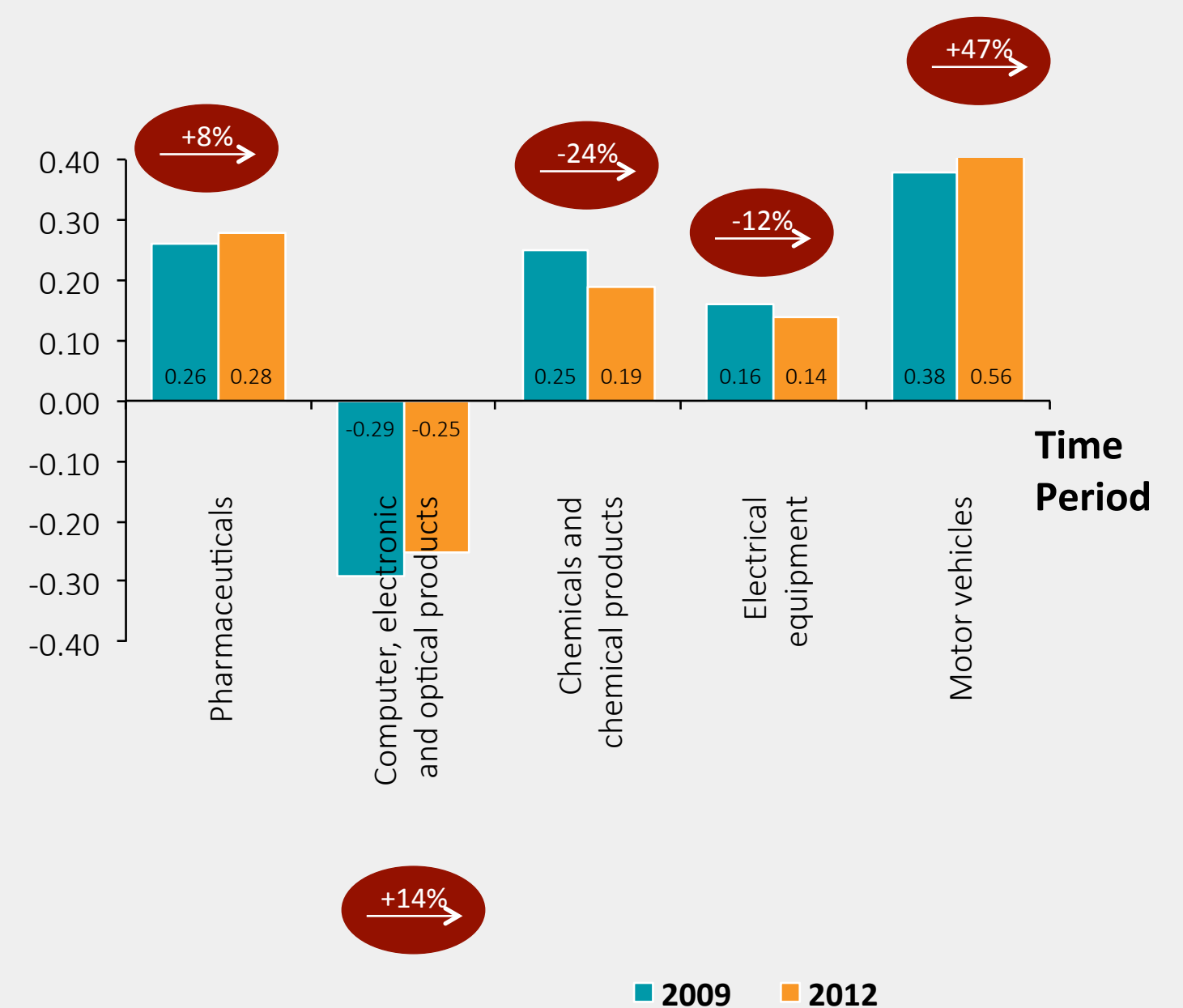
# The pharmaceutical industry is a major source of comparative advantage and growth, and outstrips other innovation-based industries

