

# MEASURING THE ECONOMIC FOOTPRINT OF THE BIOTECHNOLOGY INDUSTRY IN EUROPE

EuropaBio - WifOR Institute  
Research Report - February 2021



## INTRODUCTION

“Our ambition is to have an industry that creates value-added jobs in all regions across Europe. An industry that is driven by innovation, quality and the respect for the environment, rather than by lowering labour costs. Because our industrial ambition does not, in any way, call into question either free competition or our openness to the world. It aims to steer our economy towards innovative value chains that are key to our competitiveness, to channel public and private investments into transformational projects for a green and digital industry, and to support our industry, ecosystem by ecosystem, in this twin transition”. *Commissioner Thierry Breton, 11 February 2021.*

**EuropaBio** has published 'Measuring the Economic Footprint of the Biotechnology Industry in Europe', a 52 page economic impact study for biotechnology to support the European Industrial Strategy. It was conducted by the **WifOR Institute** to evaluate biotechnology contribution to the EU economy and labour market in terms of gross value added, employment, research and trade.

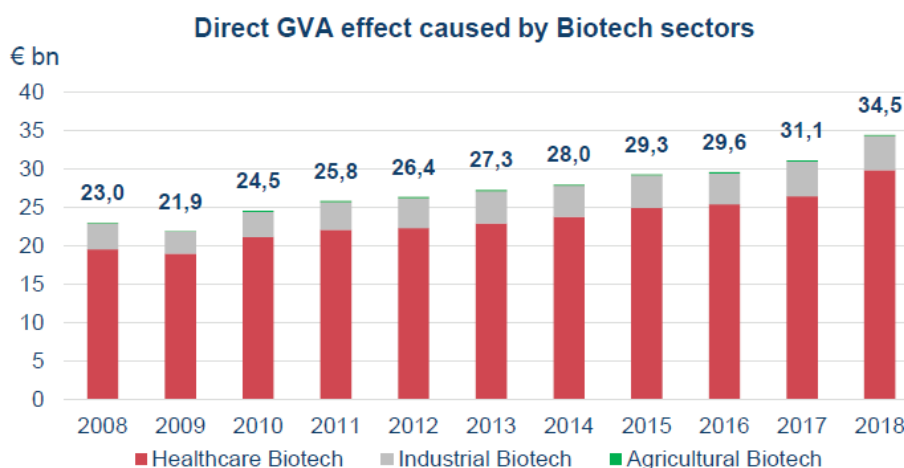
The study establishes the economic impact of production activities from European enterprises applying biotechnology in their research and manufacturing processes, and quantifies the impact of the biotechnology industry operating in the (then) 28 Member States from 2008 to 2018. It confirms the significant economic performance of biotechnology, including direct contribution to GDP and the labour market, plus spill-over effects within European supply chains.

This 3 page summary provides highlights of the report. The full publication is available [HERE](#).

