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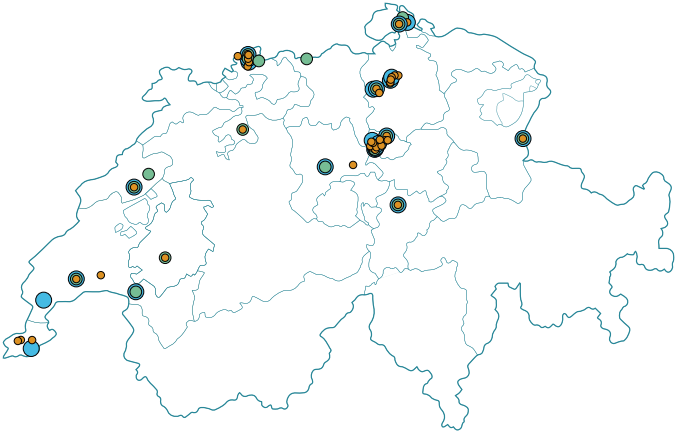


HEALTH PANORAMA 2026/2027

KEY FACTS AND FIGURES ON THE **SWISS HEALTH AND PHARMACEUTICAL LANDSCAPE**

THE RESEARCH-BASED PHARMACEUTICAL INDUSTRY IN SWITZERLAND

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HEALTH POLICY IS LOCATION POLICY

Dear Reader,

The pharmaceutical industry makes a decisive contribution to health, innovation and prosperity in Switzerland. At the same time, geopolitical developments are changing the international framework for the introduction of innovative drugs and subjecting Switzerland's status as a pharmaceutical hub to increasing pressure. The introduction of a reference price system in the US in particular is already having a measurable negative impact on the availability of vital medication for patients in Switzerland.

Swift and coordinated political measures are required to ensure that the innovative pharmaceutical industry remains a driver of growth and a guarantor of prosperity for our country in the future. Health Panorama assesses the current developments, provides relevant data and background information and offers food for thought for the political debate. In this way, we contribute to fact-based discourse, a healthy population and ensuring that Switzerland remains a strong location for industry.

The facts and figures presented in this publication are also available online on our website at **www.interpharma.ch/en/panorama-gesundheit.** The Health Panorama can be ordered or downloaded free of charge from **www.interpharma.ch.** We hope you enjoy reading this edition of Health Panorama and look forward to receiving your feedback and suggestions.



Dr. René Buholzer
CEO and Delegate of the Board

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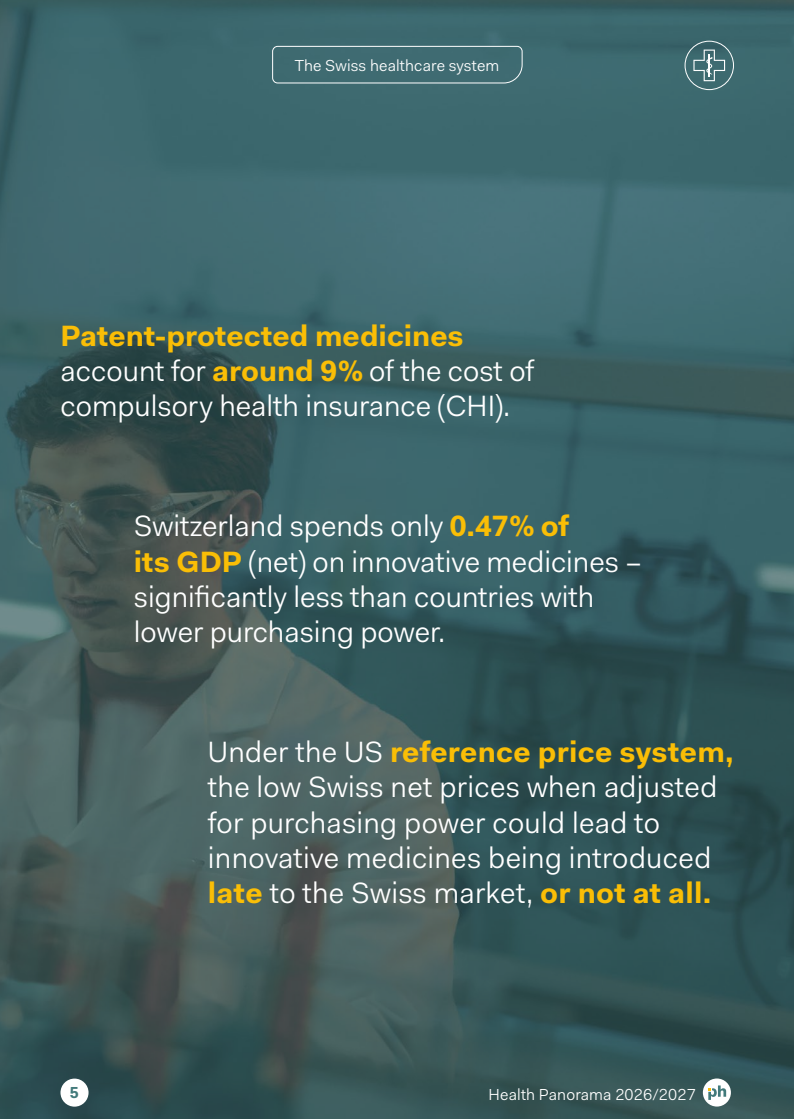
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THE SWISS HEALTHCARE SYSTEM





Patent-protected medicines account for **around 9%** of the cost of compulsory health insurance (CHI).

Switzerland spends only **0.47% of its GDP** (net) on innovative medicines – significantly less than countries with lower purchasing power.

Under the US **reference price system,** the low Swiss net prices when adjusted for purchasing power could lead to innovative medicines being introduced **late** to the Swiss market, **or not at all.**

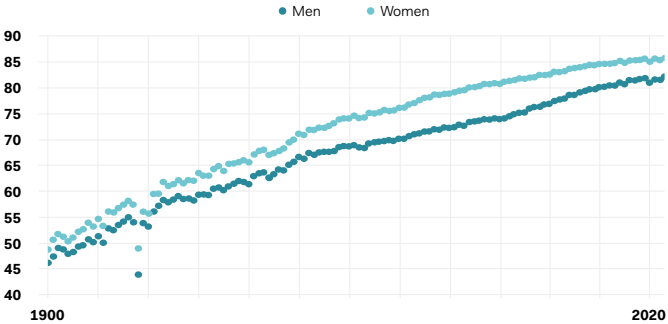
LIFE EXPECTANCY IN SWITZERLAND IS INCREASING

Life expectancy in Switzerland has almost doubled in the last 100 years.

Thanks to better healthcare, new and innovative drugs, improved hygiene and a high quality of life, we are not only living longer, but also more healthily.

In the early 1990s, life expectancy was still around seven years higher for women than for men – today, this gap is three and a half years.

Mean life expectancy at birth
In years, 1900–2024



Source: *Federal Statistical Office (2025), Statistisches Lexikon der Schweiz.*

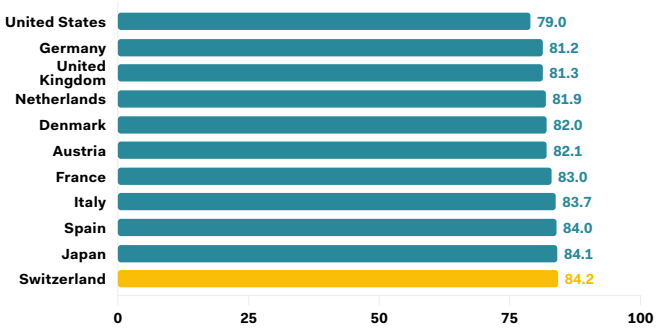
SWITZERLAND HAS THE HIGHEST LIFE EXPECTANCY IN THE WORLD

At an average of around 84.2 years for the population as a whole, Switzerland had the highest life expectancy in the world in 2024.

According to the OECD, this means that Switzerland remains ahead of the former leader, Japan. The (estimated) mean life expectancy in Japan was 84.1 years.

Switzerland owes its leading position, among other things, to a high-quality healthcare system that is accessible to the entire population, and to a high quality of life.

International comparison of mean life expectancy at birth
In years, 2024



Source: *OECD (2026), OECD Health Statistics 2024.*

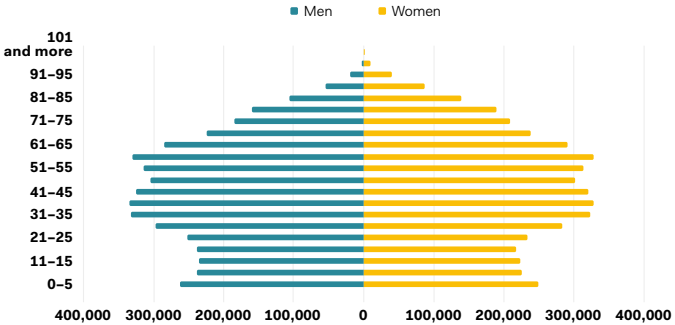
SWITZERLAND IS GETTING OLDER

The age pyramid clearly shows that the average age of the Swiss population is rising steadily.

This is partly due to the low birth rate compared to other countries. At the same time, Swiss people have an increasing life expectancy due to good healthcare. This is also reflected in the higher healthcare and care costs.

In 2024, the median age of the permanent resident population in Switzerland was around 42.9 years – significantly higher than the estimated median age of the global population (roughly 31 years).

Population development in Switzerland
2024



Source: *Federal Statistical Office (2026), Population and Household Statistics.*

DISEASES OF THE CARDIOVASCULAR SYSTEM AND CANCER ARE THE MOST COMMON CAUSES OF DEATH

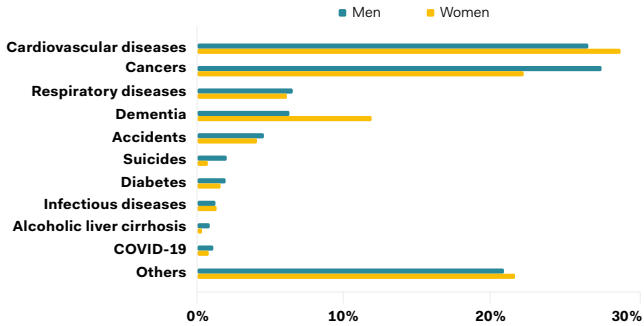
The most common cause of death among women was cardiovascular disease (28.9%), followed by cancer (22.3%).

Men died almost as often from cancer (27.6%) as from cardiovascular diseases (26.7%).

The consequences of dementia, caused by the progressive loss of physical and mental abilities, are the third most common cause of death in women (12%) and are twice as common as in men (6.3%).

Most common causes of death by gender

Deaths 2024: 71,942



Source: *Federal Statistical Office (2025), Cause of Death Statistics.*

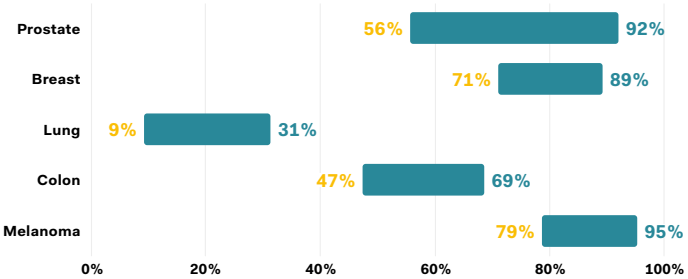
CANCER SURVIVAL RATES RISE SIGNIFICANTLY THANKS TO MEDICAL ADVANCES

In the 2020s, survival rates for cancer patients have almost doubled compared to the 1980s.

The five-year relative survival rate for prostate cancer increased from 56% (1980–1986) to 92% (2018–2022). Lung cancer remains the biggest challenge – despite an improvement of 22 percentage points, 69% of those affected still do not survive the first five years.

Much remains to be done in terms of research. In addition to access to innovative therapies, prevention and early diagnosis of cancer are crucial.

Relative five-year survival rate for most common types of cancer
1980–1986, 2018–2022



Source: *National Agency for Cancer Registration (2026), Cancer survival in Switzerland.*

AS LIFE EXPECTANCY INCREASES, GROWING NUMBERS OF PEOPLE ARE SUFFERING FROM DEMENTIA

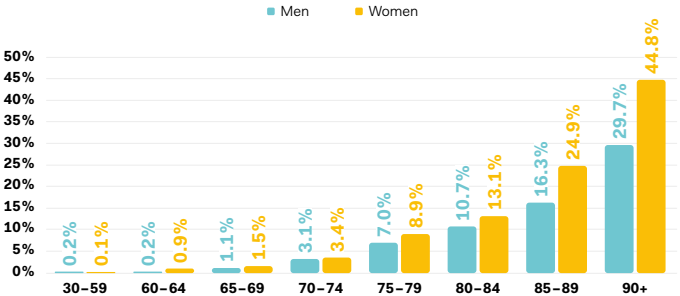
Almost 2% of the Swiss population suffers from Alzheimer's or some other form of dementia. Approximately 34,800 new cases are recorded each year – equating to one new diagnosis every 15 minutes on average.

