NO LEADERSHIP WITHOUT A CHANGE OF COURSE: BELGIUM AT A TURNING POINT FOR INNOVATIVE BIOPHARMA

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ALGEMENE VERENIGING VAN DE GENEESMIDDELENINDUSTRIE
60 YEARS

FOREWORD

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CEO

Innovative biopharma has long been a driver of growth, employment, exports and innovation, but today we are seeing a turning point.

For many years, Belgium has been able to position itself as a leader in pharma and life sciences – not thanks to natural resources or rare raw materials, but to knowledge, talent and a strong culture of innovation. The core political and economic rationale was that, as a small, open economy, we must excel in innovation. Today, we must acknowledge that this very foundation is coming under pressure.

Belgium's leadership position is crumbling. Not abruptly, but at an increasing pace. What has been simmering for some time has, over the past year, clearly shifted into a downward acceleration. While other regions around the world, such as the United States and China, are decisively backing scale, speed and strategic support for innovation, Belgium continues to hesitate. The result is painfully visible: exports are down by almost 7 %, patent applications have fallen by more than 15 %, investments are shifting, decisions are being postponed, and opportunities are being lost.

The figures in this edition of **Pharma Figures** make that unmistakably clear. Innovative biopharma has long been a driver of growth, employment, exports and innovation, but today we are seeing a turning point: not a temporary blip, but a structural trend. This picture is confirmed by a recent survey among our members: pessimism is not merely a temporary mood. Expectations also remain bleak for the future.

This is the moment to face reality. Belgium needs a **holistic approach**, with urgent and coherent measures at both European and national levels.

To that end, at least three crucial pillars must be structurally strengthened:

1. **Stimulating innovation**
2. **Improving competitiveness**
3. **Enabling rapid and broad access to breakthrough medicines for patients**

Innovation begins with research. Belgium has a strong ecosystem of public and private research institutions, including many pharmaceutical companies. This is an asset, but only if these players can excel in a favourable and predictable climate. Clinical trials, for example, are crucial in this respect. Belgium was a European leader in this field for many years, but in recent years we have lost ground to other countries. If breakthrough therapies cannot be brought to market quickly in Belgium at a fair price, this undermines our competitiveness. Innovation created here therefore risks being commercialised elsewhere instead. Insufficient opportunities for commercialisation on the domestic market are precisely the mechanism that is driving investment, research and future talent away from Belgium.

Innovation does not emerge in a vacuum. It requires vision, courage and policies that make the right choices. If we want Belgium to become an attractive and reliable partner for investment in innovative biopharma and life sciences once again, we must act now. Not tomorrow. Not after the next set of figures. Today. **What is at stake today will determine Belgium's prosperity, health and strategic position tomorrow.**

KEY FIGURES 2025

44,507
DIRECT JOBS[1]

2020 → 2025: + 10 %

2024 → 2025: - 0.5 %

Evolution

2020	40,464
2024	44,738
2025	44,507

6,330
RESEARCHERS[2]

2020 → 2025: + 6.4 %

2024 → 2025: - 2.5 %

2020	5,952
2024	6,490
2025	6,330

€ 6.1
BILLION IN INVESTMENTS IN R&D[4]

2020 → 2025: + 22.0 %

2024 → 2025: + 1.9 %

Evolution

2020	€ 5.0 billion
2024	€ 6.0 billion
2025	€ 6.1 billion

€ 73.1
BILLION IN EXPORTS[5]

2020 → 2025: + 29.7 %

2024 → 2025: - 6.8 %

2020	€ 56.4 billion
2024	€ 78.4 billion
2025	€ 73.1 billion

353
PATENT APPLICATIONS IN THE PHARMACEUTICAL AND BIOTECH SECTOR[6]

2020 → 2025: - 8.3 %

2024 → 2025: - 15.3 %

Evolution

2020	385
2024	417
2025	353

€ 14.1
BILLION IN ADDED VALUE GENERATED BY THE BIOPHARMACEUTICAL SECTOR[7]

2019 → 2024: + 35.2 %

2023 → 2024: - 3.4 %

2019	€ 10.4 billion
2023	€ 14.6 billion
2024*	€ 14.1 billion

* Figures for added value are not yet available for 2025.

9 out of 10
BIOPHARMACEUTICAL COMPANIES IN BELGIUM EMPLOY FEWER THAN 250 EMPLOYEES

25 %
OF THE EMPLOYMENT IN THE SECTOR[3]

01 JOBS

44,507 employees in the Belgian biopharmaceutical sector in 2025

Biopharmaceutical employees account for almost 10 % of employment in the manufacturing industry

A decline for the 2nd consecutive year after years of strong growth

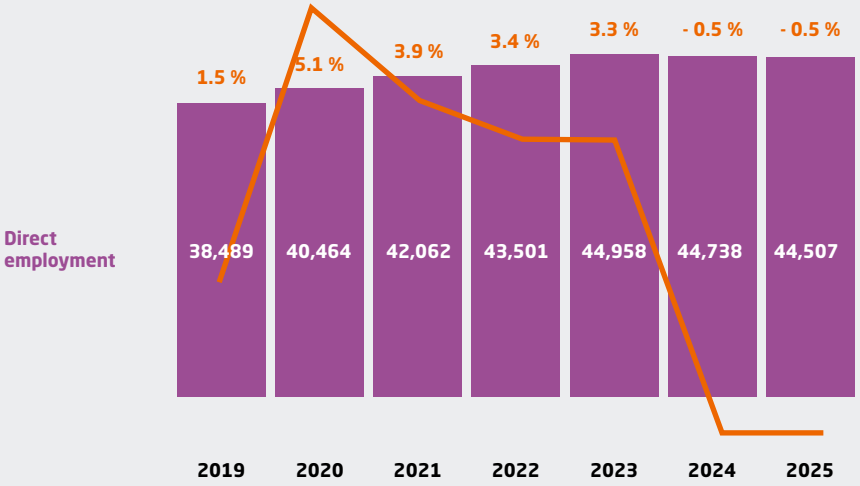
Employment continues to decline

In 2024, employment declined for the first time after more than ten years of uninterrupted growth. **This negative trend continued in 2025.** As in the previous year, the number of jobs fell by half a percent, to 44,507 jobs.[8]