### Revealed comparative advantage for high- and medium-high-tech industries



- Basic pharmaceuticals and pharmaceutical preparations
- Computer, electronic and optical equipment
- Chemicals and chemical products
- Electrical equipment
- Motor vehicles, trailers and semi-trailers

### Relative trade balance of European pharma & other industries

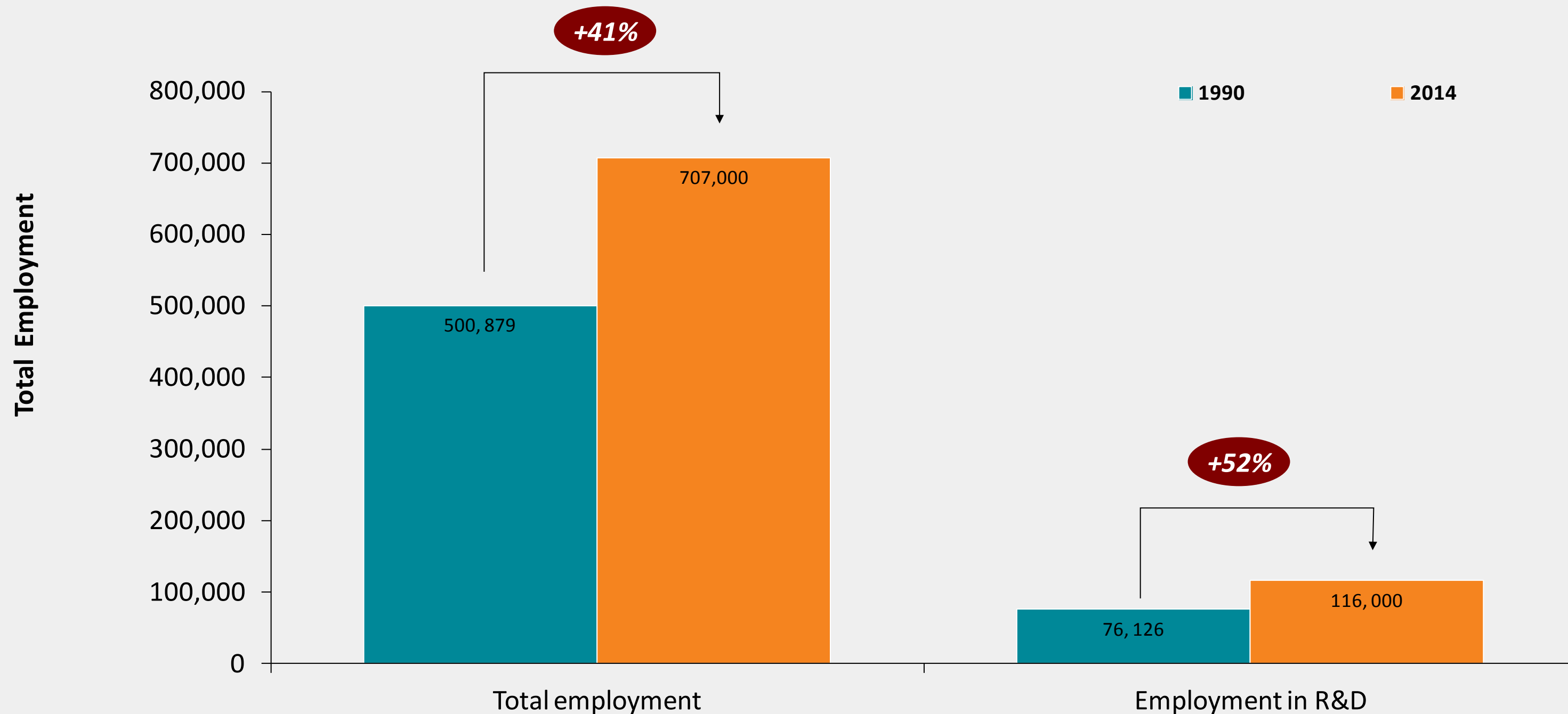


Note: The index compares EU exports in one sector (as a percentage of the total EU manufacturing exports) with the same sector's share from a group of reference countries. RCA values superior to 1 mean that a given industry performs better than its competitors (the reference group) while values below 1 indicate a comparative disadvantage.  
Source: European Commission: European Competitiveness Report 2014 (2014)