## FIVE ECONOMIC INDICATORS OF THE BIOTECHNOLOGY INDUSTRY IN EUROPE

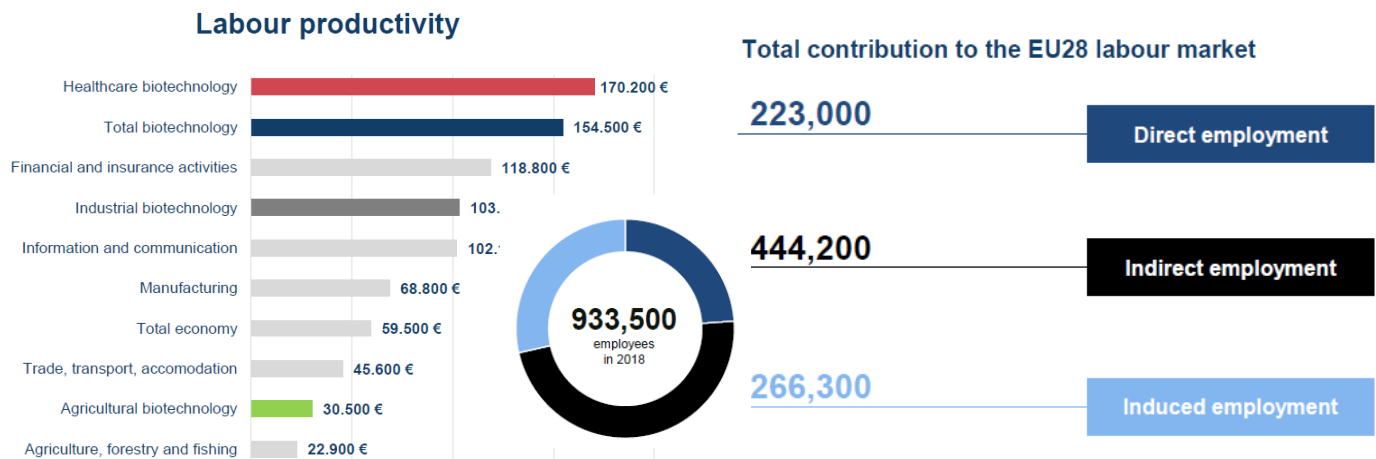
### 1. BIOTECHNOLOGY DRIVING EU GROWTH

With an average annual growth rate of 4.1%, the biotechnology industry is growing more than twice as fast as the EU overall economy (1.9%), making it one of the fastest growing innovative industries in Europe. The Biotechnology Industry is clearly outperforming the overall economy in terms of growth.



## 2. BIOTECHNOLOGY GENERATING HIGHLY EFFECTIVE VALUE CHAINS ACROSS EU

One direct job in the biotechnology sector secures three additional jobs in the European economy. Since the financial crisis of 2008, the biotechnology sector has created 50,000 additional direct jobs.

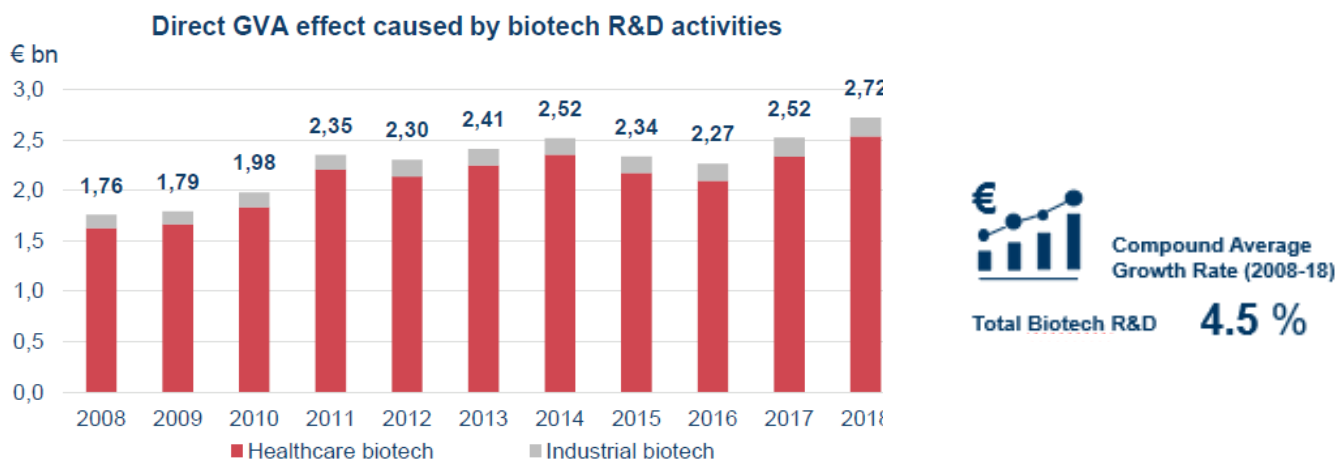


## 3. BIOTECHNOLOGY OUTPERFORMING HIGHLY PRODUCTIVE INDUSTRIES IN TERMS OF LABOUR PRODUCTIVITY

With an average labour productivity of €154,500 GVA per employee, the biotechnology industry is a highly efficient and capital-intensive industry and outstrips productive industries including the telecommunications and financial sectors.

