

Health Innovation for a Competitive and Resilient Europe

How innovation drives health and growth in Europe: Assessing the Return on Investment of innovative medicines

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Agenda

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About WifOR

About WifOR Institute

Worldwide presence

📍 In 4 locations: Germany (Berlin, Darmstadt, Leipzig), Greece (Athens), operating globally

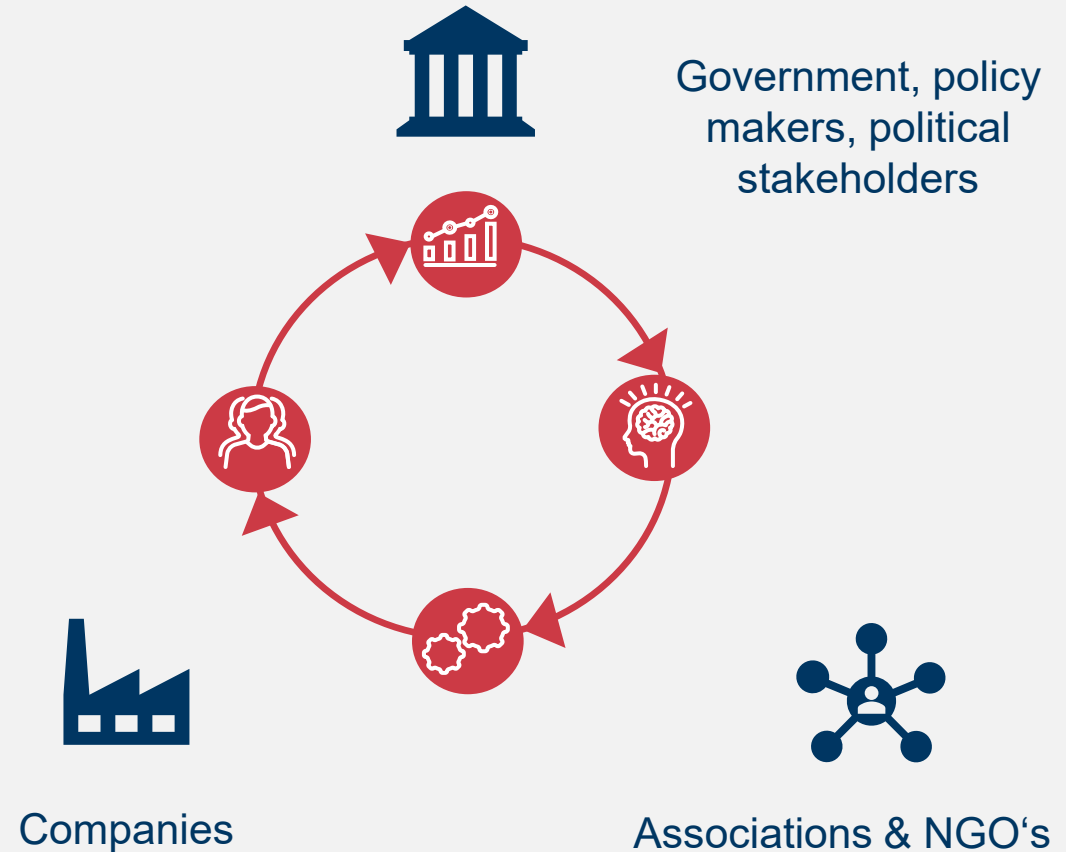
● Projects in 55 countries – global, regional, and national analyses



We help build a common understanding of impact and value contribution between stakeholders

WifOR data and insights:

- Create a fact and evidence-based macroeconomic foundation for all stakeholders
- Deliver new insights for strategic planning and business operations
- Embed public and private organizations in a new understanding of the Health Economy



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Paradigm Shift: Health as an Investment



WifOR is fostering a paradigm shift in health – from a cost factor to a driver for growth, wealth, innovation, and better health