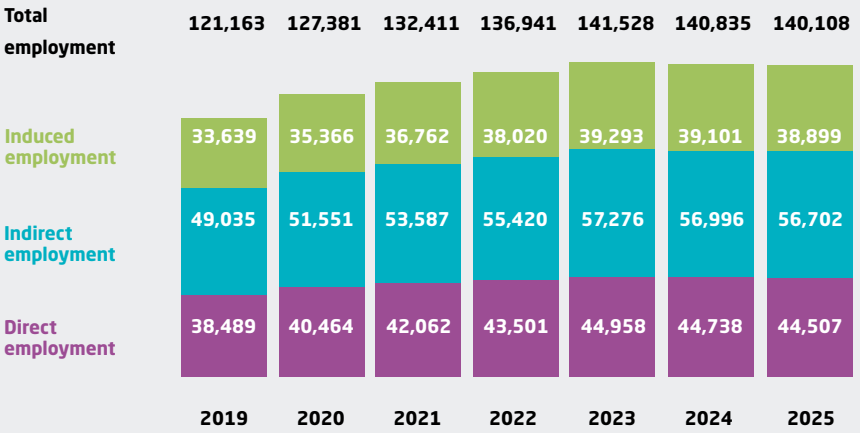
The fact that employment has declined for the second consecutive year points to a **structural problem**. Moreover, this trend also has consequences for the wider ecosystem in which these companies operate. **For every job in the biopharmaceutical sector, more than two additional jobs are created among suppliers**, including in logistics.[9] As a result, the number of indirect jobs is also decreasing.

Nevertheless, the biopharmaceutical sector remains an important source of employment in Belgium. When direct and indirect employment is combined with the employment generated by the spending of all these employees (both direct and indirect), **the biopharmaceutical sector creates approximately 140,000 jobs in Belgium**.

Trends in direct employment in the Belgian biopharmaceutical sector



Trends in direct, indirect and induced employment in the Belgian biopharmaceutical sector

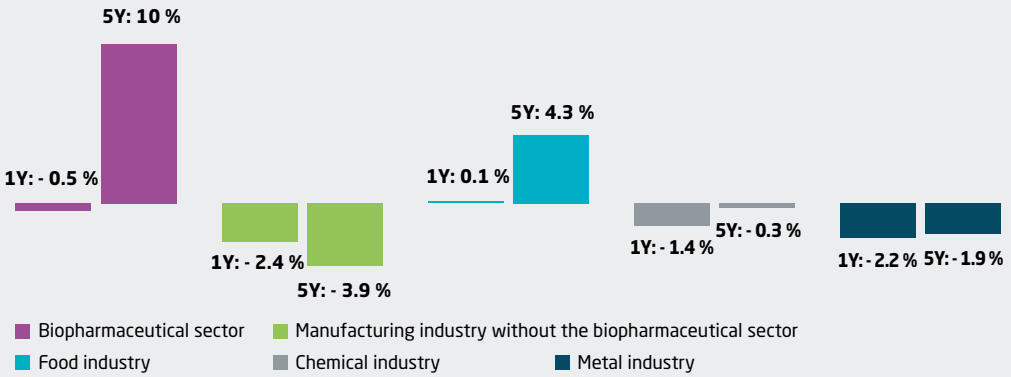


Biopharma accounts for nearly 10 % of industrial employment

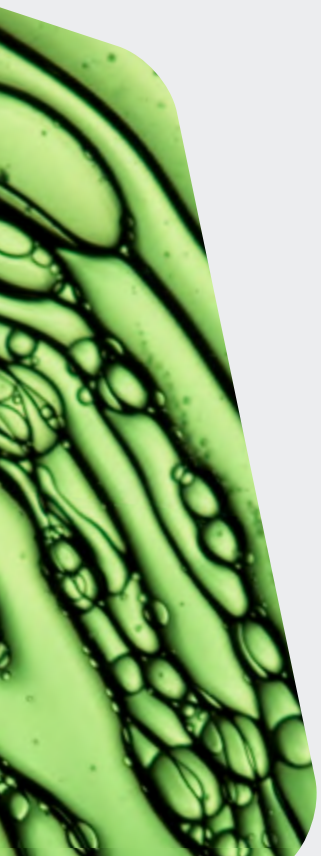
The manufacturing industry is performing poorly in terms of employment. Only one sector within the manufacturing industry, the food industry, managed to keep employment stable compared with the previous year. **All other sectors, including the biopharmaceutical sector, faced a decline in 2025.** As a result, total employment in the manufacturing industry decreased by more than 2 % in 2025, following an earlier decline of nearly 3 % in 2024.[10]

Over the past five years, only three sectors within the manufacturing industry recorded positive employment growth, including the biopharmaceutical sector and the food industry. This poor cross-sector performance means that total employment in the manufacturing industry has fallen by 3 % over this period. The biopharmaceutical industry is still delivering the strongest performance among these sectors for now, although **this position is coming under increasing pressure** due to the continued decline in employment over the past two years.

Evolution of employment over 1 and 5 years (2020-2025)



Although the decline in employment in the biopharmaceutical sector was less pronounced in 2025 than in other sectors, its share of total manufacturing employment nevertheless increased again in 2025. As a result, almost one in ten employees in the manufacturing industry works in the biopharmaceutical sector.

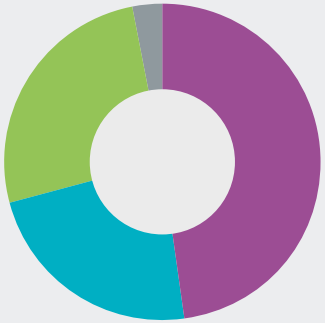


Diverse profiles

The biopharmaceutical sector encompasses a wide range of activities, from research and development (R&D) and production and logistics to marketing and distribution. As a result, the job profiles are equally diverse.

The biopharmaceutical sector differs from the Belgian industry as a whole since the majority of its employees hold a higher education degree. This reflects the complexity of the sector. Nevertheless, there are also many opportunities for people with a lower or secondary education diploma. Together, they account for almost 30 % of total employment in the sector.[11]

Distribution of profiles in the biopharmaceutical sector in 2025



48 % University master's degree
University bachelor's degree
Non-university higher education, long course

23 % Non-university higher education, short course
Vocational higher education

26 % Higher secondary education

3 % Lower secondary education
Primary education
No diploma

The biopharmaceutical sector combines scale and innovation: start-ups, SMEs and multinationals together form a robust ecosystem that constitutes the backbone of the sector.