Around 45% of women over the age of 90 suffer from dementia. In men, dementia affects roughly 30% of those aged 90 and above.

Between 1998 and 2021, there were 198 unsuccessful attempts to develop an Alzheimer's drug. Pharmaceutical companies around the world are still researching effective treatments.

Number of dementia patients

Per age, 2025



Source: *Alzheimer Switzerland (2025).*

DRUGS ACCOUNT FOR 12 OUT OF EVERY 100 SWISS FRANCS SPENT ON HEALTHCARE

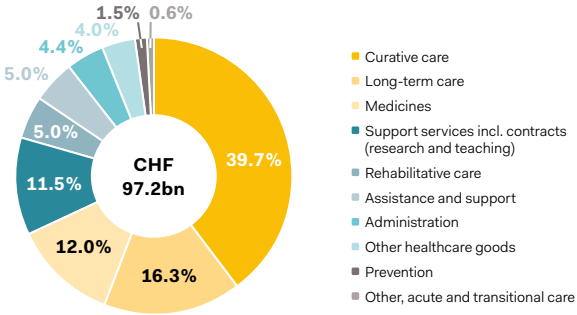
Healthcare spending in Switzerland totaled 97.2bn Swiss francs in 2024.

Together, curative and long-term care accounted for over half of the total healthcare costs.

At 11.7bn Swiss francs, drugs accounted for 12% of healthcare spending. In other words, for every 100 Swiss francs spent on healthcare, roughly 12 Swiss francs are spent on drugs.

Breakdown of healthcare costs by services provided

Total costs in 2024: 97.2bn Swiss francs



Source: *Federal Statistical Office (2026), Costs and Financing of Health Care.*

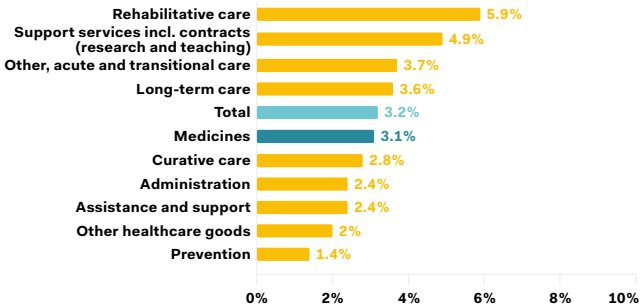
THE COST OF DRUGS HAS INCREASED AT A SLIGHTLY BELOW-AVERAGE RATE OVER THE PAST 15 YEARS

In the period from 2010 to 2024, total healthcare costs increased by 3.2% per year. The highest growth was recorded in rehabilitative care, with an average annual increase of 5.9%.

At 3.1%, the rise in spending on drugs is slightly below average compared to overall healthcare costs.

The biggest contribution to growth in absolute terms comes from curative and long-term care.

Cost development according to services provided
Average annual growth, 2010–2024



Source: *Federal Statistical Office (2026), Costs and Financing of Health Care.*

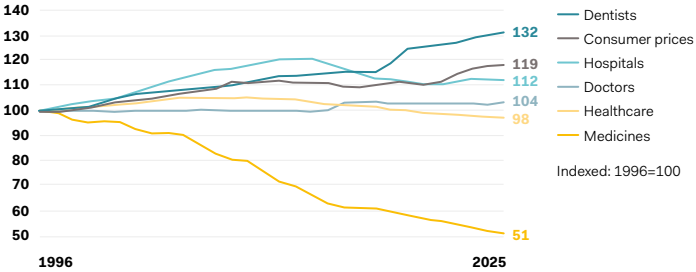
SINCE THE HIA WAS INTRODUCED, THE DRUG PRICE INDEX HAS FALLEN BY 49%

The price index of the Federal Statistical Office shows that drugs are the only product group in the healthcare sector to have dropped continuously in price since 1996.

At 51 points, the drug price index in 2025 was 49% lower than in 1996, whereas the hospital price index, for example, was around 12% higher in 2025 than it was in 1996.

Every three years since 2012, the prices of reimbursable drugs have been reviewed and reduced where necessary, generating recurring annual savings of more than 1.5bn Swiss francs in the healthcare system.

Price indices in Switzerland's healthcare system
1996–2025



Source: *Federal Statistical Office (2026), National Consumer Price Index.*

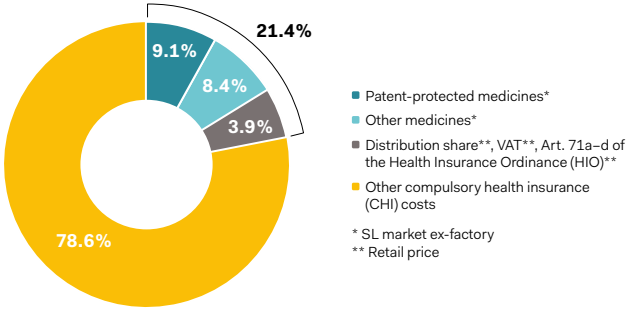
NEW PATENT-PROTECTED MEDICINES AS A PERCENTAGE OF CHI COSTS

The costs of compulsory health insurance (CHI) for 2024 amounted to 38.4bn Swiss francs.

Medication accounted for around 21% of those costs.

At 3.5bn Swiss francs at ex-factory prices, patent-protected medicines accounted for just 9.1% of total CHI costs.

Proportion of patent-protected medicines in compulsory health insurance (CHI) costs
2024



Source: *Interpharma calculations based on data from the Federal Statistical Office (2026), Costs and Financing of Health Care, santésuisse and Interpharma (2024), Joint International Price Comparison, IQVIA AG (2026).*

THE PROPORTION OF PATENT-PROTECTED MEDICINES WITHIN OVERALL HEALTHCARE EXPENDITURE HAS BEEN STABLE FOR YEARS

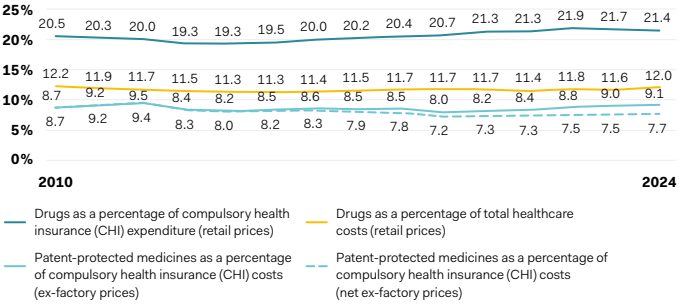
Drugs as a percentage of healthcare costs have been stable for more than a decade, and stood at around 12% in 2024. Their share of compulsory health insurance (CHI) costs has risen moderately in recent years and stood at 21.4% in 2024.

However, innovative medication accounted for just 9.1% of total CHI costs.

When discounts are taken into account, e.g. in the context of Specialties List (SL) pricing models, patent-protected medications account for only 7.7% of CHI costs.

Drugs as a percentage of healthcare and compulsory health insurance (CHI) costs

2010–2024



Source: *Interpharma calculations based on data from the Federal Statistical Office (2026), Costs and Financing of Health Care, IQVIA AG (2026), Interpharma surveys.*

SWISS HOUSEHOLDS SPEND MORE ON ALCOHOL AND TOBACCO THAN ON MEDICATION

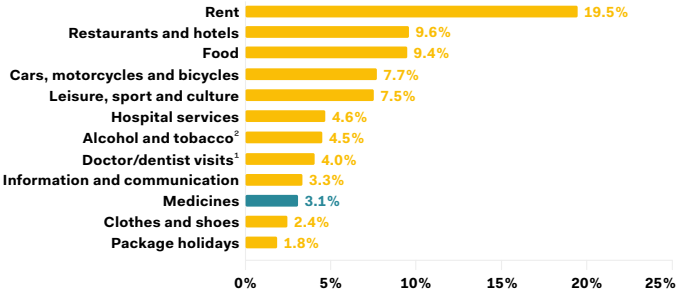
Roughly one fifth of household spending goes towards rent, making this one of the biggest outlays by far for private households.

Swiss households also spend just under 10% of their budget each on food and on restaurants and hotel stays, while 7.5% is spent on leisure, sports and culture.

People in Switzerland spend more of their disposable income on alcohol and tobacco (4.5% in total) than they do on medication (3.1%).

Expenditure structure of Swiss households

Basket of goods in national consumer price index, 2025



[1] Outpatient services (excluding hospital outpatients), excluding medicines
[2] Incl. alcohol in restaurants and hotels

Source: *Federal Statistical Office (2026), National Consumer Price Index.*

SWISS MEDICATION PRICES NOW INFLUENCE US PRICES

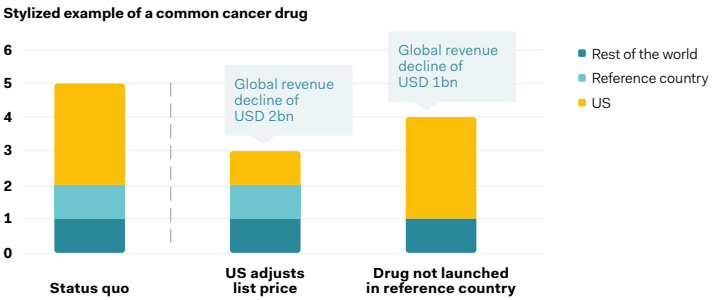
By introducing a reference price system, the US is linking medication prices to lower prices in selected countries, including Switzerland.

As a result, low net prices in Switzerland, adjusted for purchasing power, risk cutting prices in the world's largest pharmaceutical market – the US.

This creates incentives for the pharmaceutical industry to introduce innovative medicines later or selectively in individual reference countries in order to avoid impact on pricing in the US market.

Potential effects of the US reference price system on innovative drugs in the reference countries

Revenue in billions of US dollars



Source: *Charles River Associates (2026).*

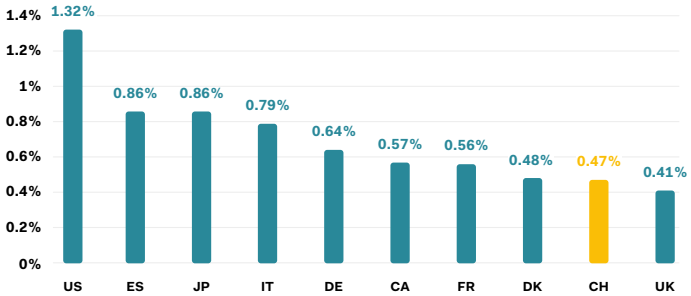
SWITZERLAND SPENDS LITTLE ON NEW INNOVATIVE DRUGS COMPARED TO OTHER COUNTRIES

Switzerland spends only 0.47% of its GDP (net) on innovative medicines – significantly less than countries with lower purchasing power.

Denmark (0.48%), France (0.56%), Germany (0.64%), and Italy (0.79%) invest more on average in new, innovative medicines.

At 1.32%, the US has by far the highest spending relative to GDP in the world. This means that Swiss spending on innovative therapies is only just over a third of the US level.

Net expenditure on innovative medicines as a percentage of GDP
2023



Source: *PhRMA (2026).*

PHARMACEUTICAL SECTOR



Regular drug **price reviews** result in recurring annual **savings of more than 1.5bn Swiss francs,** and dampened the drug sector by **2.4%** in 2025.

In 2026, the 100 top-selling patent-protected medicines were on average **4% more expensive** in Germany than in Switzerland and even **up to 38%** more expensive adjusted for purchasing power.

At **255m Swiss francs,** biosimilars again generated higher sales than the corresponding reference products in 2025 **(182m Swiss francs).**

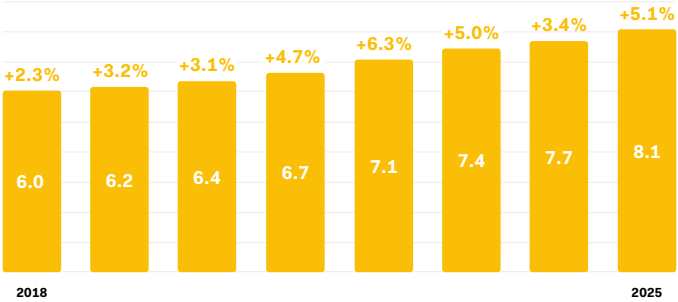
INCREASING DEMAND FOR PROVISION OF MEDICATIONS

The drug sector comprises prescription-only and over-the-counter (OTC) drugs, as well as reimbursable drugs (included in the Specialties List) and non-reimbursable drugs.

In 2025, Switzerland's drug sector achieved a volume of 8.1bn Swiss francs at ex-factory prices. Growth amounted to 5.1%.

Growth is driven in particular by rising demand for medical care due to demographic trends. New and innovative drugs made a below-average contribution to growth in 2025.