PAST



Healthcare as a cost factor

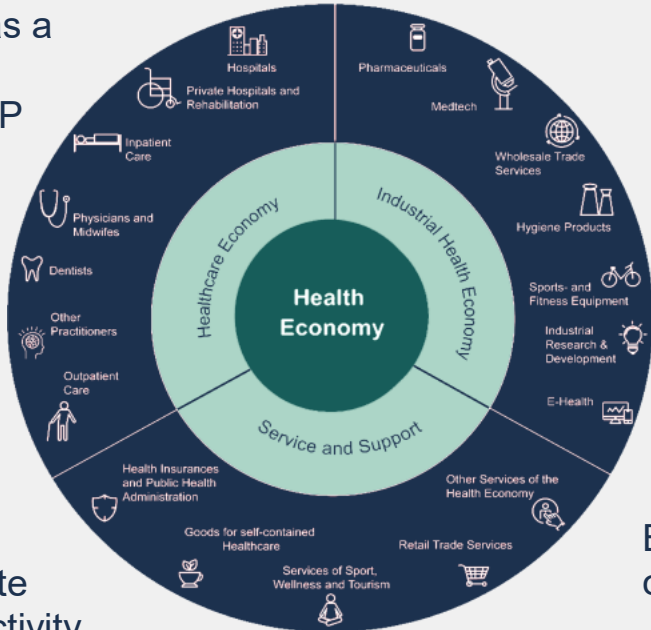
Separate silos and fragmentation |
Healthcare only | Input orientation |
Increasing health expenditures

STATUS QUO



The Health Economy as a driver for growth and employment

Health Economy as a diverse sector |
contribution to GDP
and employment



Growth sector |
increasing work
force | new career
opportunities

Investment
in health to promote
growth and productivity

Better quality | more
outcome oriented

Source: WifOR illustration, following Henke, Neumann, Schneider et al. (2010).



Yet, the European medicines ecosystem faces growing challenges in innovation, competitiveness, and patient access



The pharmaceutical industry generated **€311 billion in gross value added (GVA)** and supported **2.3 million jobs** across the EU-27 in 2022.



Europe's share of global pharmaceutical R&D investment declined from **41% in 2001 to 31% today**, while the R&D spending gap with the US widened from **€2 billion in 2002 to €25 billion today**.



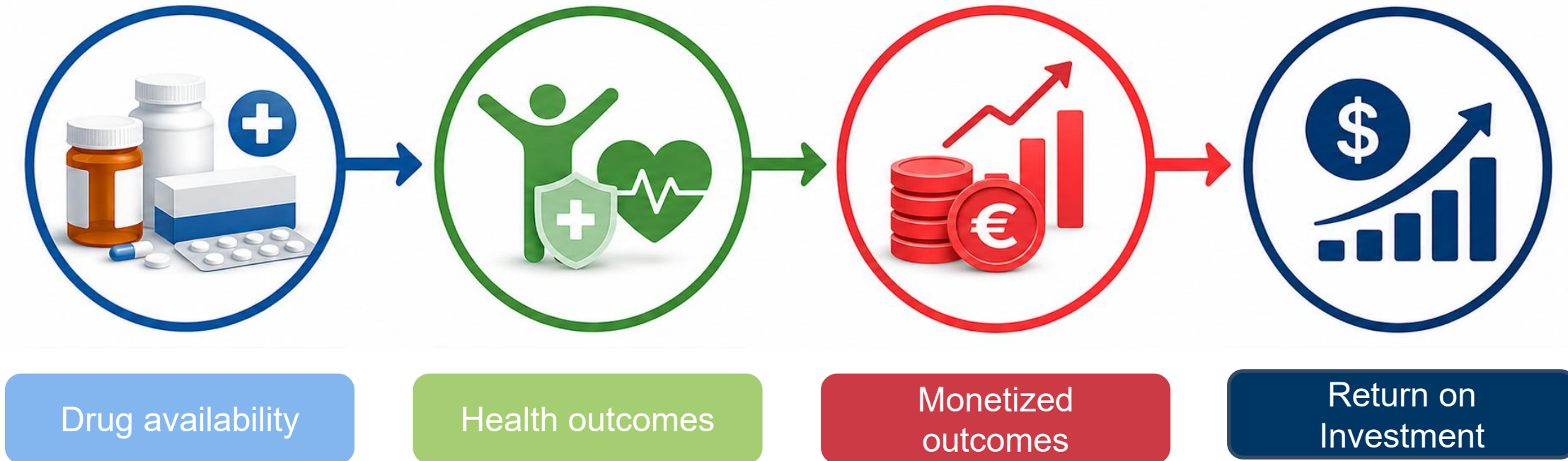
Patient access to innovative medicines is declining: **46% of centrally approved medicines** are available in the EU (down from **48% in 2019**), while **full reimbursement fell from 42% to 29%** over the same period.

Methodology of the Study:

“The impact of pharmaceutical innovation on mortality and hospital utilization in 29 European countries, 2014-2022”



The study evaluates the contribution of innovative medicines to European competitiveness and economic resilience



- **Medical innovation** drives R&D, advanced manufacturing, and resilience.
- **Lower disease burden** increases productivity and reduces healthcare system pressure.
- **Healthier societies** are more adaptable, inclusive, and economically strong.