DID YOU KNOW?

THE BROAD BASE OF BELGIAN BIOPHARMA: LARGE AND SMALLER PLAYERS

The biopharmaceutical sector in Belgium does not consist solely of major players. Nine out of ten biopharmaceutical companies in Belgium are small or medium-sized enterprises with fewer than 250 employees. Together, they account for one quarter of employment in the sector.[12] This demonstrates how important smaller players are in the innovation ecosystem of the Belgian biopharmaceutical sector.

No glass ceiling

The Belgian biopharmaceutical sector has been making efforts to achieve greater gender diversity for many years, and this is clearly delivering results. With 47 % female employees in 2025, the sector shows a **balanced distribution of men and women.** In fact, when we look specifically at R&D, women are more strongly represented than men, accounting for 67 % of the workforce.[13]

The sector no longer has a glass ceiling either: in 2025, 47 % of the management team were female.

More than
€ 16 million
in daily R&D investment by the innovative biopharmaceutical sector[14]

353
patent applications, or nearly 1 patent application per day[15]

5 x
increase in R&D investment over 25 years[16]

02 RESEARCH AND DEVELOPMENT

Growth in R&D investment slows

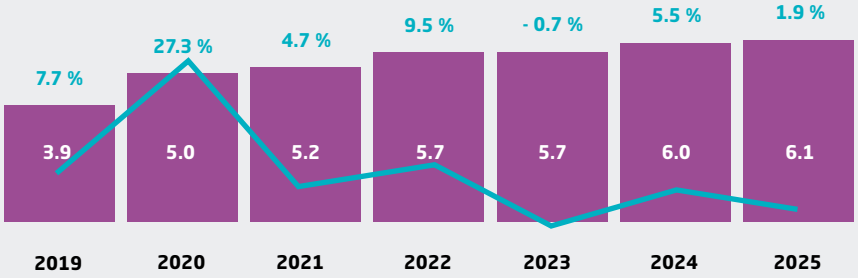
Belgium does not possess natural resources. Our economic strength rests on **knowledge, innovation and research.** Belgium ranked a commendable sixth on the European Innovation Scoreboard in 2025, one place lower than in 2024.

Within the knowledge economy, the innovative **biopharmaceutical sector** has become one of the undisputed pillars. The sector has been investing heavily in research and development for years, driving breakthrough innovations. These not only create economic added value, but above all improve patients' health and quality of life.

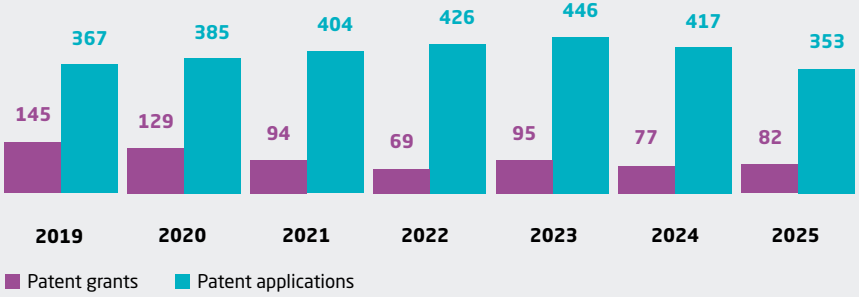
Against this background, the trends seen in 2025 are **worrying.** Growth in R&D investment, which stood at 5.5 % in 2024, slowed to 1.9 % in 2025. These investments nevertheless remain enormous, amounting to 6.1 billion euros and representing a growth of **22 %** over a five-year period. And despite this slower growth, the biopharmaceutical sector remains the **absolute leader in Belgium**, both in terms of investment volume and growth dynamics.

However, this position cannot be taken for granted. While R&D investment is still edging upwards, the number of researchers fell for the first time in 2025, to 6,330 people, following stagnation already seen in 2024. This indicates that **the pressure on research and innovation is reflected not only in euro investment, but also in jobs.**

Trend in R&D investment in the biopharmaceutical sector (in billion euros)



Evolution of patent applications and grants in the biopharmaceutical sector



R&D intensity

The development of new, innovative medicines requires a great deal of time and resources. **The biopharmaceutical sector is therefore the most R&D-intensive industry in Belgium**, with an R&D-intensity of 42.4 % in 2024. This metric indicates the share of added value that is reinvested in research and development. In this respect, the sector not only holds a clear leading position in Belgium but also carries increasing weight at the European level.[17]

No innovation without patents

Because research programmes in the biopharmaceutical sector are often considerably more expensive and take more time than in other sectors, **strong intellectual property protection is crucial.** Patents play a key role in this regard: they provide the protection needed to commercialise investments, which is essential for biopharmaceutical companies to continue investing in R&D.

In 2025, we saw a decline in the number of patent applications filed by pharmaceutical companies in Belgium for the second consecutive year. While 417 patents were filed in 2024, this number dropped to 353 in 2025. In 2023, the figure stood at 446 applications. This means that last year's striking break in the trend is continuing, which should be a cause for concern.

Over a five-year period**, there has likewise been a decline of more than 8 %.** Nevertheless, the biopharmaceutical sector remains the absolute leader nationally, generating nearly 14 % of all patent applications in Belgium. However, it appears that innovation is becoming increasingly difficult. **Investments are highly risky and do not necessarily lead to a successful outcome.** This is confirmed by the limited number of applications that result in the effective grant of a patent.

DID YOU KNOW?

THANKS TO THE BIOPHARMACEUTICAL SECTOR, BELGIUM MEETS THE LISBON TARGET.

In the Europe 2020 strategy, the successor to the Lisbon Strategy, Europe states that combined public and private investment in research must amount to at least 3 % of gross domestic product. Belgium has been exceeding this R&D intensity threshold for several years, thanks in part to the crucial contribution of the biopharmaceutical industry. In 2024, R&D investment amounted to 3.4 % of GDP.