Development of market value at ex-factory prices
In billions of Swiss francs, 2018–2025



Source: *IQVIA AG (2026).*

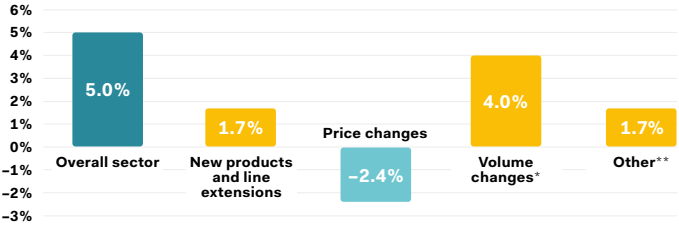
PRICE CUTS DAMPEN GROWTH IN THE DRUG SECTOR

The Swiss drug sector grew by 5% in 2025. Demand for drugs is on the rise (contribution to growth: 4%) due to demographic development.

Regular drug price reviews result in recurring annual savings of more than 1.5bn Swiss francs, and dampened the sector by 2.4% in 2025. The pharmaceutical industry is therefore making a major contribution to containing the increase in healthcare costs.

New products – designed to treat cancer and autoimmune diseases, for example – contributed 1.7% to growth.

Development of individual components at ex-factory prices
Contributions to growth 2025



* Volume changes: percentage of revenue growth resulting from increased sales of products launched on the market before 2025.

** Interactive effects: caused by simultaneous interactions between price and quantity changes. Residual effects: change in existing strengths from smaller to larger packaging units or vice versa.

Source: *IQVIA AG (2026).*

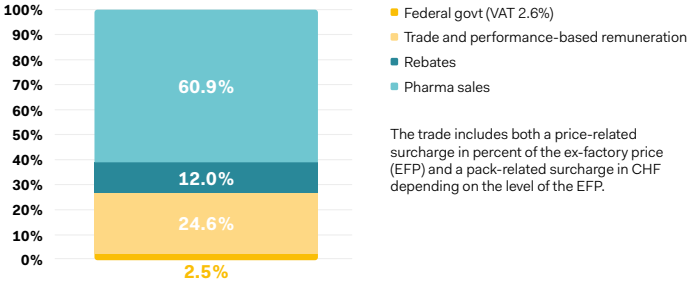
ONE QUARTER OF THE PRICE OF INNOVATIVE DRUGS GOES TO DISTRIBUTION

In 2025, for a patent-protected innovative medicine priced at 100 Swiss francs, 27.10 Swiss francs went to retailers, doctors, pharmacists and the federal government via value-added tax (VAT).

On average, 12 Swiss francs is borne directly by the industry in the form of discounts in the context of pricing models on the Specialties List (SL).

This leaves the company with around 60% of the retail price as turnover.

Composition of the price of patent-protected drugs
2025



Source: *Interpharma calculations with IQVIA AG database and joint foreign price comparison by santésuisse and Interpharma (2024).*

COST SAVINGS OF 1.5BN SWISS FRANCS THROUGH DRUG PRICE REDUCTIONS

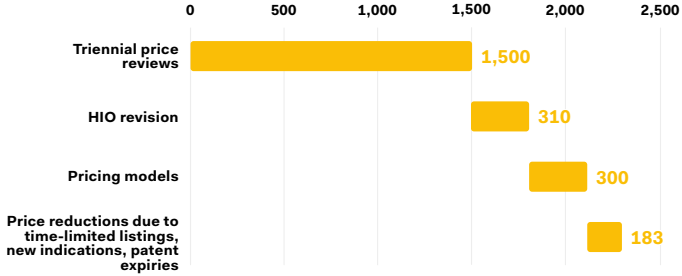
The pharmaceutical industry is the only player in the Swiss healthcare sector that makes a significant contribution to cost containment through institutionalized price reviews. This alone generates recurring savings of around 1.5bn Swiss francs per year.

The industry is making further significant savings contributions through the revision of the Health Insurance Ordinance (HIO) (margin adjustment and increase in co-payment) and through pricing models (around 300m Swiss francs each).

This is supplemented by a further 183m Swiss francs through price reductions due to time-limited listings, new indications and patent expiry.

Contribution of the pharmaceutical industry to savings in the healthcare system

In millions of Swiss francs, 2025



Source: *Interpharma based on the report of the Control Committee of the Council of States (CC-S) of 14.11.2023, Federal Council press releases of 22.9.2023 and 8.12.2023. IQVIA AG (2026), Cost savings on pharmaceuticals in the Swiss healthcare system.*

PATENT-PROTECTED MEDICATION IS CHEAPER ON AVERAGE IN SWITZERLAND THAN IN GERMANY

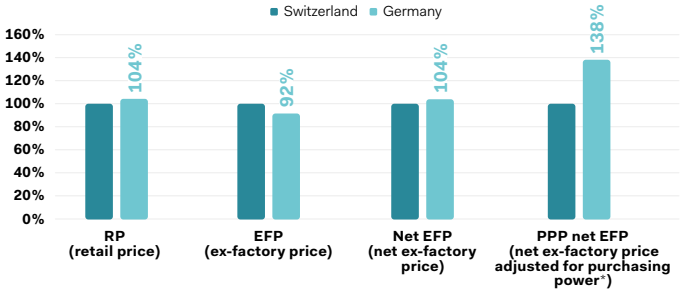
In 2026, the 100 highest-selling patent-protected original medications were 4% more expensive on average in Germany than in Switzerland at retail prices.

Even when discounts (e.g. pricing models) are taken into account, the picture remains the same: At net ex-factory prices, patent-protected medications are still 4% more expensive in Germany than in Switzerland.

When adjusted for purchasing power, the difference is striking: Patent-protected medication is around 38% more expensive in Germany than in Switzerland.

Price difference between Switzerland and Germany, top 100 innovative drugs

Exchange rate EUR/CHF: 0.94, prices as of February 2026



* Purchasing power adjustment according to CMS MFN model.

Source: *BAK Economics (2026), Internationaler Vergleich der Preise für innovative Medikamente [International comparison of prices for innovative medicines] (CH|DE).*

PATENT-PROTECTED MEDICINES ACCOUNT FOR THE MAIN SHARE OF SALES IN THE DRUG SECTOR

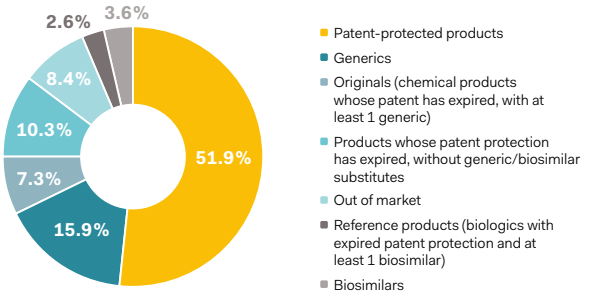
At 51.9%, patent-protected drugs make up the largest proportion of Switzerland's drug sector.

The generics-eligible sector – consisting of generics as well as off-patent original products with at least one generic equivalent – accounts for a market share of around 23%.

In 2025, generics again accounted for a greater share of the reimbursable drugs sector than off-patent original products.

Composition of the market for covered medicines

By sales at ex-factory prices, 2025



Source: *IQVIA AG (2026).*

CONTINUED STRONG SALES GROWTH IN GENERICS

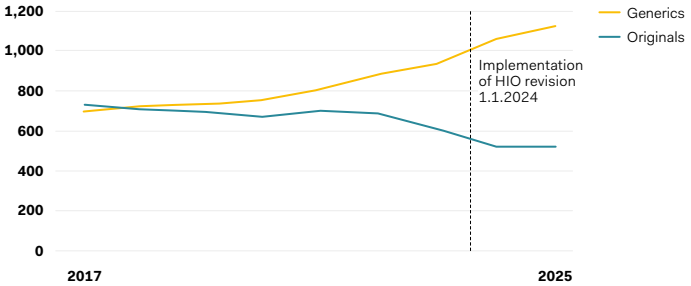
Generics are identical copies of off-patent original products based on synthetic active ingredients.

Sales of generic medications are more than twice as high and increasing steadily compared to the equivalent original medications.

Due to the margin adjustment and the increase in the differentiated co-payment, sales of generic medication have increased significantly again since 2024 and amounted to more than 1.1bn Swiss francs in 2025.

Generics segment

In millions of Swiss francs at ex-factory prices, 2017–2025



Source: *IQVIA AG (2026).*

SHARE OF GENERICS INCREASING AT THE EXPENSE OF ORIGINALS

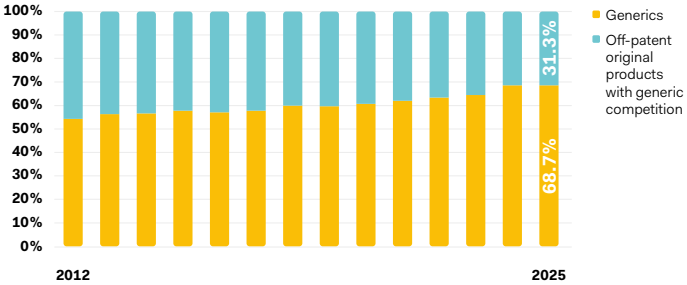
Since 2012, the proportion of generics has been rising at the expense of original medications, reaching 68.7% in 2025.

This means that since the political measures introduced on January 1, 2024, to promote generic medication, the proportion has risen by 4.1 percentage points.

In 2025, measured by the number of tablets, generics in Switzerland were dispensed in around 69 out of 100 cases in which generics were available.

Generics market share

Total, 2012–2025



Source: *IQVIA AG (2026).*

BIOSIMILARS – MORE COMPLEX THAN GENERICS

Modern biotechnology has made enormous medical advances in recent decades, especially in the treatment of serious diseases. With the expiry of patents for biologics, the first imitative products – biosimilars – appeared.

Generics consist of simple molecules and can be copied exactly. Biosimilars, on the other hand, are produced in living cells and are therefore never completely identical to the original, but at most similar.

The development, production and approval of biosimilars are far more complex and costly than those of generics. A generic drug might be compared to a bicycle – a biosimilar to an airplane.

Difference between generics and biosimilars

Generics



Complexity Minimal	**Development costs** At least CHF 1 million
Comparability Identical copy of the active ingredients	**Number of producers** Many

Biosimilars



Complexity Very high, clinical trials required	**Development costs** At least CHF 100 million
Comparability Similarity must be proven through clinical trials	**Number of producers** Few

Source: *Interpharma (2026).*

SHARE OF BIOSIMILARS INCREASES AT THE EXPENSE OF BIOLOGICAL REFERENCE PRODUCTS

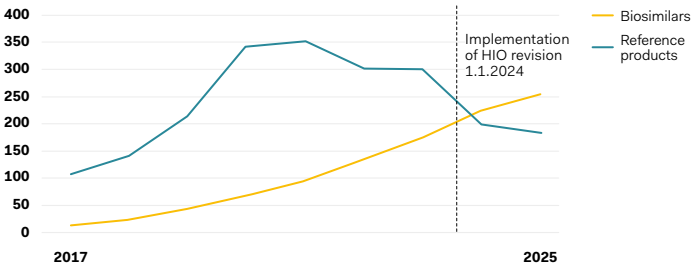
Biologics play a key role in treatment and diagnosis, for example for cancer and diabetes. Examples include antibodies, interferons, clotting factors and insulins.

Biosimilars are imitation products of biologics. Unlike generics, they are never completely identical to the patent-protected medicine, but they, too, are cheaper options on the market after the patent expires.

Since 2024, biosimilars have generated higher sales than their reference products, the biologics, and the trend is upward.

Biosimilar segment

In millions of Swiss francs at ex-factory prices, 2017–2025



Source: *IQVIA AG (2026).*

PATIENT VALUE





In 2018, around **64%** of the new innovative drugs approved by the EMA were fully available in Switzerland. By 2025, this figure had fallen to **just 50%.**

The median time from marketing authorization to inclusion in the SL was **219 days** in 2025, instead of the statutory period of **60 days.**

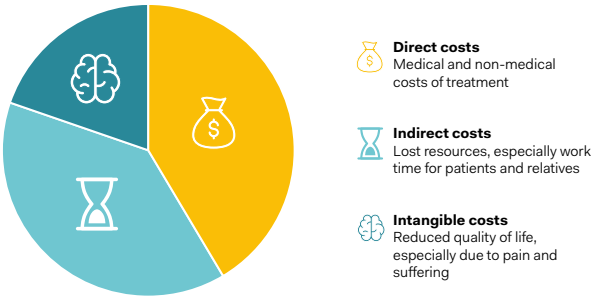
The Swiss are prepared to pay **50 Swiss francs more in premiums per month** if access to innovative medications increases to **90%** and becomes much faster.

DISEASES GENERATE A VARIETY OF COSTS

Diseases are primarily a burden on the sick and their relatives. But others are often affected too – health insurers cover the costs of medical treatment, employers suffer from lost working hours and the patient's social circle also has to deal with the consequences of disease (e.g. care costs).

A distinction can be made between direct costs (medical and non-medical treatment costs), indirect costs (lost resources) and intangible costs (reduced quality of life). The sum of these costs corresponds to the cost of a disease to society.