## Fact 8

# The research-based pharmaceutical industry is a major high-technology employer in Europe

### Employment in the pharmaceutical industry (1990-2014)\*



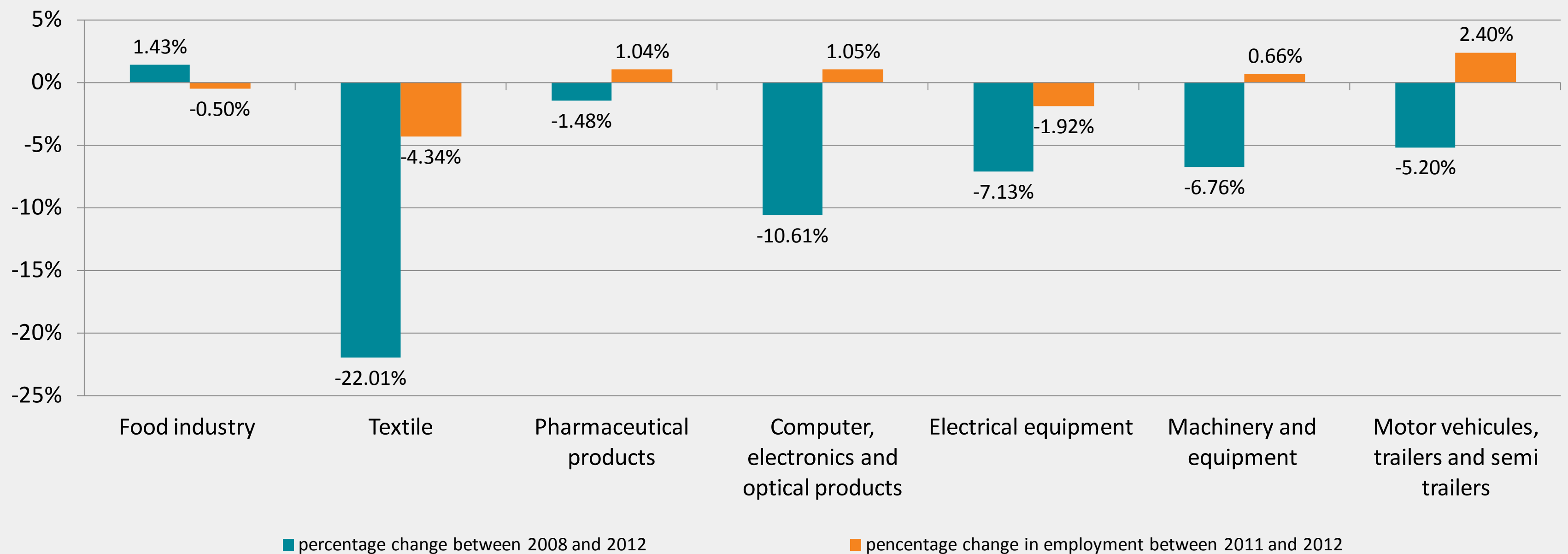
Note: These statistics are based on official estimates reported by EFPIA member associations. Data includes Turkey (since 2011), Croatia and Lithuania (since 2010), Bulgaria, Estonia and Hungary (since 2009), Czech Republic (since 2008), Cyprus (since 2007), Latvia, Romania and Slovakia (since 2005), Malta, Poland, and Slovenia (since 2004).  
Source: EFPIA: The Pharmaceutical industry in figures (2015)