13.9 %	Pharma and biotech	8.8 %	Medical devices	7.0 %	Metalworking	5.2 %	Civil engineering
4.8 %	Other machines	4.4 %	Basic chemical engineering materials	4.3 %	Coatings	4.1 %	Organic chemistry
4.0 %	Electrical machinery	4.0 %	Measurement techniques	3.5 %	Chemical technology	3.4 %	Transport
3.2 %	Computer technology	2.9 %	Semiconductors	2.3 %	Polymers	2.0 %	Machine tools
1.9 %	Engines and pumps	1.6 %	Handling	1.5 %	Thermal processes	17.2 %	Other

03 EXPORT

Key industry weakens

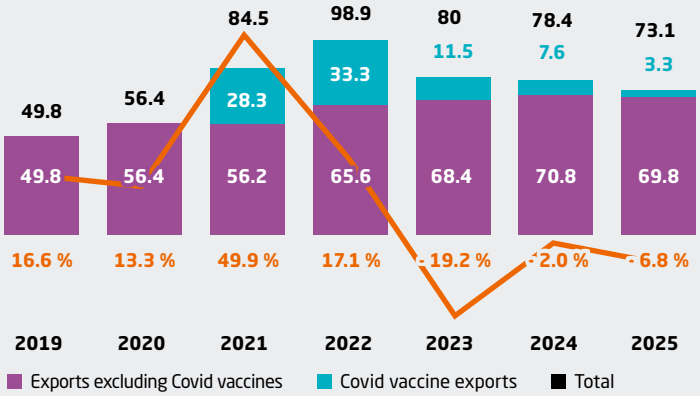
The innovative biopharmaceutical sector remains a pillar of the Belgian economy but is experiencing **a clear decline for the second consecutive year.** Despite its strong international position, the sector is coming under increasing pressure.

With **more** than 73 billion euros in exports[18] accounting for **14.5 % of total Belgian exports**, innovative biopharma remained **the country's most important export sector** by a wide margin in 2025. Belgium owes this position to strategic strengths such as its central location, high-quality infrastructure and strong industrial ecosystem – a role that became particularly evident during the COVID-19 pandemic.

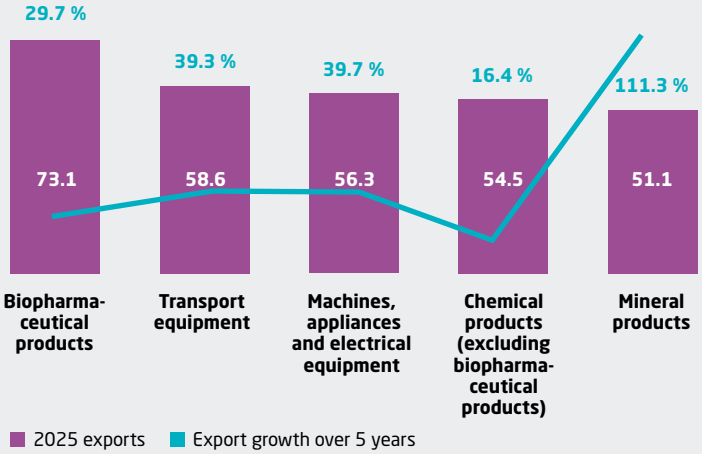
At the same time, the trend is worrying. In 2025, exports of biopharmaceutical products were **almost 7 % lower than in 2024.** Whereas the previous year's decline could be fully explained by lower exports of COVID-19 vaccines, this is no longer the case. Even excluding those vaccines, exports still declined by **1.4 %.**

This trend coincides with the current rise in geopolitical uncertainty affecting international trade flows and investment decisions. Though the biopharmaceutical sector still ranks **among the five largest export sectors** for now, five-year growth clearly lags behind that of other key industries, which in 2025 did succeed in returning to modest growth. Innovative biopharma remains essential to Belgium, but its international **competitiveness is weakening.**

Evolution of exports of the biopharmaceutical sector (in billion euros)



Top 5 Belgian export sectors (in billion euros)



200 million euros in exports from the sector every day

More than **50 %** of exports cross EU borders

14.5 % of total Belgian exports consist of biopharmaceutical products

Nearly **14 x** increase over 25 years in exports of biopharmaceutical products[19]

No longer the largest contributor to the positive trade balance

Belgium exports approximately 200 million euros worth of biopharmaceutical products every day. In 2025, this resulted in a trade surplus of 8.7 billion euros. With this, the biopharmaceutical sector represents a significant share of the total Belgian trade surplus, which amounts to 26.2 billion euros. The sector accounts for approximately one-third of the national trade surplus. However, unlike in 2024, when the biopharmaceutical sector still made the largest contribution to the positive trade balance, three other sectors made larger contributions in 2025.

Exports within and beyond Europe

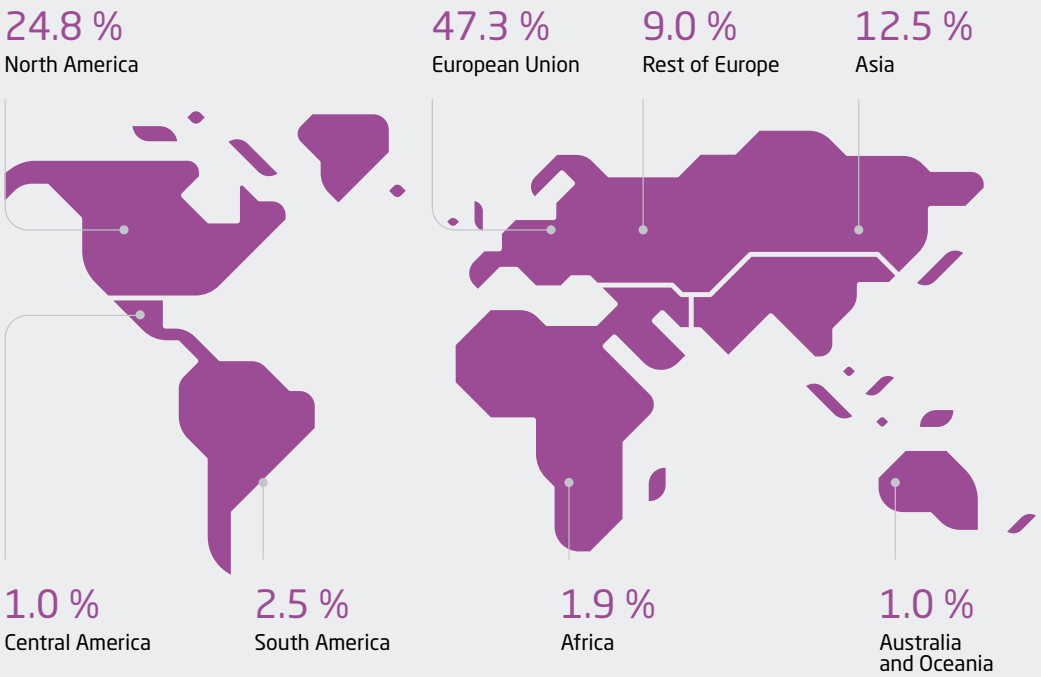
Belgian exports remain strongly anchored in Europe: just over **30 % of total exports** go beyond the European Union. For biopharmaceutical products, that share is **significantly higher than half**, underlining the strongly international character of the sector.