Composition of overall costs of a disease
Illustration



Source: *Polynomics (2020), Gesellschaftliche Betrachtung der Krankheitskosten.*

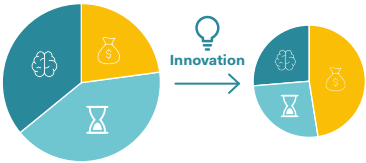
IMPACT OF TREATMENT INNOVATION ON HEALTHCARE COSTS

Innovative drugs can revolutionize the treatment of diseases. This can also have an impact on the different types of healthcare costs.

Generally speaking, direct treatment costs increase when an innovation is created, whereas indirect and intangible costs decrease. From a macroeconomic perspective, it is particularly interesting to know whether the novel treatment leads to a reduction in the total costs of the disease. How the composition of the total costs develops is of secondary importance.

Disease costs from a societal perspective

Impact of innovation; illustration



Starting point

- Current standard therapy involves relatively low direct costs.
- Indirect costs are relatively high.
- Intangible costs are relatively high.
- The overall societal costs of the disease are high.

New situation with innovation

- Spending on the drug innovation increases direct costs.
- Indirect costs can be reduced.
- Intangible costs can be reduced.
- The overall societal costs of the disease fall.

Source: *Polynomics (2020), Gesellschaftliche Betrachtung der Krankheitskosten.*

THE BENEFIT OF INNOVATIVE DRUGS IS FELT AT MULTIPLE LEVELS

The direct benefit of innovative drugs is apparent at three levels: Patients benefit from the chance of a cure, faster recovery or a better quality of life.

Society benefits from innovations. Shortened and improved healing processes cut treatment and nursing costs, enabling patients to return to work more quickly.

Lastly, the national economy benefits too, since new drugs enable reinvestment in research and development. This creates jobs, generates added value and brings in higher tax revenues.

Overall consideration of the benefits



Direct benefit to the patient
- Higher life expectancy
- Faster recovery
- Chance of a cure
- Better quality of life
- Reduced emotional burden



Benefits to society
- Lower costs through shorter healing process
- Quicker return to work
- Reduced nursing costs
- Effects on other social institutions (unemployment insurance, disability insurance)



Benefits to the economy
- Jobs
- R&D investments
- Contribution to gross value added
- Taxes

Source: *Interpharma (2025).*

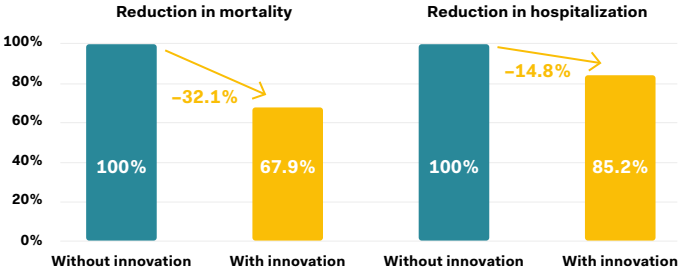
INNOVATIONS INCREASE LIFE EXPECTANCY AND RELIEVE THE STRAIN ON THE HEALTHCARE SYSTEM

From a macroeconomic perspective, pharmaceutical innovations can cut the total cost of a disease even if the price of a new drug causes direct treatment costs to rise.

Using data for Switzerland, the effect of pharmaceutical innovations introduced between 1990 and 2011, or 1994 and 2010, can be demonstrated at various levels.

The innovations reduced mortality among people under the age of 85 by almost a third and led to 2 million fewer hospital days in 2019. The reduced hospital days correspond to savings of 3bn Swiss francs.

Benefits of pharmaceutical innovations
2019



Source: *Lichtenberg, Frank (2022), The association between pharmaceutical innovation and both premature mortality and hospital utilization in Switzerland, 1996–2019, Swiss Journal of Economics and Statistics (2022), 158:7.*

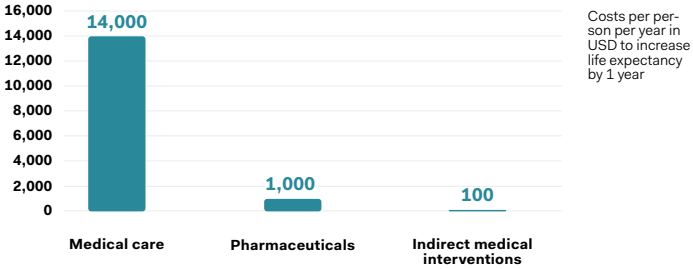
MEDICATION AS A MAJOR LEVER FOR HEALTH AND LIFE EXPECTANCY

Drugs are much more effective at prolonging life than other treatments – for every dollar invested, they provide about 14 times more life expectancy gains than general medical care (e.g. operations, inpatient care).

Pharmaceutical innovation thus saves costs in the healthcare system by reducing expensive hospital stays and other costly measures.

Only indirect medical interventions (e.g. prevention or structural improvements) produce an even better ratio.

Cost per life year gained: comparison of different health interventions
1990–2015



Source: *Buxbaum et al. (2020), Contributions of Public Health, Pharmaceuticals, and other Medical Care to US Life Expectancy Changes, 1990–2015, Health Affairs 39, No. 9 (2020), 1546–1556.*

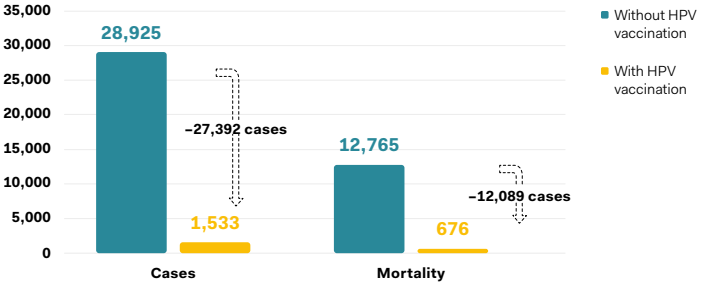
HPV VACCINATION SAVES 12,000 LIVES PER YEAR

Vaccinations are a highly effective preventive measure that saves lives in the long run and reduces the burden of disease on society.

HPV vaccinations prevent around 95% of infections, massively reducing the risk of cervical cancer.

Vaccination can prevent more than 27,000 cases of HPV-related cancer and around 12,000 deaths every year worldwide.

Effects of HPV vaccination on the number of cases and deaths
2020



Source: *Kjaer SK, Nygård M, Sundström K, et al., Final analysis of a 14-year long-term follow-up study of the effectiveness and immunogenicity of the quadrivalent human papillomavirus vaccine in women from four Nordic countries, EClinicalMedicine 2020, 23:100401. Fernandes A, Viveros-Carreño D, Hoegl J, et al., Human papillomavirus-independent cervical cancer, International Journal of Gynecologic Cancer 2022, 32:1–7.*

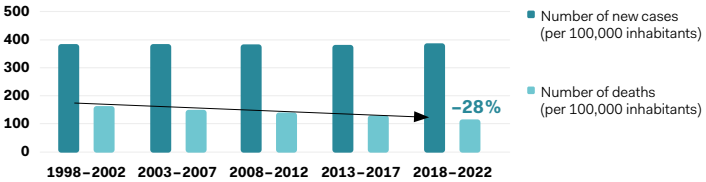
DESPITE A CONSISTENTLY HIGH LEVEL OF NEW CASES, FEWER PEOPLE ARE DYING OF CANCER

Thanks to new, innovative treatment methods, the treatment of cancer has vastly improved in recent decades.

Despite the constant number of new cases, the number of deaths due to cancer is steadily declining, thanks in particular to newly approved, innovative drugs and therapies.

These have contributed to the reduction of the number of deaths due to cancer by 28% since 1998.

Cancer: number of new cases and deaths in Switzerland
In five-year periods, 1998–2022



Source: *Federal Statistical Office (2026), National Cancer Statistics.*

THE PUBLIC IS PREPARED TO PAY MORE FOR INNOVATIVE MEDICINES

Through basic insurance, patients in Switzerland have access to about half of all new innovative medications approved by the EMA. On average, it takes seven months for a new medication to be available through health insurance.

The Swiss are prepared to pay around 33 Swiss francs more per month in health insurance premiums to broaden access to 90% of new medications. They consider immediate access to be worth an additional 17 Swiss francs per month.

If the availability of innovative medications is further restricted to just 30%, the population demands a reduction of 58 Swiss francs on their premiums. If the waiting period is extended to 24 months, they demand a reduction of another 64 Swiss francs on their premiums.

Improved access may come at a price

Willingness to pay if access to innovative drugs under basic insurance improves/deteriorates



Source: *Swiss Economics (2026).*

COMPARISON OF REGULATORY APPROVAL TIMES FOR DRUGS

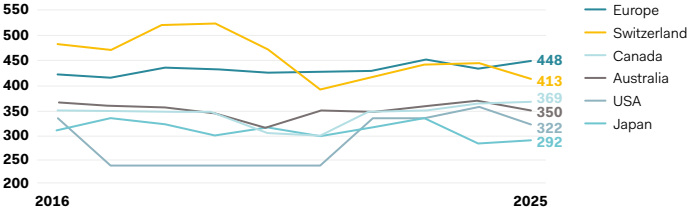
Having a strong and independent regulatory authority for medicinal products is in the interest of both patient safety and Switzerland's status as a pharmaceutical hub.

Compared with 2016, the median lead time for a Swiss market approval application has been reduced significantly, from 481 days to 413 days. In 2025, the median lead time for an application to Swissmedic was shorter than at the European Medicines Agency (EMA).

However, approval by the regulatory authority does not mean that a medicinal product will immediately be made available to patients on an equal footing. In a second step, the reimbursement through basic insurance must also be determined.

Median approval times for new active substances

In days, 2016–2025



New active substances (NAS) 2016–2025; comparison between USA (FDA), EU (EMA), Japan, Canada, Australia and Switzerland (Swissmedic).

Source: *CIRS (2026), R&D Briefing 106 – New drug approvals by six major authorities 2016–2025.*

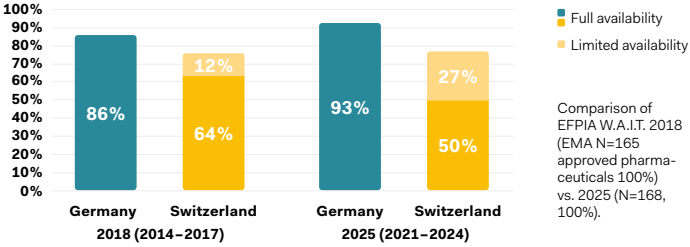
AVAILABILITY OF INNOVATIVE DRUGS COMPARED INTERNATIONALLY

Of the new, innovative drugs approved by the EMA, around 64% were fully available in Switzerland in 2018. In 2025, this figure fell to just 50% – a 14 percentage point decline. Compared to Germany, patients in Switzerland therefore have access to only about half of the new innovative drugs through the Specialties List.

Access through case-by-case reimbursement more than doubled during the same period, rising from 12% to 27%.

Switzerland is increasingly relying on case-by-case reimbursement for the supply of innovative medications. As a result, certain therapies are no longer equally available to all patients.

Availability of innovative drugs compared internationally
2014–2024



Comparison of EFPIA W.A.I.T. 2018 (EMA N=165 approved pharmaceuticals 100%) vs. 2025 (N=168, 100%).

Source: *EFPIA Patients W.A.I.T. Indicator Surveys 2018–2025.*

ACCESS TO INNOVATIONS IN SWITZERLAND COMES WITH A DELAY

Patients in Switzerland have been experiencing increasingly long delays in their wait for access to innovative drugs since 2016.

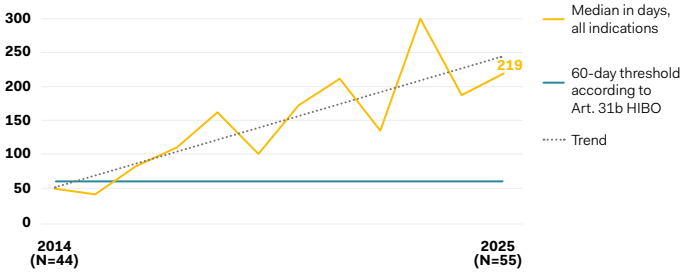
In 2025, the median time from approval to inclusion on the Specialties List and thus to reimbursement by health insurance companies was 219 days instead of the statutory period (Art. 31b HIBO) of 60 days.*

Only 4% of all products included in the Specialties List in 2025 were added within 60 days.

* If the conditions for accepting the application as defined under Art. 69 (4) of the Health Insurance Ordinance (HIO) are met before definitive approval by Swissmedic, the FOPH will normally come to a decision within 60 days of the definitive approval.