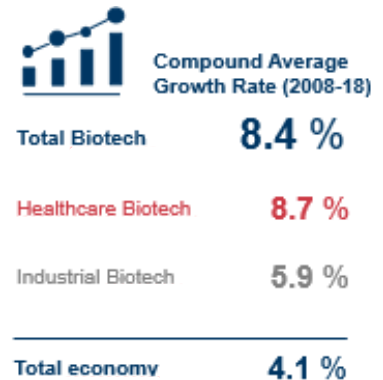
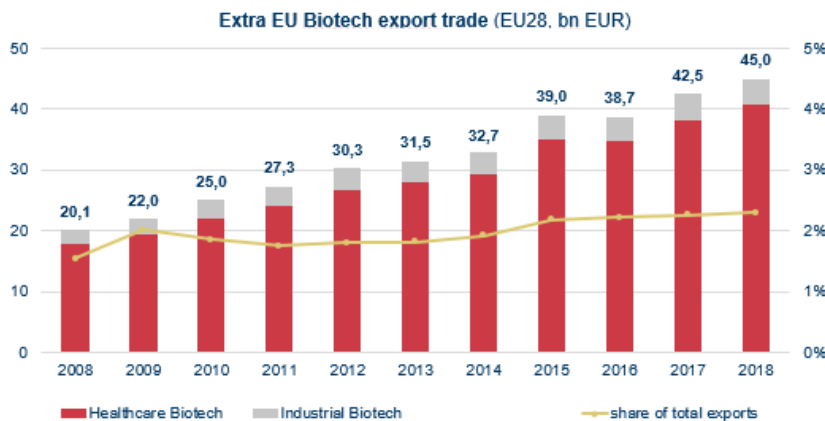
## 4. BIOTECHNOLOGY CONTRIBUTING TO GROWTH THROUGH R&D

The direct contribution to GDP from the biotechnology industry through internal research activities amounted to approx. €2.7 bn in 2018. This corresponds to an average annual growth rate of 4.5%, thus growing faster than the biotechnology industry as a whole (4.1%).



## 5. BIOTECHNOLOGY EXPORT GENERATING AN INCREASING TRADE SURPLUS

The globally integrated biotechnology industry has created a significant trade surplus for the EU in the last 10 years, that can be accelerated in the future through the right incentives and an open view to international trade value chains. Openness to global trade ensures prosperity in Europe. With a continuously increasing trade surplus, currently more than €22 bn, the European biotechnology industry makes an above-average contribution to the economy with the distribution of high-quality goods.



## A TRANSFORMATIVE BIOTECHNOLOGY INDUSTRY READY TO UNLEASH ITS FULL POTENTIAL FOR EUROPE'S GREEN AND DIGITAL TRANSITION

This economic footprint report provides significant evidence to support further development of the European biotechnology ecosystem. The recent health crisis has shown how innovation, cooperation and agility enabled the rapid development of life saving treatments and vaccines. Placing biotechnology at the centre of Europe's ambitious industrial strategy and recovery investments enables the anticipation, prevention and response for future health threats, delivering a healthy and prosperous Europe.

Biotechnology has the unique advantage to be applicable to a variety of processes in many sectors: from new drugs that can address unmet medical needs, fight epidemics and change paradigm in rare diseases, to industrial processes that use renewable feed-stocks instead of crude oil, to drought-resistant crops that allow farmers around the world to better feed more people under increasingly harsh climatic conditions. The applications for biotechnology are multiple and promise to address key challenges for global societies, including pandemic preparedness, health and well-being, global warming and destruction of biodiversity.

Biotechnology brings exceptional benefits and value propositions to European society and citizens. 'Measuring the Economic Footprint of the Biotechnology Industry in Europe' demonstrates that the biotechnology industry has all the assets of a transformative industry with above average growth, highly skilled jobs, constant increase in R&D activities, highly innovative products that extend lives and increase quality of life of European citizens. The biotechnology industry creates more efficient manufacturing processes, builds sustainable value chains, contributes to increasing European trade surpluses and designs the potential new solutions to the global challenges of our planet.

[For more details on the economic footprint of the biotechnology industry in Europe, please contact:](#)  
[Claire Skentelbery, Director-General, EuropaBio](#)  
[Bernard Grimm, Healthcare Biotech Director, EuropaBio](#)  
[Agnes Borg, Industrial Biotech Director, EuropaBio](#)