Source: WifOR illustration

ROI: Return on Investment, R&D: Research and development

The scope of the study includes 29 European countries, three disease areas, and the years 2014 – 2022



Countries

- Austria
- Belgium
- Bulgaria
- Croatia
- Czechia
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Serbia
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- Türkiye
- United Kingdom



Oncology



**Metabolism/
Alimentary**



Respiratory

**STUDY PERIOD
2014 - 2022**

List of ATC first- level anatomical or pharmacological groups sold in scope

ATC 1st-level Groups

- A (alimentary tract and metabolism)
- L (antineoplastic and immunomodulating agents)
- R (respiratory system)

ICD-10 Disease(s)

- Endocrine, nutritional and metabolic diseases (E00-E90) and diseases of the digestive system (K00-K93)
- Malignant neoplasms (C00-C97)
- Diseases of the respiratory system (J00-J99)

Defining innovation: Drug vintage



The drug ‘vintage’ is the year when the drug received approval by the **FDA**.



A **higher** vintage year reflects a shift toward more recently approved chemical entities.



Utilization-weighted mean vintage is the year of FDA approval that is weighted for the **quantity of all units sold** in the market.



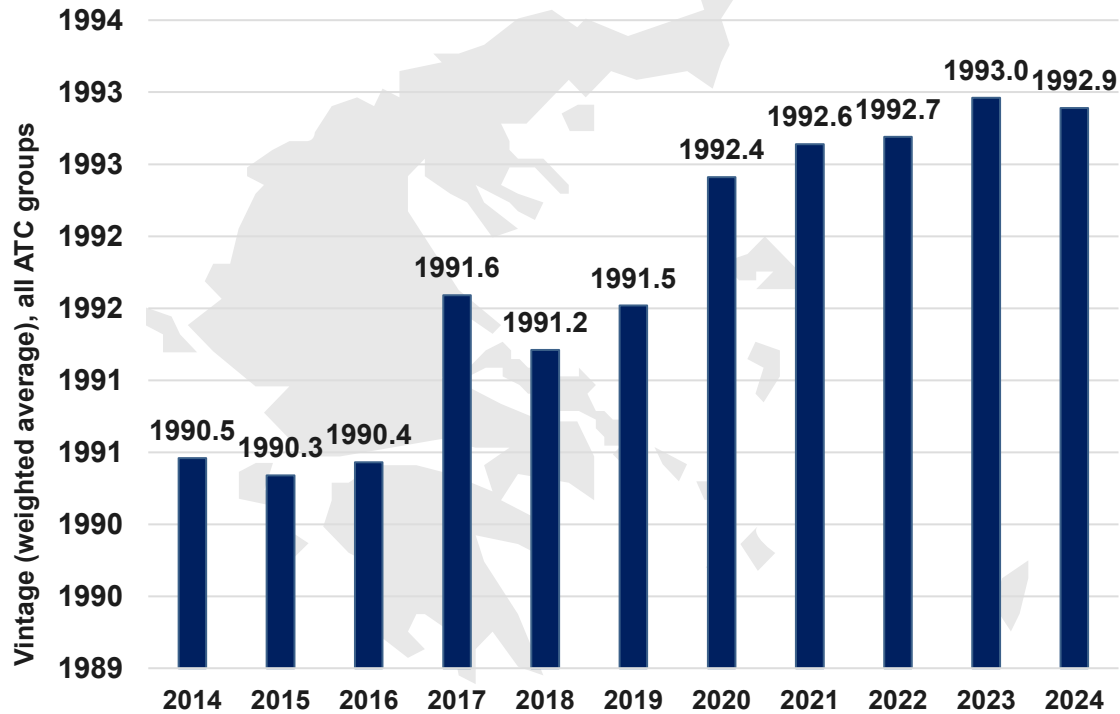
Drug vintage is presented as a weighted average of the FDA approval years **of all substances in all ATC groups**.