Interval between Swissmedic approval and inclusion in SL

In days, 2014–2025



Source: *Federal Office of Public Health (2026), Specialties List. Swissmedic (2026). Calculations by Interpharma, New active substances and new indications 2014–2025, with preliminary approval by Swissmedic (N=452).*

DELAYS LEAD TO A BACKLOG OF UNFINISHED APPLICATIONS

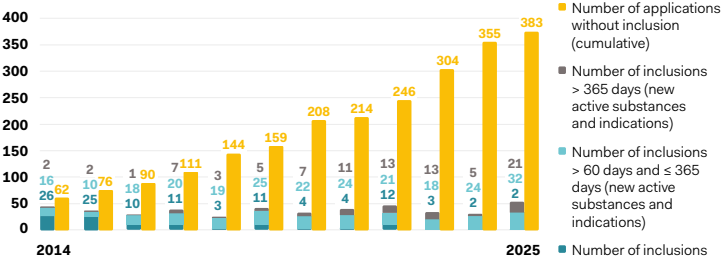
There is a structural problem in Switzerland with respect to rapid and equitable patient access to new, innovative drugs.

The reason for this is that the standard drug reimbursement system via the Specialties List is increasingly reaching its limits with the emergence of novel treatments and groundbreaking advances.

Since 2014, the number of medications approved by Swissmedic but not yet covered by the FOPH has risen sharply, reaching 383 in 2025. Moreover, 53 out of 55 products (96%) took longer to be added to the Specialties List than the 60 days stipulated in the ordinance.

Interval between Swissmedic approval and inclusion in SL, along with cumulative non-inclusions

In days, 2014–2025



Source: *Federal Office of Public Health (2026), Specialties List. Swissmedic (2026). Calculations by Interpharma, New active substances and new indications 2014–2025, with preliminary approval by Swissmedic (N=452).*

PATIENTS BENEFIT FROM A LARGE NUMBER OF NEW ACTIVE INGREDIENTS

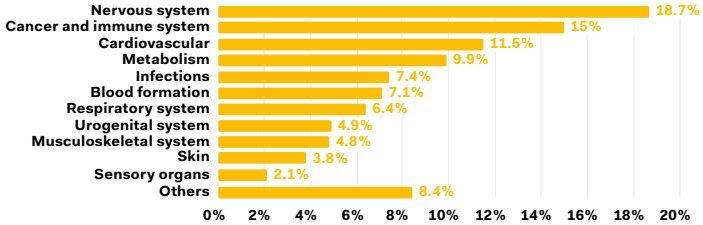
Patients are benefiting from many new active ingredients. Based on the number of approved treatments, drugs designed to treat diseases of the nervous system account for around 18.7% of these treatments, making them the largest category. They include analgesics, antiepileptics and treatments for mental illnesses.

Cancer treatments and immunotherapies account for around 15% of available treatments in Switzerland.

Other major indication areas in 2025 included therapies for cardiovascular diseases (11.5%) and metabolic diseases (9.9%).

Percentage of approved products by therapeutic area

10,181 products approved by Swissmedic in total (excl. homeopathy), Switzerland, 2025



Source: *Swissmedic (2026), Authorised human medicinal products, extended list of medicines.*

11,797 ACTIVE INGREDIENTS IN DEVELOPMENT OFFER HOPE

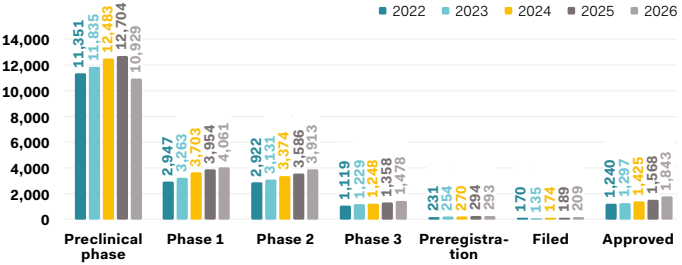
In 2026, a total of 11,797 active ingredients were at development stages close to marketing authorization (excluding the preclinical stage). Compared to the previous year, this represents an increase of around 7.7%.

The portfolio's steady growth reflects both medical advances and the fact that pharmaceutical companies are making large investments in research and development.

New drugs – particularly to treat cancer – are a focus of research activities. But pharmaceutical companies are also continuously looking into new ways of potentially treating infectious diseases, diseases of the central nervous system and respiratory diseases.

Number of active ingredients at development stages close to marketing authorization

Global, 2022–2026



Source: *Citeline Pharma Intelligence (2026), Pharma R&D Annual Review 2026.*

THE NUMBER OF DRUGS FOR RARE DISEASES IS ON THE RISE

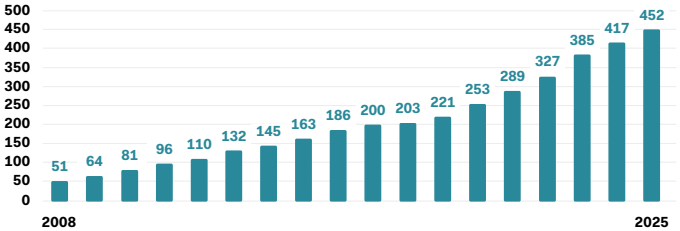
A disease is considered rare if it affects fewer than five out of 10,000 people. Some 6,000 to 8,000 such diseases are known. Around half a million people in Switzerland are affected by a rare disease.

More and more drugs are available specifically for rare diseases (orphan drugs), because many pharmaceutical companies are also developing suitable therapies for small patient groups.

In 2025, there were 248 approved drugs with orphan drug status. They are used in 452 indications – including rare diseases of the immune or nervous systems, rare metabolic disorders and rare forms of cancer.

Number of indications with orphan drug status in Switzerland

Total: 248 medicines with orphan drug status, 2025



Source: *Swissmedic (2026), Human medicinal products with orphan drug status.*

PHARMACEUTICAL COMPANIES ARE RESEARCHING AN INCREASING NUMBER OF RARE DISEASES

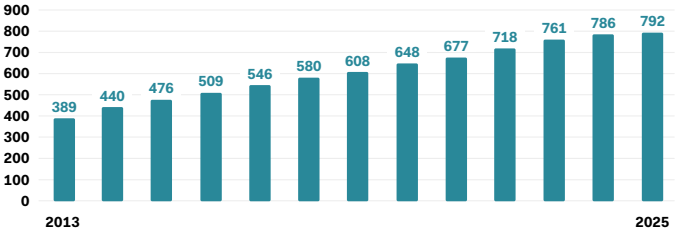
Pharmaceutical companies around the world are carrying out intensive research into new drugs and treatments for rare diseases. Despite huge advances in recent years, many rare diseases are still not treatable.

In 2025, companies around the world were investigating 792 different mechanisms of action for tackling various rare diseases – more than twice as many as in 2013.

On average, the process for rare diseases – from clinical trial to regulatory approval – takes four years longer than for common conditions. This is due in part to the complex biology, the heterogeneity and the progressive nature of these diseases.

Number of mechanisms of action against rare diseases

Global, number of mechanisms of action, 2013–2025



Source: *Citeline Pharma Intelligence (2026), Pharma R&D Annual Review 2026.*

RESEARCH AND **DEVELOPMENT**



The pharmaceutical industry is responsible for around **31%** of all private research expenditure in Switzerland, making it the industry with the strongest **research performance.**

The **declining number of clinical trials** with Swiss participation also means that patients in Switzerland have less access to innovative medicines.

Although research activities in Switzerland have **more than doubled** since 2000, the application of the 3R principles (Replace, Reduce, Refine) has **reduced the number** of laboratory animals **by 63% to 123,308.**

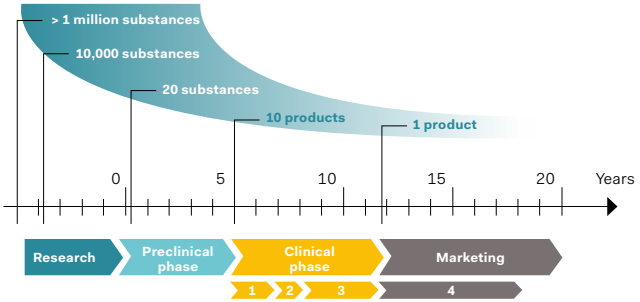
THE LONG ROAD FROM LABORATORY TO PATIENT

Pharmaceutical research is a risky undertaking. On average, the development of a new drug takes twelve years, and there is a 95% risk of failure.

The long, painstaking and strictly regulated process of drug development ensures that the best, safest and most effective drug reaches patients.

Out of more than one million potential substances, approximately 10,000 are investigated in basic research. Only approximately 20 of them reach the preclinical stage. Of these 20 substances, 10 make it to the clinical stage. Only one is eventually sold on the market as a finished preparation.

Steps in the development of a medicine
Illustration



Source: *Interpharma (2026).*

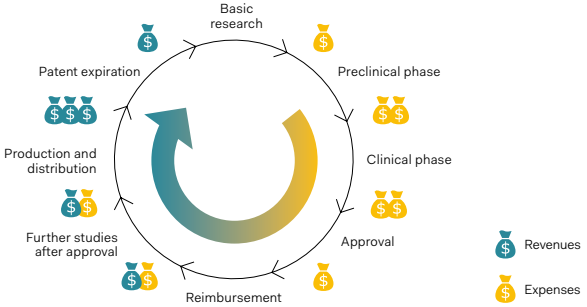
PATENT PROTECTION ENABLES REINVESTMENT IN NEW DRUGS

Many development stages and administrative hurdles have to be overcome before a drug is ready for the market. This process is associated with high costs.

Patent protection often starts in the early stages of development. So, by the time the drug is sold on the market, a large part of the patent term has often already elapsed.

Drugs only begin to generate income for companies once the reimbursement decision is made. This income must be high enough so that companies again have the venture capital they need to conduct research into new drugs.

Research cycle
Illustration



Source: *Interpharma (2026).*

DRUGS APPEAR ON THE MARKET 10 YEARS AFTER THE PATENT APPLICATION

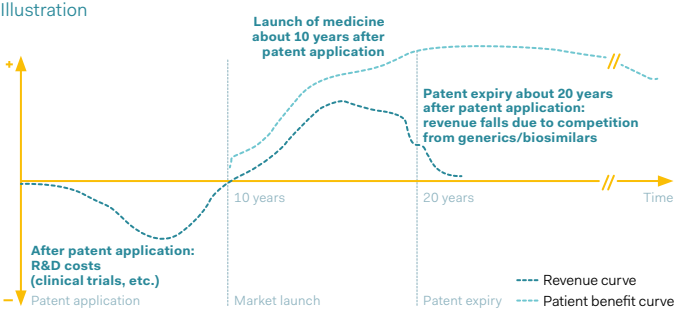
The development of a new drug entails high costs. On average, a drug is not launched on the market until ten years after the patent application. Only then can a company begin to recoup its costs.

When patent protection expires after approximately another ten years, the price drops massively – particularly due to imitation products. But patients still benefit from once-groundbreaking treatments even years after the patent has expired.

This price decline after patent expiry contributes to sustainable financing of the healthcare system.

Life cycle innovation model

Illustration



Source: *Interpharma (2026).*

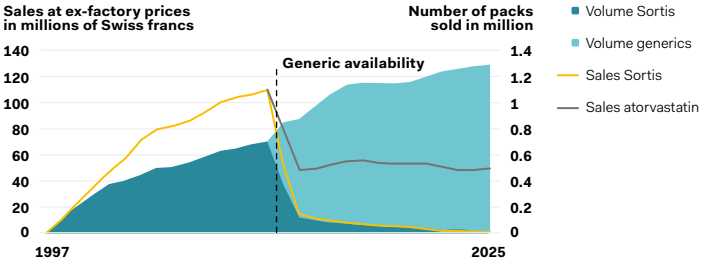
TODAY'S INNOVATIONS ARE TOMORROW'S GENERICS/BIOSIMILARS

Sortis – a cholesterol-lowering drug – was an innovative blockbuster in 2011 and the top-selling product in Switzerland, generating sales of more than 100m Swiss francs per year (EFP).

The patent for Sortis expired in 2012, and prices have fallen sharply since then. The cost of the medicine's active ingredient, atorvastatin, has halved to date.

Today, more patients are benefiting from this former innovation – in the form of numerous generics containing atorvastatin as the active ingredient. At the same time, the total costs have fallen significantly.

Volumes and sales of Sortis (atorvastatin) and generics after patent expiry
1997–2025



Source: *IQVIA AG (2026).*

MARKET INCENTIVES IMPROVE THE SUPPLY OF ANTIBIOTICS

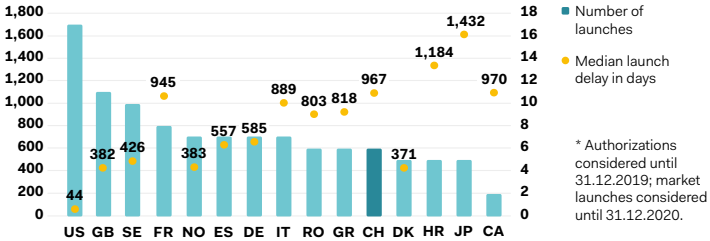
Developing new antibiotics is expensive and has a failure rate of 97%. Due to rapid development of resistance, these substances must be used sparingly – and this inhibits a functioning market.