Within the EU, **Germany** and **Italy** are the most important trading partners for biopharmaceutical products, accounting for **12.7 %** and **9.7 %** of exports, respectively. This confirms the strong integration of the sector into the European internal market.

At the same time, exports beyond Europe also play a crucial role. In 2025, the **United States** remained the largest single trading partner for Belgian biopharmaceutical products, with **approximately 23 %**. That share is significantly higher than the US share in total Belgian exports **(6.3 %)**, which illustrates the strategic relevance of transatlantic trade flows for the sector.

Taken together, these figures show that the biopharmaceutical sector is strongly embedded internationally, with a diversified export base both within and beyond Europe. This broad distribution offers opportunities, but at the same time requires a stable and competitive policy framework to keep Belgium attractive as a hub for manufacturing, distribution, and export in an increasingly competitive global market.

2025 exports



TOP 5 EU 2025

- Germany 12.7 %
- Italy 9.7 %
- The Netherlands 5.5 %
- France 4.4 %
- Spain 3.5 %

TOP 5 NON-EU 2025

- United States 23.1 %
- United Kingdom 3.5 %
- Russian Federation 2.4 %
- China (People's Republic) 2.0 %
- Switzerland 1.9 %

Biopharmaceutical exports outside Europe are gaining importance

Although Europe and North America remain the most important export markets, exports to other regions are playing an increasingly important role for the Belgian innovative biopharmaceutical sector. In 2025, almost 2.6 billion euros in exports went to Central and South America, 1.4 billion euros to Africa, and 750 million euros to Australia and Oceania.

Central America in particular stands out as a growth market: exports there have increased by 87 % over the past five years, with strong growth in Mexico and Panama. This trend highlights the importance of diversifying export markets in a changing international context. After Europe and North America, Asia is the third most important trading partner for the Belgian biopharmaceutical sector. In 2025, just over 9 billion euros was exported to Asia. Over the preceding five years, Asia remained a growth market (+ 29 %), but in 2025 there was a clear decline of 15 % compared with 2024.

Within Asia, the Middle East accounted for 2.3 billion euros in exports. Saudi Arabia is the largest market (870 million euros), followed by the United Arab Emirates (470 million euros). Together, they represent more than half of exports to this region. Over the previous five years, exports to both countries have grown strongly. In 2025, exports to the Emirates continued to rise, while those to Saudi Arabia declined slightly. Due to ongoing regional unrest, further developments remain uncertain.

The remaining Asian countries together account for 6.8 billion euros. China remains the largest market (1.5 billion euros) but is experiencing a sharp decline (- 34 % in 2025 and - 27 % over the past five years). Japan and South Korea follow, but there too, previous growth gave way to decline in 2025. In addition, Taiwan, Singapore, and Vietnam remain important trading partners.

Why Belgian biopharmaceutical exports are clearly declining

In 2025, total Belgian exports decreased by more than 9 billion euros compared to 2024. This decline is mainly driven by two sectors: mineral products and the biopharmaceutical sector.

For innovative biopharma alone, this represents a drop of more than 5 billion euros in exports. That reduction is mainly due to lower exports to countries outside the European Union, including the United Kingdom, North America, and Asia.

The United Kingdom stands out most in this regard: Belgian biopharmaceutical exports to the country declined by 41 %, accounting for nearly 1.8 billion euros in lost exports. North America, and especially the United States, also recorded a clear decline of 10 %, equivalent to almost 2 billion euros. In Asia, we mainly saw a sharp fall in exports to China and Japan, where exports declined by approximately 30 %.

Within the European Union, total biopharmaceutical exports remained broadly stable in 2025. Behind this total, however, shifts were taking place. Exports to the Netherlands, for example, fell by approximately 28 %, or 1.3 billion euros, although this was largely offset by increased exports to Germany and, to a lesser extent, Italy.

Imports also decreased in 2025, both for the biopharmaceutical sector and for Belgium as a whole. Because exports and imports declined together, the Belgian trade balance remained broadly stable compared with 2024. For the biopharmaceutical sector, on the other hand, imports increased by 2.4 billion euros. In combination with declining exports, this points to a clear deterioration of the sector's trade balance.

This increase in imports was driven to a very large extent by higher imports from the United States, up by approximately 36 %, equivalent to 3.2 billion euros. The combination of declining exports to the United States and rising imports means that our trade balance with the United States deteriorated sharply, by more than 50 % in 2025 compared with 2024. While the trade surplus with the United States still amounted to almost 10 billion euros in 2024, in 2025 this fell to less than 5 billion euros.

Imports, exports and trade balance with the United States in 2025 compared to 2024 (in billion euros)

The changed geopolitical situation is already clearly being felt in global trade in 2025 and will continue to have an impact in the coming years. The decline in exports and the shifts between regions show that geopolitical uncertainty is being translated ever more concretely into trade figures.

Therefore 2025 should not be regarded as an isolated year, but as a clear signal that the international trade climate is becoming more difficult on a structural level. This applies in particular to the biopharmaceutical sector, which is highly dependent on stable international markets and predictable trade flows.

04 PRODUCTION, ADDED VALUE AND INVESTMENT

From temporary downturn to structural weakening

After years of resilience, the Belgian biopharmaceutical sector reached a clear turning point in 2025. Where the sector in 2024, despite a slight decline in employment, production and exports, still held steady thanks to growth in **added value and investment**, the picture shifted decisively in 2025. **A clear and worrying decline** is now emerging across all key indicators.