## Fact 9

# Despite the crisis, employment in the pharmaceutical industry has proven more resilient than many other sectors



### Percentage change in employment in selected industries (2008-2012)

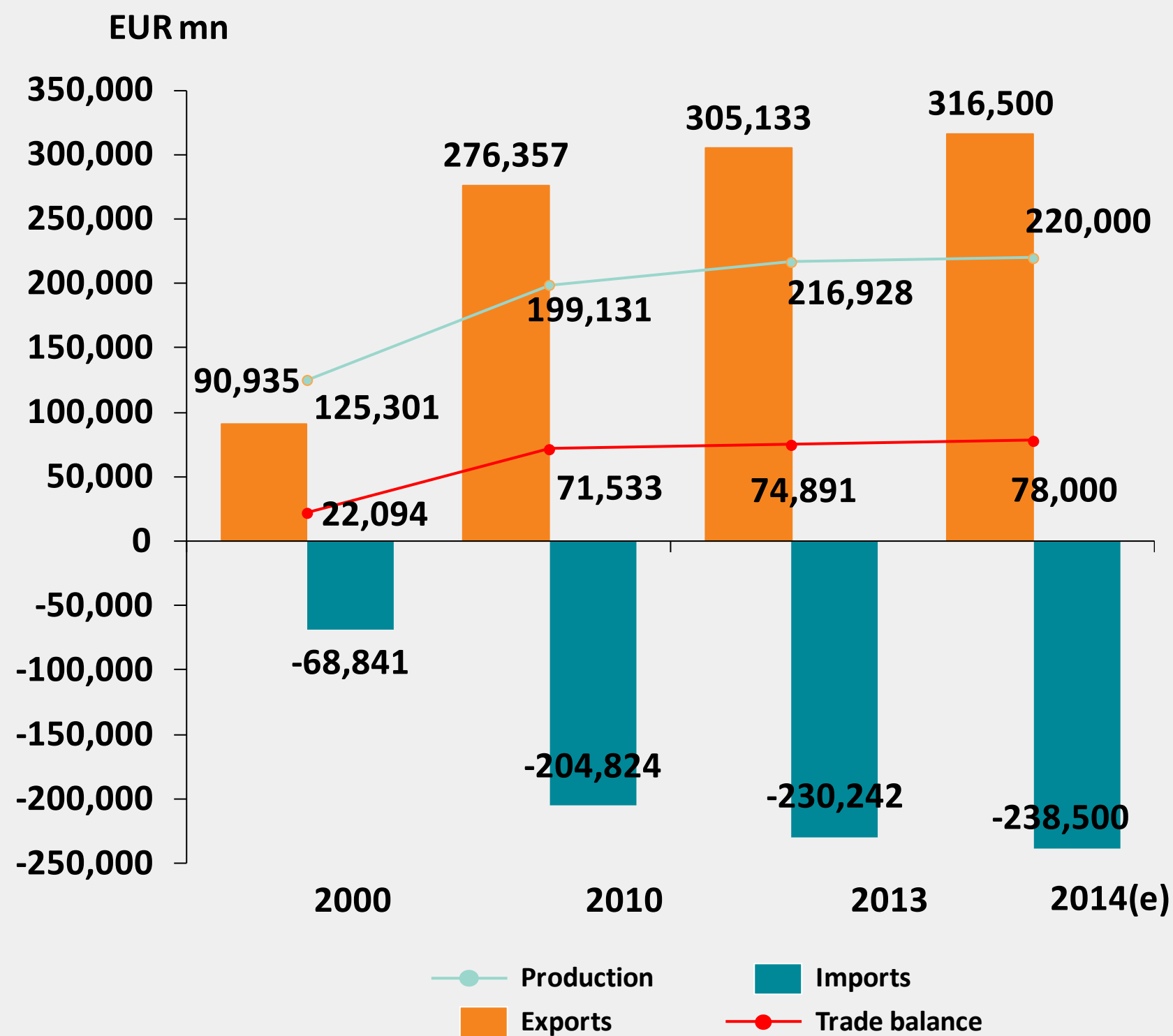


Note: the graph measures change in employment for the EU27 (2008-2012) and for the EU28 (2011-12). The chemical industry could not be included in the graph because of the absence of statistics for the year 2012.  
Source: Eurostat database on employment by NACE2 sectors.