As the development of new antibiotics is risky and unprofitable, countries such as the USA, UK and Sweden rely on incentive schemes. As a result, most of the 18 antibacterial substances approved between 2010 and 2020 were quickly available in those countries.

In Switzerland, only six of these 18 substances were approved in the same period – and reached the market with a delay of over 2.5 years.

Availability of antibiotics in international comparison

Number of launches* and median launch delay, in days
2010–2020



Source: *Illustration based on the "Supplementary Materials" by Outterson et al. (2021), Patient Access in 14 High-Income Countries to New Antibacterials Approved by the US Food and Drug Administration, European Medicines Agency, Japanese Pharmaceuticals and Medical Devices Agency, or Health Canada, 2010–2020. For Switzerland: Extended list of medicinal products from Swissmedic and information from marketing authorization holders in Switzerland (Ecoplan research).*

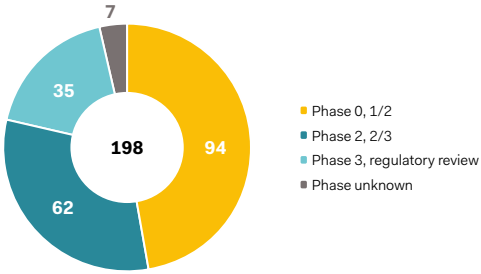
A LOW SUCCESS RATE MAKES DRUG DEVELOPMENT COSTLY

Pharmaceutical companies run a high risk of loss when developing a new drug. Between 1998 and 2021, there were 198 unsuccessful attempts to develop an Alzheimer's drug. The failure rate is 98%.

It is estimated that between 1995 and 2021 alone, more than 58.5bn US dollars were spent on Alzheimer's research.

When a drug is successful, companies must be able to fund research into unsuccessful drugs too. Without this cross-subsidization, there would not be enough funds to conduct research into new drugs.

Unsuccessful investigational Alzheimer's drugs
By clinical phase, 1998–2021



Source: *PhRMA Analysis of Adis R&D Insight Database, May 2021.*

A NEW DRUG REQUIRES BILLIONS IN INVESTMENT

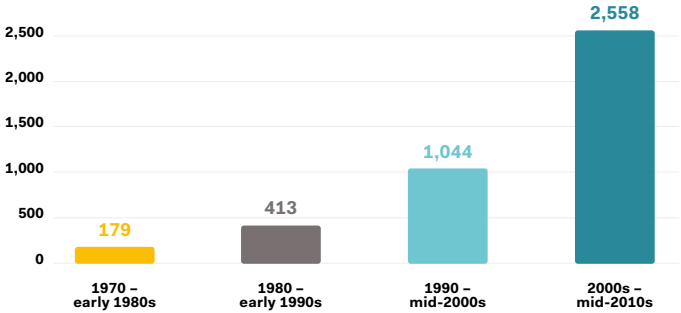
On average, it takes around twelve years for a new drug to be ready for the market – and the high failure rate means this is a high-risk business.

From research and development to market readiness, the process costs an average of 2.6bn US dollars. However, depending on the disease area and company involved, the costs can be significantly higher.

Today, the development of a new drug is therefore around two-and-a-half times more expensive than it was in the 1990s and 14 times more expensive than it was in the 1970s.

Cost of development up to market readiness

Average development costs in millions of US dollars



Source: *Joseph A. DiMasi, Henry G. Grabowski, Ronald W. Hansen, Innovation in the pharmaceutical industry: New estimates of R&D costs, Journal of Health Economics, 47 (2016), 20–33.*

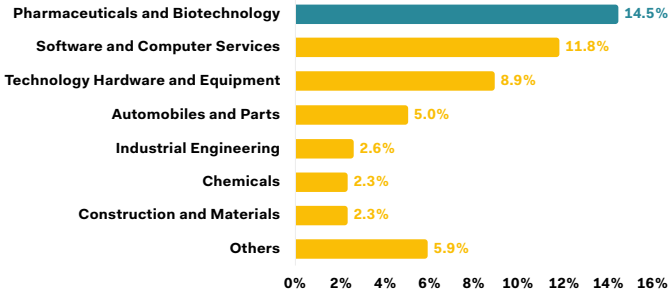
THE PHARMACEUTICAL INDUSTRY INVESTS ABOVE-AVERAGE SUMS IN RESEARCH AND DEVELOPMENT

Research intensity provides an indication of the percentage of generated sales that flows back into research and development.

The pharmaceutical and biotech industries invest just over 14.5% of sales revenue straight back into research and development of new products. This is a lead figure in comparison with other industries.

The pharmaceutical industry thus invests significantly more than other innovative industries such as the software, computer services and technology hardware sectors.

Average research and development intensity
As a percentage of sales, 2025



Source: *European Commission, The 2025 EU Industrial R&D Investment Scoreboard.*

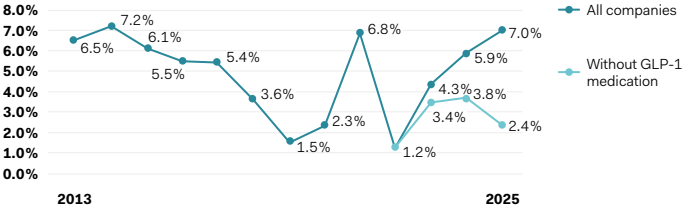
RETURN ON RESEARCH INVESTMENT REFLECTS RISK

The rate of return on innovation in research and development (R&D) of the world's 20 largest pharmaceutical companies has risen in recent years and amounted to 7% in 2025.

This growth is driven primarily by companies with GLP-1/GIP projects in the late development phase. If such projects are excluded, the return on innovation in 2025 stands at only 2.4%.

Studies show that risk-weighted returns in the pharmaceutical industry are lower than in comparable industries. Moreover, steadily rising R&D costs continue to represent a challenge for the companies.

Return on research investment
Global, 2013–2025



Source: *Deloitte (2026), Navigating the GLP-1 boom: Measuring the return from pharmaceutical innovation – 16th edition.*

ABOUT ONE THIRD OF PRIVATE SPENDING ON RESEARCH AND DEVELOPMENT IS BORNE BY THE PHARMACEUTICAL INDUSTRY

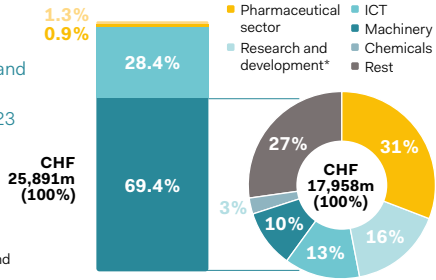
In 2023, a total of 25.9bn Swiss francs was invested in research and development (R&D) in Switzerland.

Around 70% of these investments came from the private sector. The pharmaceutical industry is the most important investor, accounting for 31% of private-sector research spending. Other important research industries include the ICT and mechanical engineering sectors.

The importance of the pharmaceutical industry is even greater, because external research contracts also fund a large percentage of laboratories and research institutions that fall under “research and development”.

Total research and development expenditure

Overall investment of public and private sector; private sector broken down by industry, 2023



* Refers to private labs for research and development (contractors)

Source: *Federal Statistical Office (2025), Research and Development in Switzerland 2023.*

THE PRIVATE SECTOR CONDUCTS 75% OF APPLIED RESEARCH IN SWITZERLAND

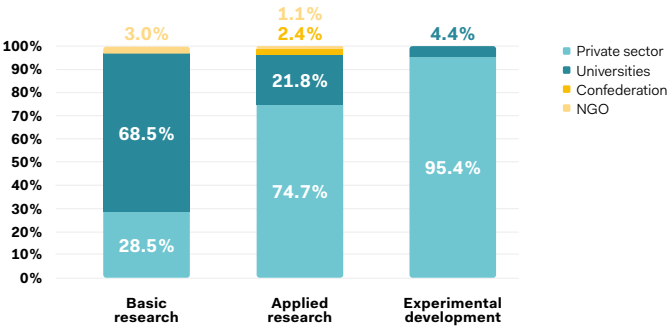
Research spending (2023: 25.9bn Swiss francs) is split into basic research, applied research and experimental development.

The private sector conducts 28.5% of basic research in Switzerland, while 68.5% is carried out by universities.

The private sector conducts 74.7% of applied research. In the case of experimental development, this figure is as high as 95.4%.

Breakdown of research activities by field

2023



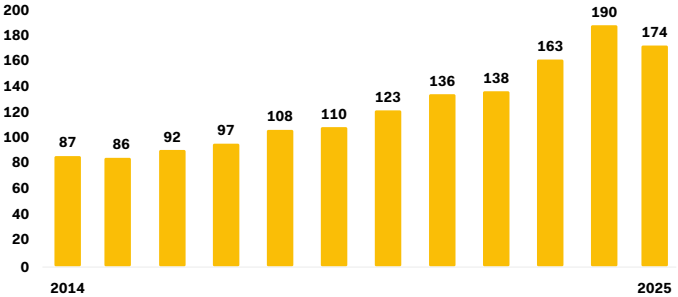
Source: *Federal Statistical Office (2025), Research and Development in Switzerland 2023.*

THE PHARMACEUTICAL INDUSTRY INVESTS 174BN US DOLLARS WORLD-WIDE IN NEW DRUGS

Taken together, the world's 15 largest pharmaceutical companies invested around 174bn US dollars in research and development in 2025. This means that global research spending has doubled since 2014.

Compared to the previous year, global spending on research and development has declined slightly.

Expenditure on research and development
In billions of US dollars, 2014–2025



Source: *IQVIA AG (2025), Global Trends in R&D 2025.*

ALMOST HALF OF ALL RESEARCH SPENDING GOES TOWARDS CLINICAL TRIALS

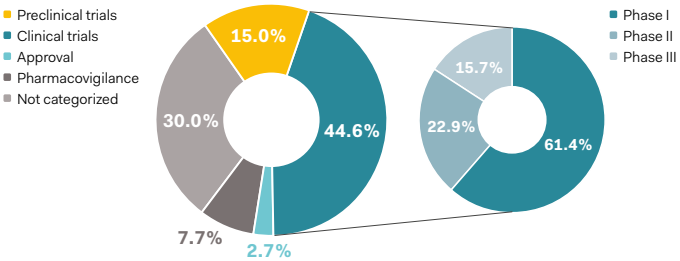
Around 45% of pharmaceutical research spending goes towards clinical trials that test the efficacy and safety of drugs for humans in Phases I to III.

Before drugs can be used in humans, they undergo comprehensive preclinical testing for efficacy and safety. Where no suitable alternative methods are available, this includes animal testing. These examinations are required by law and serve to protect patients from undesirable side effects.

After launch, new drugs continue to be monitored to ensure their safety.

Distribution of research expenditure by purpose

2024



Source: *PhRMA, Annual Membership Survey 2025.*

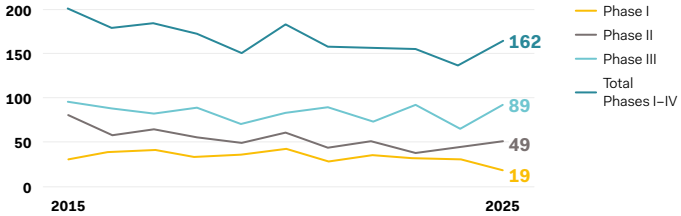
DECLINING NUMBER OF APPROVED CLINICAL TRIALS

In 2025, Swissmedic approved 162 clinical trials in Switzerland.

Although this represents a slight improvement on the previous year, it is still significantly below the level of ten years ago.

The overall decrease in the number of studies over the years shows that the framework conditions for clinical research in Switzerland are not ideal.

Clinical drug trials definitively approved by Swissmedic
2015–2025



Source: *Swissmedic (2026).*

SWITZERLAND IS LAGGING BEHIND IN CLINICAL TRIALS

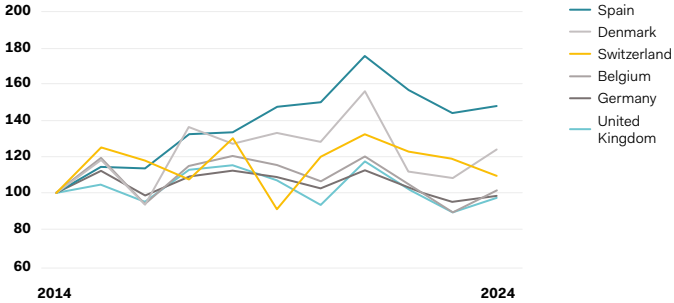
Nowadays, clinical research for drugs is usually conducted in several countries at the same time. On the one hand, this is done to minimize the influence that local factors might have on the trial results, and on the other it is done to find enough participants.

For Switzerland as a research hub, being involved in many clinical trials is crucially important. However, while the number of industry-sponsored clinical trials has increased in countries such as Spain and Denmark, it has stagnated in Switzerland.

This means missed investments, less innovation and a gradual loss of Switzerland's leading role.