Production

DECLINE CONTINUES

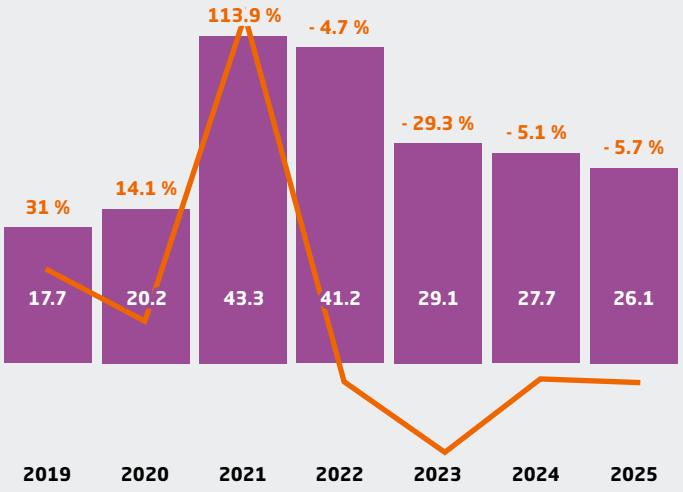
Industrial production in the biopharmaceutical sector **declined** in 2025 **for the fourth consecutive year**, by nearly **6 %**.[20] While this could initially be largely explained by the scaling down of COVID-19 vaccine production, it is now clear that more is at play.

The continued downward trend increasingly points to **a structural weakening of production activity in Belgium**. In other words: this is no longer a temporary fluctuation, but a signal that Belgium's attractiveness and competitiveness as a manufacturing location are under pressure. Looking at a five-year period, compared with 2020 (the last year before the COVID-19 pandemic), industrial production in the biopharmaceutical sector is still nearly **29 % higher**. However, this long-term figure should not obscure the fact that the sector **has been losing ground structurally in recent years. Successive annual declines constitute a clear warning signal** for the future of the sector in Belgium.

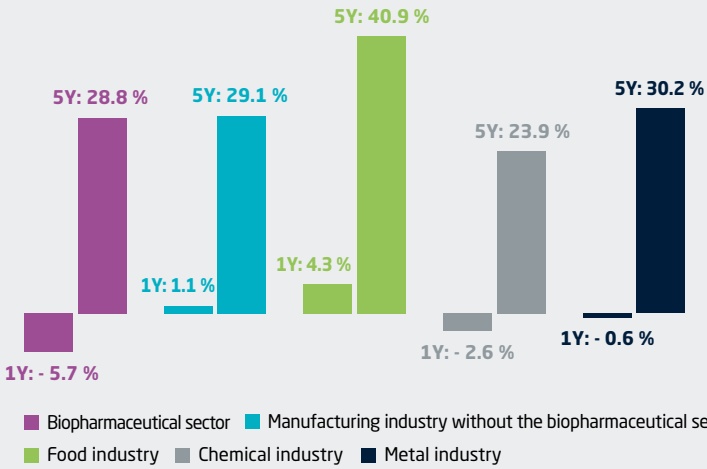
That signal became particularly pronounced in 2025. While industrial production of the **total Belgian manufacturing industry remained stable** – with the food industry as a clear positive outlier – the biopharmaceutical sector recorded **by far the steepest decline of all sectors.**

As a result, the biopharmaceutical sector dropped to **fourth place** in terms of production in 2025, after the food industry, the chemical industry, and the metal industry. Viewed over the past five years, growth remains in line with that of the total manufacturing industry.

Evolution of industrial production in the biopharmaceutical sector (in billion euros)



Evolution of industrial production over 1 and 5 years (2020-2025)



Added value

A CLEAR BREAK IN THE TREND

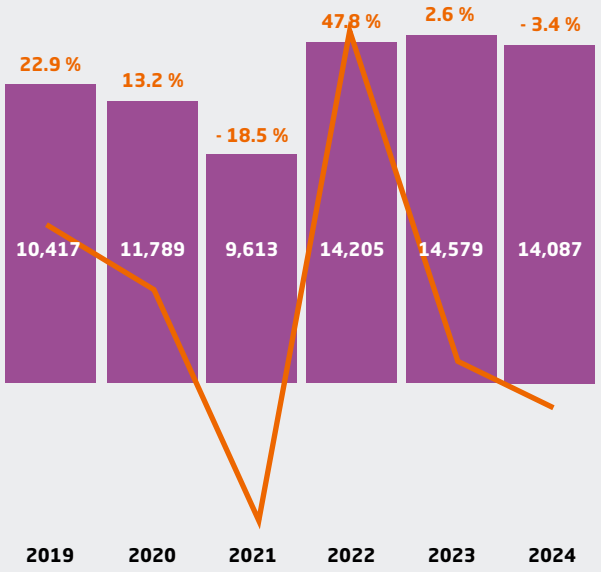
In **2024**, the biopharmaceutical sector recorded a **decline in added value of more than 3 %** for the first time in many years.[21] With the exception of 2021, when the decline was directly linked to the exceptional COVID-19 context, this represents a **clear break in the trend.** That signal is reinforced by the fact that **virtually no growth was achieved in 2023** either.

This development is neither coincidental nor a temporary correction, but a **warning of further structural weakening** in a sector that for many years ranked among the strongest value creators in the Belgian economy. Figures for 2025 are not yet available, but the recent downward trend underscores that the economic foundations of the biopharmaceutical sector are coming under increasing pressure.