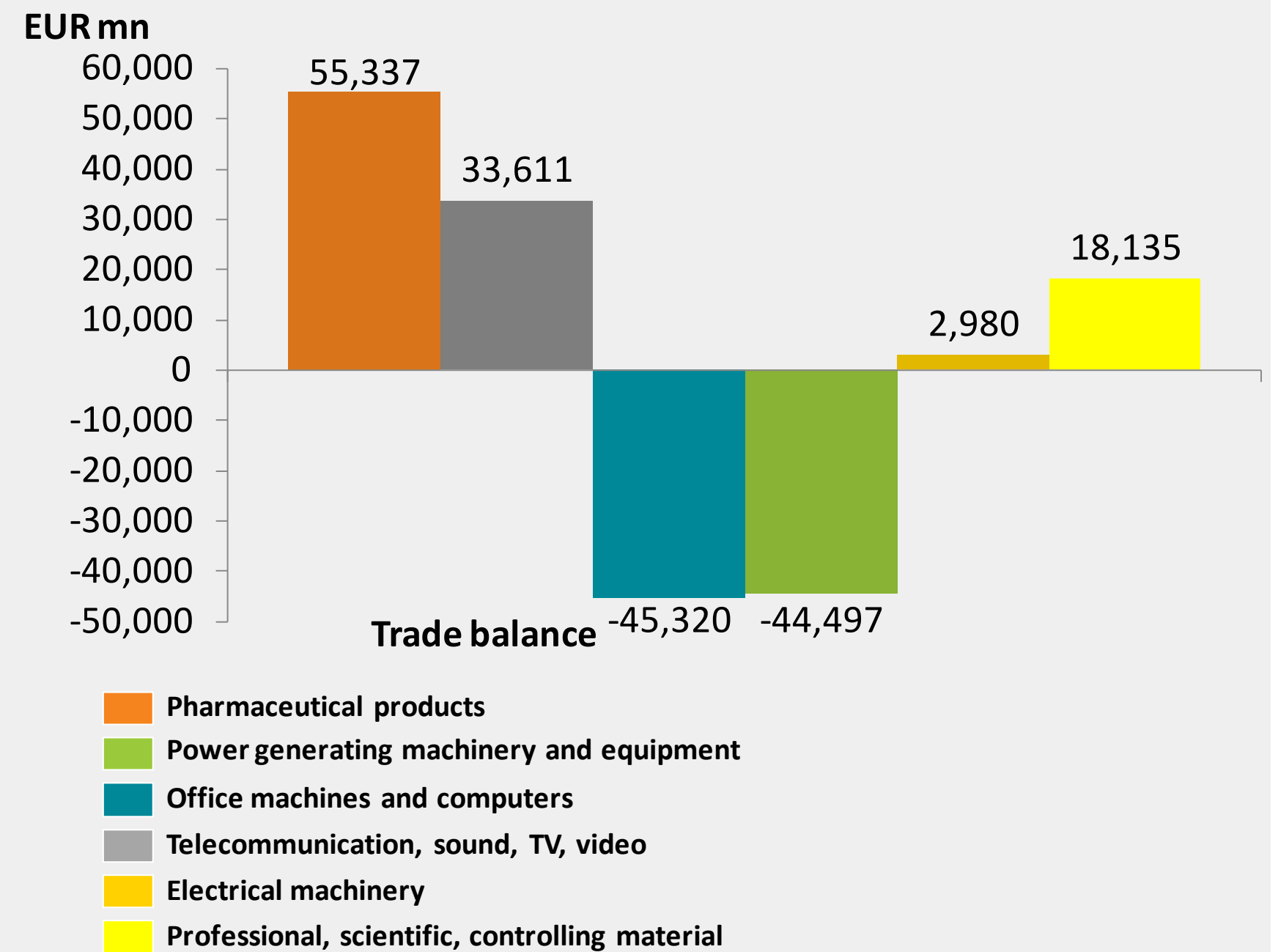
## Fact 10

# The pharmaceutical industry continues to drive a positive trade balance for Europe

### Trade Balance for Europe (2000-2014)\*



### EU-28 Trade balance for high technology sectors in million (2014)



Note: the graph in the left hand side was based on EfPIA member associations (official figures) - (e): EfPIA estimate; Eurostat (Eu-28 trade data 1995-2013)  
Source: EFPIA, The Pharmaceutical industry in figures 2015 (2015), Eurostat COMEXT database, April 2015.

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