**Medical Innovation as a Driver of
European Economic Growth:
Study Findings for Greece**



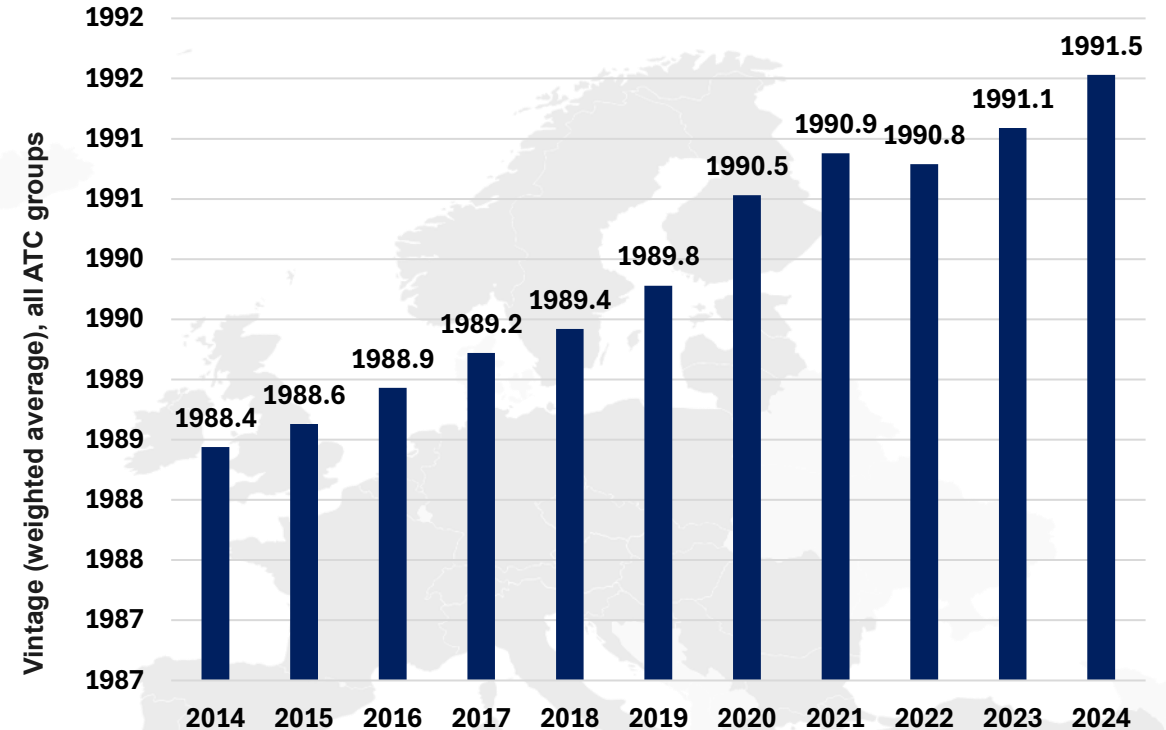
On Average, How Old Are Marketed Drugs Between 2014 and 2024 in Greece compared to the European average?

VINTAGE INCREASE (GREECE)



2.4 years utilization-weighted mean vintage since 2014

VINTAGE INCREASE (ALL COUNTRIES)



3.1 years utilization-weighted mean vintage since 2014

Sources: WifOR 2026, IQVIA data-on-file



Newer medicines contribute to fewer hospital stays and longer lives in Greece



In 2024, medicines were, on average,
+2.4 years
newer than in 2014



25.6 Thousand years

of life lost avoided, equivalent to preserving the full lifespans of **313 people** in Greece.

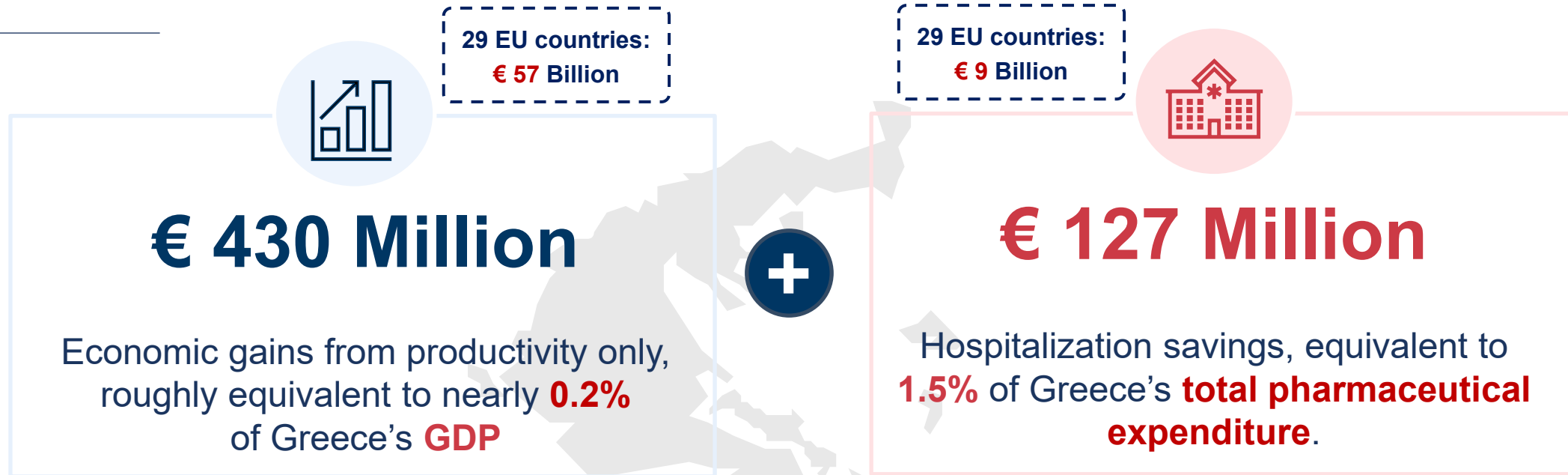
29 EU countries: **1.83**
Million years of life
lost avoided