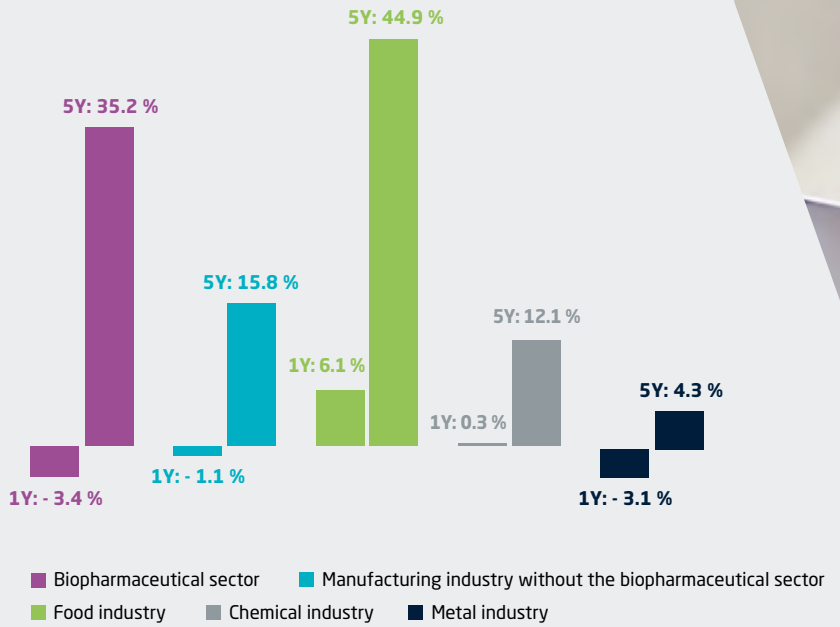
Over a **five-year** period, the added value of the biopharmaceutical sector increased by approximately **35 %**. Only the food industry performed better. In the **long term**, the importance of the sector remains undeniable: over the past **25 years**, added value has **more than quadrupled**.[22] It is precisely that contrast that makes the recent downturn all the more alarming and underscores that the structural strength of the sector can no longer be taken for granted.

Although the sector retains its **leading position in added value** within the manufacturing industry, **its lead is clearly narrowing**. Today, the biopharmaceutical sector still represents approximately one-fifth of the total added value of the Belgian manufacturing industry, but the innovative biopharma sector **is clearly losing momentum**.

Evolution of value added in the biopharmaceutical sector (in million euros)



Evolution of value added over 1 and 5 years (2019-2024)*



* Figures for added value and labour productivity are not yet available for 2025.

Labour productivity

LABOUR PRODUCTIVITY DECLINES BY 3 %

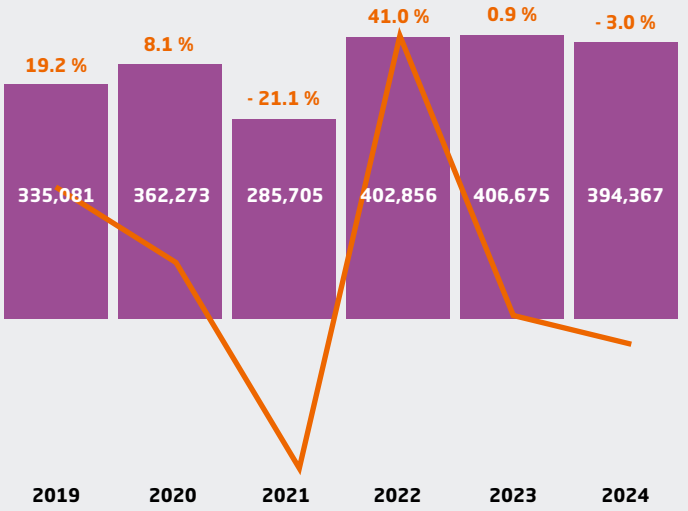
Only two sectors, the pharmaceutical industry and the food industry, showed positive productivity growth in the period 2019-2024, while the number of hours worked increased, according to the National Productivity Council in its 2025 Annual Report. In **2024**, added value in the sector amounted to approximately **394,000 euros per employee**. However, behind this figure lies a **concerning break in the trend.** Compared with **2023**, labour productivity decreased by 3 %, **marking the first time this has occurred outside a crisis situation**.

Over a **five-year** period, labour productivity remains approximately **60,000 euros per employee**, or **18 % higher**. Yet it is precisely this strong long-term trajectory that makes the recent decline all the more striking. When even productivity – long one of Belgium's key strengths in international competition – comes under pressure, this is a **clear signal that Belgium's attractiveness as an investment and manufacturing location is also declining.**

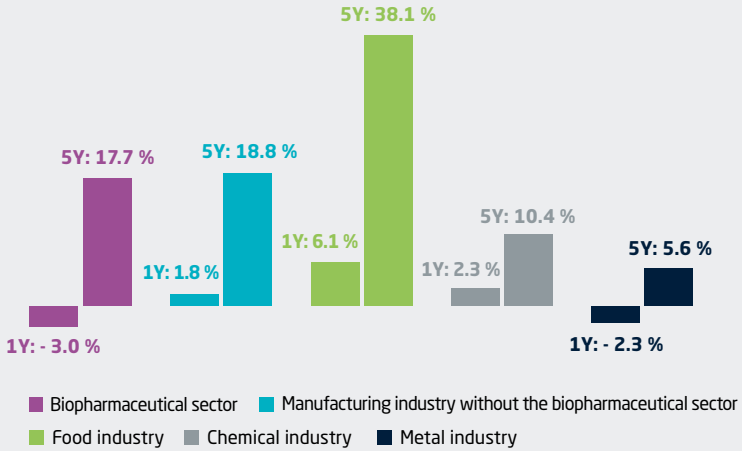
In contrast to the biopharmaceutical sector, the Belgian manufacturing industry as a whole recorded positive growth in 2024, with labour productivity increasing by approximately 1 %. Other sectors, such as the food industry and the chemical industry, also posted positive growth. Over a five-year period, labour productivity across the manufacturing industry increased by nearly 19 %, representing a stronger growth rate than in the biopharmaceutical sector.

It is important to note, however, that the **added value per employee** remained **very high** in absolute terms in the biopharmaceutical sector. Only the petroleum sector ranked higher. Compared with the manufacturing industry as a whole, labour productivity in the biopharmaceutical sector is almost three times higher. As a result, in absolute terms, the sector has recorded by far the largest increase over a five-year period.