Number of clinical trials in Europe

Indexed, 2014=100



Source: *ClinicalTrials.gov: Early Phase 1, 1, 2, 3, Interventional studies, Funded by Industry, Study start from 1/31/2014 to 12/31/2024. Accessed 24.7.2026.*

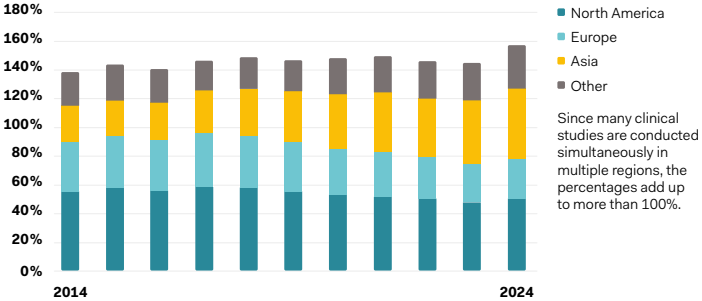
GLOBAL COMPARISON OF CLINICAL TRIALS

Between 2014 and 2024, the global number of industry-sponsored clinical trials (Phases I–III) increased significantly overall. However, Europe and North America lost ground, while Asia grew strongly.

More and more clinical trials are taking place without patients from Switzerland, and fewer and fewer Swiss healthcare professionals are involved in the clinical development of new drugs.

This decline jeopardizes the attractiveness of Switzerland as a research location and weakens the supply of innovative therapies for patients.

Percentage share of global clinical trials (Phases I–III) by region
2014–2024



Since many clinical studies are conducted simultaneously in multiple regions, the percentages add up to more than 100%.

Source: *ClinicalTrials.gov: Early Phase 1, 1, 2, 3, Interventional studies, Funded by Industry, Study start from 1/31/2014 to 12/31/2024. Accessed 24.7.2026.*

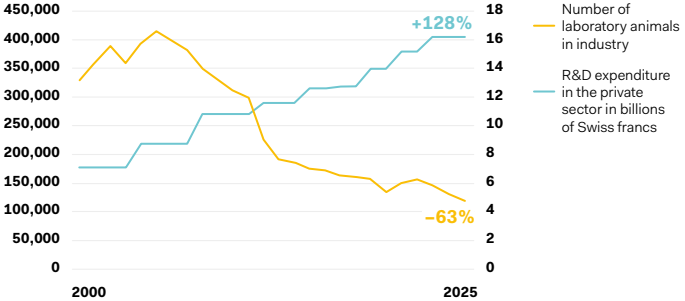
MORE RESEARCH – LESS ANIMAL TESTING THANKS TO THE 3RS

The 3R principles aim to “replace” animal experiments, “reduce” the number of animals and minimize their impact (“refine”).

Although research activities in Switzerland have more than doubled since 2000, the application of the 3R principles has reduced the number of laboratory animals by 63% to 123,308.

For new drugs to work safely, research on animals remains necessary – but is only permitted if there are no alternatives.

Number of laboratory animals and research and development expenditure in Switzerland
2000–2025



Source: *Federal Food Safety and Veterinary Office (2025), Animal Experiment Statistics and Federal Statistical Office (2025), R&D Expenditure by the Private Sector.*

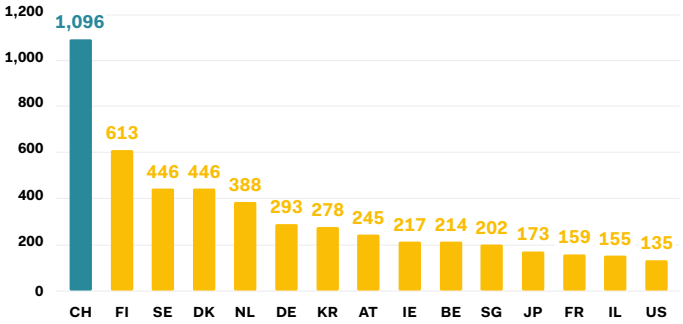
SWITZERLAND IS A LEADER WHEN IT COMES TO FILING PATENTS

Swiss companies filed 9,914 patents in 2025. Relative to the population, this is an absolute record. Switzerland had 1,096 applications per million inhabitants.

Finland moved up to second place with 613 patent applications per million inhabitants. Sweden and Denmark share third place, with 446 patent applications each.

For the pharmaceutical industry, patents are an essential prerequisite to ensure that funds can still be reinvested in research and development.

Patent applications
Per million inhabitants, 2025



Source: *European Patent Office (2026), Patent Index 2025.*

SWISS UNIVERSITIES BENEFIT FROM ACTIVE PATENT PROCEDURES

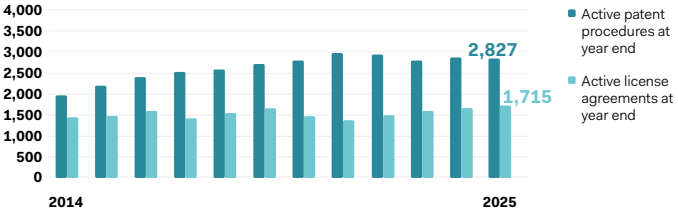
Research collaboration between private and public sector institutions is the key element for innovation. Both academia and the private sector benefit from knowledge transfer, the use of synergies and access to talented individuals.

According to the swiTTreport, there were 2,827 active patent procedures at the end of 2025 that had either already been licensed to a company or for which a licensee was currently being sought. The number of active licenses managed by universities and research institutions amounted to 1,715 cases at the end of 2025.

When companies fall back on existing patents in research and development activities, they pay license fees. Because patent or license holders are often universities, the funds invested flow back into the public purse through such agreements.

Aggregated data on research at Swiss universities and research institutes

2014–2025



Source: *swiTT (2025), swiTTreport 2024.*

COLLABORATIVE RESEARCH VIA THE EU PROGRAMS IS INDISPENSABLE

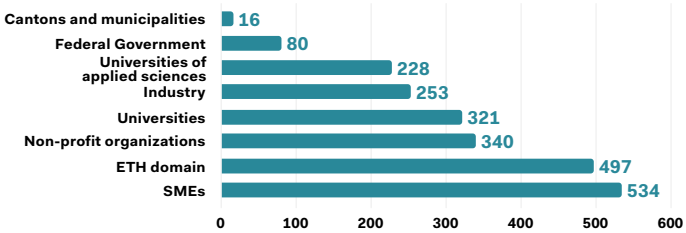
International networking in collaborative research is indispensable for Switzerland as a location.

Between 2021 and 2024, there were 2,269 Swiss participations in projects in the European Union's Horizon program. Almost half of this number was attributable to projects at Swiss universities, and around a quarter to SMEs.

Horizon is crucial for Switzerland because it involves all players in the innovation ecosystem in cutting-edge international research, promotes collaborations and thus secures the country's competitiveness.

Horizon Europe: project participation of Switzerland

2021–2024, status as of October 2025



Source: *State Secretariat for Education, Research and Innovation (SERI).*

PHARMA LOCATION **SWITZERLAND**



With exports totaling **118bn Swiss francs** and accounting for **41.3%** of total exports, the pharmaceutical industry is Switzerland's **most important export sector.**

In total, for every Swiss franc of sales generated by Interpharma member companies in Switzerland, around **4 Swiss francs** are returned in the form of taxes and investments.

Switzerland is increasingly losing ground against the European competition to be a hub for the pharmaceutical industry: Since 2022, **only 12%** of the pharmaceutical investments announced in Europe have been in Switzerland.

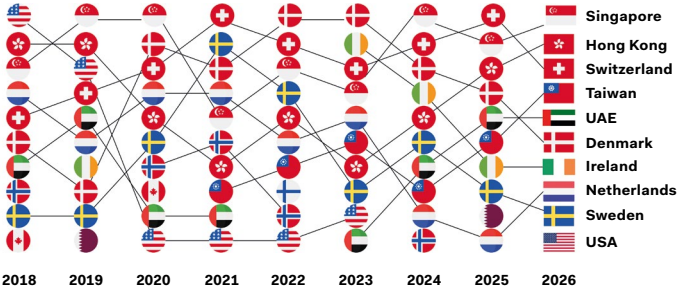
SWITZERLAND IS BECOMING LESS COMPETITIVE

In the IMD World Competitiveness Ranking, Switzerland fell from first to third place in 2026, behind Singapore and Hong Kong.

Ideal framework conditions are absolutely essential if a business location is to be successful and competitive.

However, Switzerland's attractiveness is under pressure: Growing geopolitical tensions, uncertainties regarding bilateral agreements with the EU, and rising bureaucracy and regulatory costs are endangering Switzerland's competitiveness.

IMD World Competitiveness Ranking
2018–2026



Source: *IMD (2026), IMD World Competitiveness Ranking.*

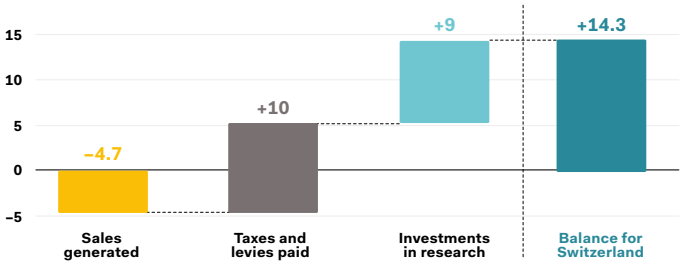
PHARMACEUTICAL COMPANIES BRING 10BN SWISS FRANCS A YEAR INTO SWITZERLAND

The member companies of Interpharma generate sales of 4.7bn Swiss francs in Switzerland and, at 10bn Swiss francs, pay more than twice as much in taxes and levies as they receive through the healthcare system.

Furthermore, the companies invest 9bn Swiss francs annually in research and development, thereby securing jobs and Switzerland's position as a hub for innovation.

In total, for every Swiss franc of sales, roughly 4 Swiss francs is returned in taxes and investments – a net benefit of more than 14bn francs per year for Switzerland as a business location.

Interpharma companies in Switzerland: sales and research
In billions of Swiss francs, 2025



Source: *Interpharma (2026).*

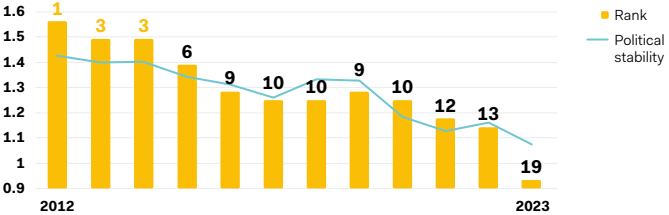
INVESTMENTS IN RESEARCH AND DEVELOPMENT NEED PLANNING SECURITY AND LEGAL CERTAINTY

Political stability and legal certainty are traditionally important strengths of Switzerland as a location. However, Switzerland has steadily lost ground to other countries in recent years, falling to 19th place in 2023.

Innovative industries with a long investment horizon are particularly dependent on planning security and legal certainty.

When it comes to attracting new companies or investing in a location, political stability is an important factor in opting for a location.

Ranking of Switzerland in the Political Stability Index
2012–2023



Source: *Daniel Kaufmann and Aart Kraay (2024). Worldwide Governance Indicators, 2023 Update.*

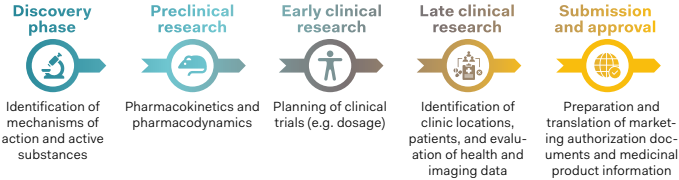
HIGH POTENTIAL OF ARTIFICIAL INTELLIGENCE FOR PHARMACEUTICAL RESEARCH

Artificial intelligence is already changing pharmaceutical research today: AI has been used in pharmaceutical research for several years, and generative AI in particular promises further advances in innovation and efficiency.

Switzerland is ideally positioned to benefit from the potential of AI: As a leading pharmaceutical and research location, Switzerland is in a strong position to use AI along the entire healthcare value chain.

The key factors are speed and the right framework conditions: In order for Switzerland to remain competitive, digital transformation in the healthcare sector must be driven forward and innovation-friendly regulatory framework conditions created.

High potential of generative artificial intelligence for Switzerland
2026



Source: *EFPIA (2026).*

THE GLOBAL PHARMACEUTICAL INDUSTRY INVESTS LESS IN EUROPE AND SWITZERLAND

Since 2022, investments announced by global pharmaceutical companies have increased by 440% in China and by 250% in the US, much more than in Europe (152%).

Within Europe, Switzerland is one of the clear losers. The Swiss share of investments announced in Europe fell from 29% in the period 2016–2021 to 12% since 2022.

When a pharmaceutical company invests in a production facility, the entire region benefits. The growth impulse for the region as a whole averages 4.4%.