Evolution of labour productivity in the biopharmaceutical sector (in euros)

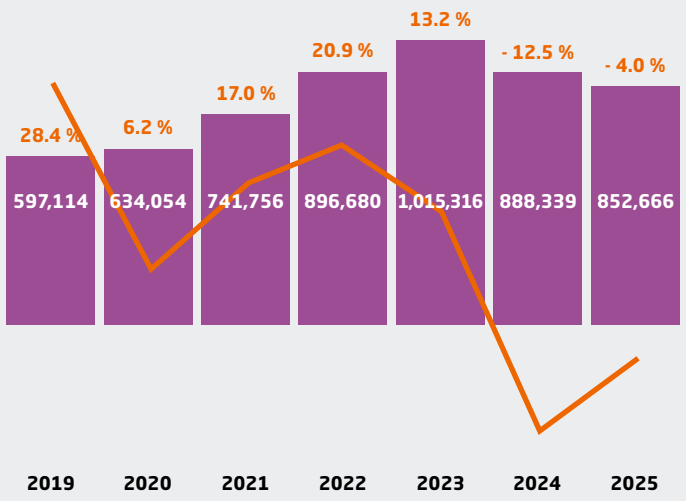


Evolution of labour productivity over 1 and 5 years (2019-2024)*

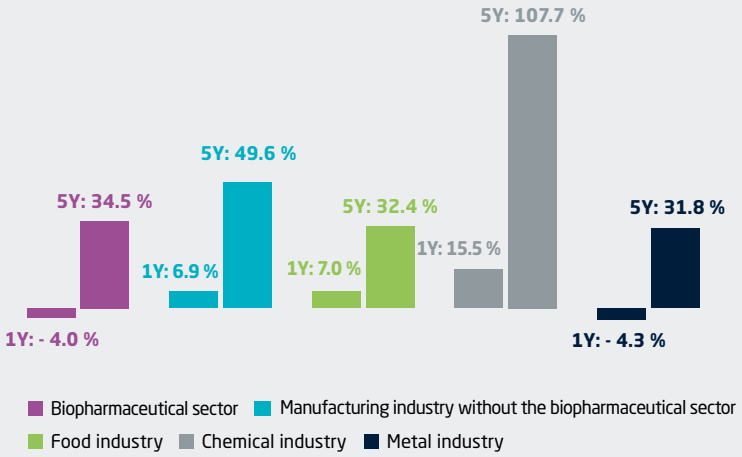


* Figures for added value and labour productivity are not yet available for 2025.

Investments in operating assets (in thousand euros)



Evolution of investments in operating assets over 1 and 5 years (2020-2025)



INVESTMENT IN OPERATING ASSETS

LONG-TERM DECISIONS EXPOSE STRUCTURAL WEAKENING

Investments in operating assets form the **backbone of the future production capacity and added value** of the biopharmaceutical sector. These are strategic investments in land, buildings, installations, machinery and equipment, which are essential to industrialise innovation, make production more sustainable, and remain internationally competitive.

Against this background, the observed trend is **particularly worrying**. For the **second consecutive year**, capital expenditure in the biopharmaceutical sector has declined. Following **a sharp drop in 2024**, investment **fell again in 2025 by 4 %**.[23] What is becoming visible here is not a temporary fluctuation, but a **sustained negative investment dynamic**.

Geopolitical uncertainty is clearly playing a role and is weighing on investment decisions worldwide. However, in the biopharmaceutical sector, investments are made with a **multi-year - often multi-decade - horizon.**

The current decline therefore not only reflects the impact of the recent international context but reveals **a structural problem that has been developing for some time.** This weakening investment dynamic points to a **gradual decline in Belgium's attractiveness as a location for innovative biopharmaceutical investments**, a trend that began well before the current geopolitical tensions.

If this uncertainty persists, it threatens to place **a structural brake on production, productivity, and the creation of added value in the medium term**, and thus also on the **competitiveness and industrial anchoring** of the Belgian biopharmaceutical sector.

What is not invested today translates into lost capacity, innovation, and growth tomorrow.

In 2025, the biopharmaceutical sector accounted for almost 8 % of total investment in the Belgian manufacturing industry, compared with nearly 9 % in 2024. This is the result of a **4 % decline** in investment in the biopharmaceutical sector compared with the previous year, while investment in the total manufacturing industry increased by 7 %, primarily driven by the chemical industry. Over a five-year period, investment in operating assets within the biopharmaceutical sector has increased by 34 %. For the manufacturing industry as a whole, however, growth amounts to almost 50 %, meaning that **the biopharmaceutical sector is also lagging behind the rest of the manufacturing industry in this respect.**

OUTLOOK FOR 2026:

warning signals for the investment climate in the biopharmaceutical sector

The figures for 2025 mark a clear **break in the trend** in the economic performance of the biopharmaceutical sector in Belgium. This **downward trend** is not only continuing but is set to intensify in 2026. A recent survey among pharma.be members reveals a consistent and highly concerning picture.

While the impact of the changing geopolitical context remained manageable for many companies in 2025, responses showed that they expected the **negative consequences to manifest much more strongly, structurally, and across a broader spectrum in 2026**.

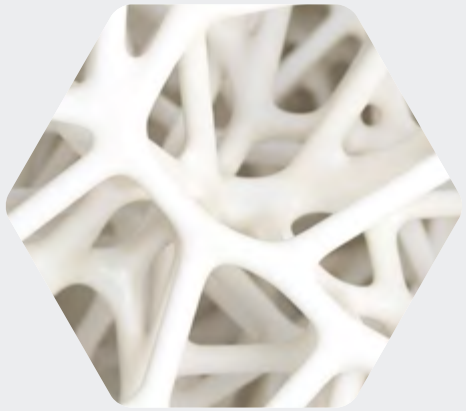
Nearly **half of respondents** expected a **negative impact on R&D investment** in 2026, including clinical research. This translates directly into a **declining number of clinical trials in Belgium.** These figures underscore the real risk that Belgium will continue to **lose attractiveness as a location for clinical research**, an activity that is highly sensitive to international strategic shifts.

The outlook for the **submission and launch of new medicines** is also decidedly bleak. Only 10 % of respondents expected no impact in 2026, while **90 % foresaw negative to strongly negative effects**. This threatens to further undermine patient access to innovative treatments.

In addition, half of the respondents expected **job losses** or indicated that the impact on employment would be uncertain. For **production activities**, the signals are even more alarming: two-thirds of companies surveyed expected negative effects.

Finally, **investment decisions are being systematically postponed.** Maintenance and expansion investments are being cancelled or put on hold, while planned **greenfield investments** have also been suspended. This does not point to temporary caution, but to a **structural loss of confidence** in the investment climate.

In summary: the outlook for 2026 confirms **widespread and deeply rooted concern** within the sector. Without **clear, stable, and predictable policy choices**, Belgium risks rapidly losing ground as an attractive location for pharmaceutical innovation, production, and investment.



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