Investment announcements by globally active pharmaceutical companies



USA	Europe	China
+250% from 2022 vs. 2016–2021	**+152%** from 2022 vs. 2016–2021	**+440%** from 2022 vs. 2016–2021

Source: *BAK Economics (2026), Regionalwirtschaftliche Wirkung von Investitionen internationaler Pharmaunternehmen in der Schweiz.*

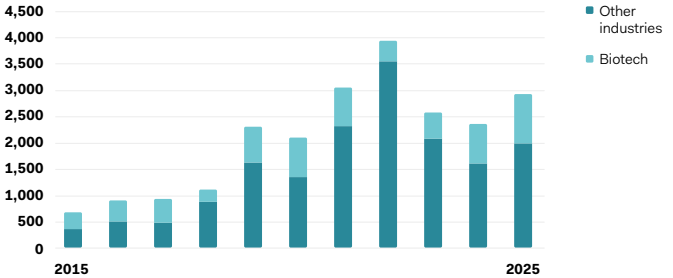
INVESTMENTS IN START-UPS CREATE TURNAROUND

Investments in start-ups are an important indicator of location attractiveness: A successful location has a network of universities, globally active companies and start-ups.

Following the decline of previous years, significantly more venture capital flowed into Swiss start-ups in 2025 (+23.9%), but the investment volume remained below the record level of 2022.

Investments in the biotech sector reached a new high of 946.3m Swiss francs in 2025, but the proportion remained constant at around 30%.

Investments in Swiss start-ups
In millions of Swiss francs, 2015–2025



Source: *Swiss Venture Capital Report 2026.*

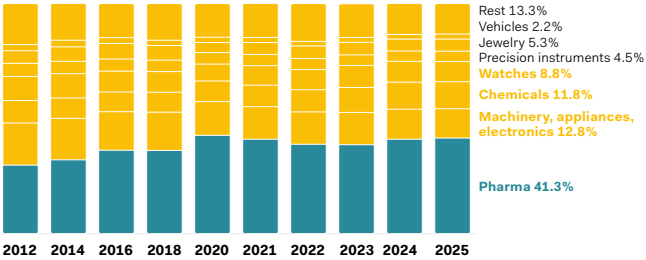
THE PHARMACEUTICAL SECTOR IS SWITZERLAND'S MOST IMPORTANT EXPORT INDUSTRY

With exports worth around 118bn Swiss francs, accounting for 41.3% of total exports, the pharmaceutical industry is Switzerland's most important export sector.

The pharmaceutical industry has significantly increased its export share over the past 14 years, but has been stagnating for some time.

The pharmaceutical industry exports as much as the MEM (machinery, electrical engineering and metals) industry, the watchmaking industry and the chemical industry combined.

Nominal exports in selected industries as percentage of total exports
2012–2025



Source: *Federal Office for Customs and Border Security FOCBS (2025).*

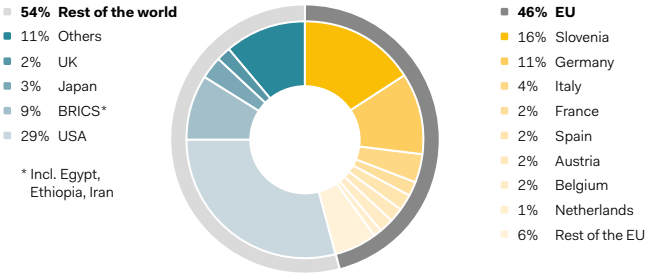
EUROPE IS THE MOST IMPORTANT SALES MARKET FOR SWITZERLAND'S PHARMACEUTICAL INDUSTRY

In 2025, around 46% of Swiss pharmaceutical exports went to the European Union, making the EU the most important market for pharmaceutical products.

The USA accounts for 29% of exports and is therefore the single most important buyer country. The share of exports going to the USA has more than doubled from 12.8% over the past 20 years or so.

At 16%, another important production location, Slovenia, remains the second-largest buyer country ahead of Germany (11%).

Share of pharmaceutical exports
By destination, in percent, 2025



Source: *Federal Office for Customs and Border Security FOCBS (2026).*

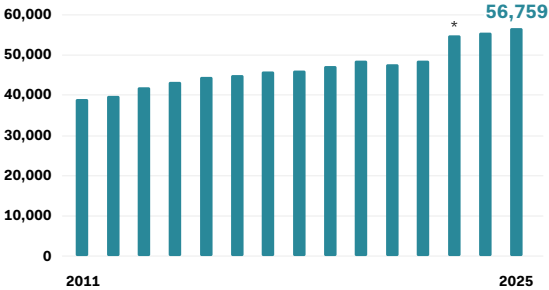
EMPLOYMENT GROWTH IN THE PHARMACEUTICAL INDUSTRY IS WEAKENING

At first glance, the number of people employed in the pharmaceutical industry has increased significantly over the last ten years. However, the sharp increase – especially in 2023 – is largely due to a statistical reclassification.

In fact, employment growth in the sector has been weak for years.

To ensure that the pharmaceutical industry can continue to create many attractive jobs, it needs a favorable economic policy environment.

Number of people employed in the pharma industry
Full-time equivalents, 2011–2025



* The break in the time series is due to a statistical reclassification.

Source: *2011–2023 STATENT (FSO 2025), 2024–2025 BESTA (FSO 2026).*

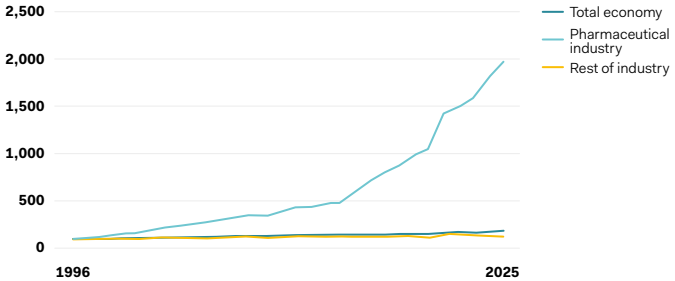
VALUE CREATION: PHARMACEUTICAL INDUSTRY DRIVING GROWTH

Since 1996, real value creation in the Swiss pharmaceutical industry has increased enormously and is now over 19 times higher than it was then.

By way of comparison, the economy as a whole grew by 75% over the same period, while other industry grew by 28%.

From restructuring in the mid-1990s to becoming a strong global leader, the pharmaceutical sector has become Switzerland's primary engine of growth.

Development of real gross value added
1996–2025, index 1996=100



Source: *BAK Economics (2026), The Importance of the Pharmaceutical Industry for Switzerland.*

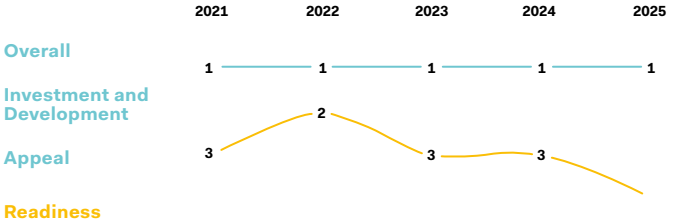
SWITZERLAND IS AN ATTRACTIVE DESTINATION FOR TALENTED INDIVIDUALS

A key prerequisite for an innovative location is access to skilled workers and talent.

The World Talent Ranking measures a country's ability to attract, develop and retain talent. Switzerland comes in first place, ahead of Luxembourg and Iceland.

Thanks to its outstanding education system, good living conditions and high levels of investment in education, Switzerland attracts the best minds from around the world and thus secures its competitiveness and prosperity.

Labor market competitiveness
2025



Source: *IMD World Talent Ranking (2025).*

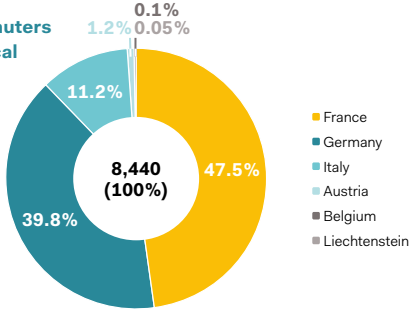
SWITZERLAND IS DEPENDENT ON CROSS-BORDER COMMUTERS

Every day, around 400,000 people from neighboring countries commute to work in Switzerland. Thanks to the existing bilateral agreements with the European Union, both sides benefit from less bureaucracy day-to-day and simpler regulations for cross-border commuters.

The pharmaceutical industry is particularly dependent on cross-border commuters. Around 8,400 people commute to Switzerland from abroad to work in the pharmaceutical industry. This means that around one in five people employed in the sector is a cross-border commuter.

Regions such as Basel are especially reliant on the free movement of people running well, due to both their geographical location and historical links with border regions.

Cross-border commuters in the pharmaceutical sector
By country of origin
Q4 2025



Source: *Federal Statistical Office (2026).*

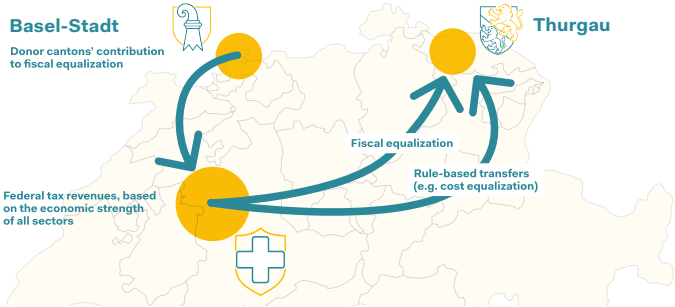
THE WHOLE OF SWITZERLAND BENEFITS FROM THE PHARMACEUTICAL INDUSTRY

The pharmaceutical industry is one of Switzerland's largest taxpayers. Contributing 8bn to 10bn Swiss francs annually, it accounts for 4% to 5% of total government revenue.

In Basel-Stadt, around 970m Swiss francs of cantonal revenue comes from the pharmaceutical industry. This corresponds to 16% of the budget.

In addition, tax revenues from cantons with a strong pharmaceutical industry presence flow into cantons with no significant pharmaceutical industry via national fiscal equalization. The canton of Thurgau, for example, receives 25m Swiss francs annually through transfer payments.

Tax contribution of the Swiss pharmaceutical industry



Source: *Wellershoff & Partners (2026).*

SWITZERLAND'S STATUS AS A PHARMACEUTICAL HUB IS UNDER PRESSURE

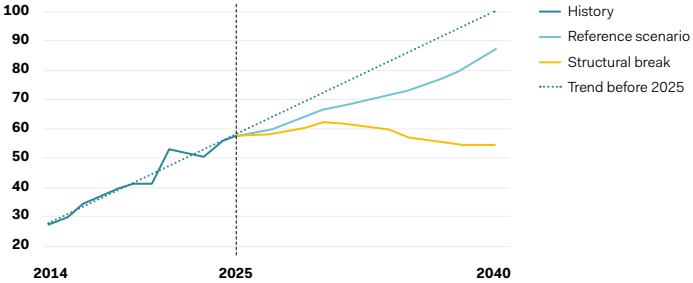
The US location policy is increasing pressure on Switzerland as a pharmaceutical location. Two scenarios show how the industry could develop by 2040.

Reference scenario: The increasing relocation of investments and value creation to the US can be offset by strong growth in other markets. The Swiss pharmaceutical industry continues to grow, but no longer matches the momentum of previous years.

Structural break scenario: The relocation to the US can only be partially offset. At the same time, increasing international price pressure is weighing on growth in the industry. In this scenario, the value creation level of Swiss pharmaceuticals in 2040 will be lower than it is today.

Scenario analysis: effect of US policy on Swiss growth

Nominal value added in billions of Swiss francs, 2014–2040



Source: *BAK Economics (2026).*

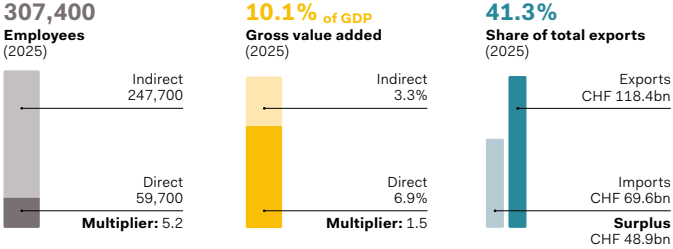
THE PHARMACEUTICAL INDUSTRY IS THE ENGINE OF SWITZERLAND'S ECONOMY

In 2025, the pharmaceutical industry employed around 59,700 people in Switzerland. The industry obtains products and services such as machinery, chemical substances, cleaning and security staff, insurance services and energy as part of its activities – creating an additional 247,700 jobs for people in other sectors.

The pharmaceutical industry generates 6.9% of Switzerland's gross value added. When indirect effects are taken into account, this rises to 10.1%.

The pharmaceutical industry's trade surplus amounts to 48.9bn Swiss francs – making it the driving force behind the Swiss economy.

Employees, gross value added and share of total exports of the pharmaceutical industry



Source: *BAK Economics (2026), The Importance of the Pharmaceutical Industry for Switzerland; Federal Statistical Office (2026); Federal Office for Customs and Border Security FOCBS (2026).*

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