252.4 Thousand

less hospital days, equivalent to freeing up **691 hospital beds** for a full year - **more than 70%** of Athens General Hospital 'Evaggelismos' total bed capacity.

29 EU countries: **20.9**
Million less hospital
days

Investing in innovation generates returns for **the Greek society**



The investment behind these returns:



Note: Rounded monetized (€) values

Sources: WifOR 2026; <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=GR>; https://iobe.gr/wp-content/uploads/2026/01/RES_05_A_25092025_REP_EN.pdf

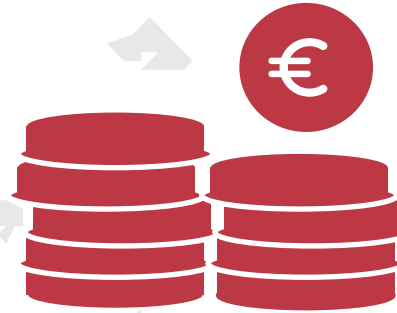
The impact of pharmaceutical innovation on mortality and hospital utilization in 29 European countries, 2014-2022

Every €1 invested generates €5.98 in societal and economic value in Greece

INVESTMENT € 1



RETURN € 5.98

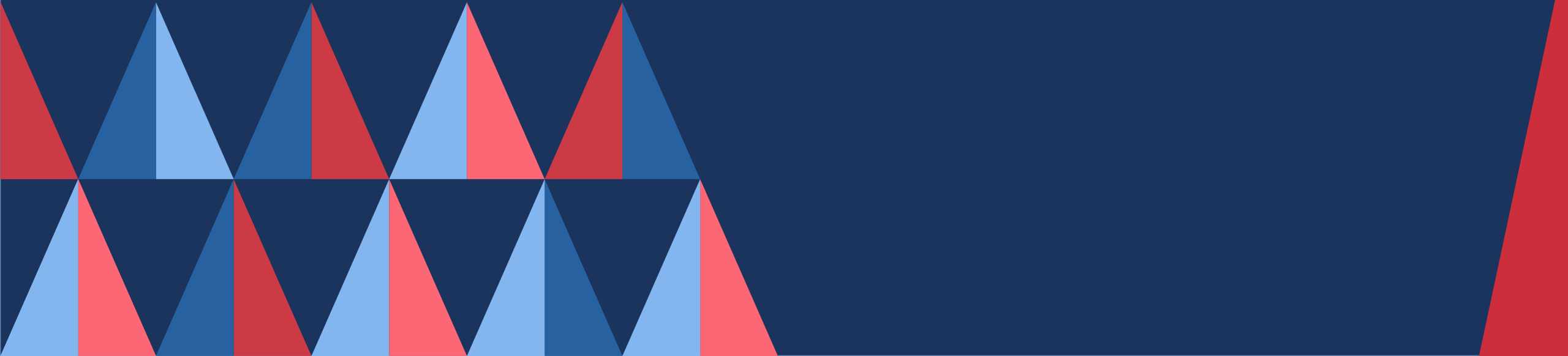


**5.98 X RETURN
ON
INVESTMENT**

29 EU countries:
**5.67 X RETURN
ON
INVESTMENT**

5

From Evidence to Action



Unlocking the full value of pharmaceutical innovation: *Three priorities for a healthier, more competitive and resilient Europe*



1. Recognize pharmaceutical innovation as an economic investment, not just a cost

Returns on innovative medicines are high and likely understated, policy frameworks should reflect the full economic value of innovation, including productivity gains and reduced healthcare burden.



2. Ensure timely and equitable patient access to innovative medicines across Europe

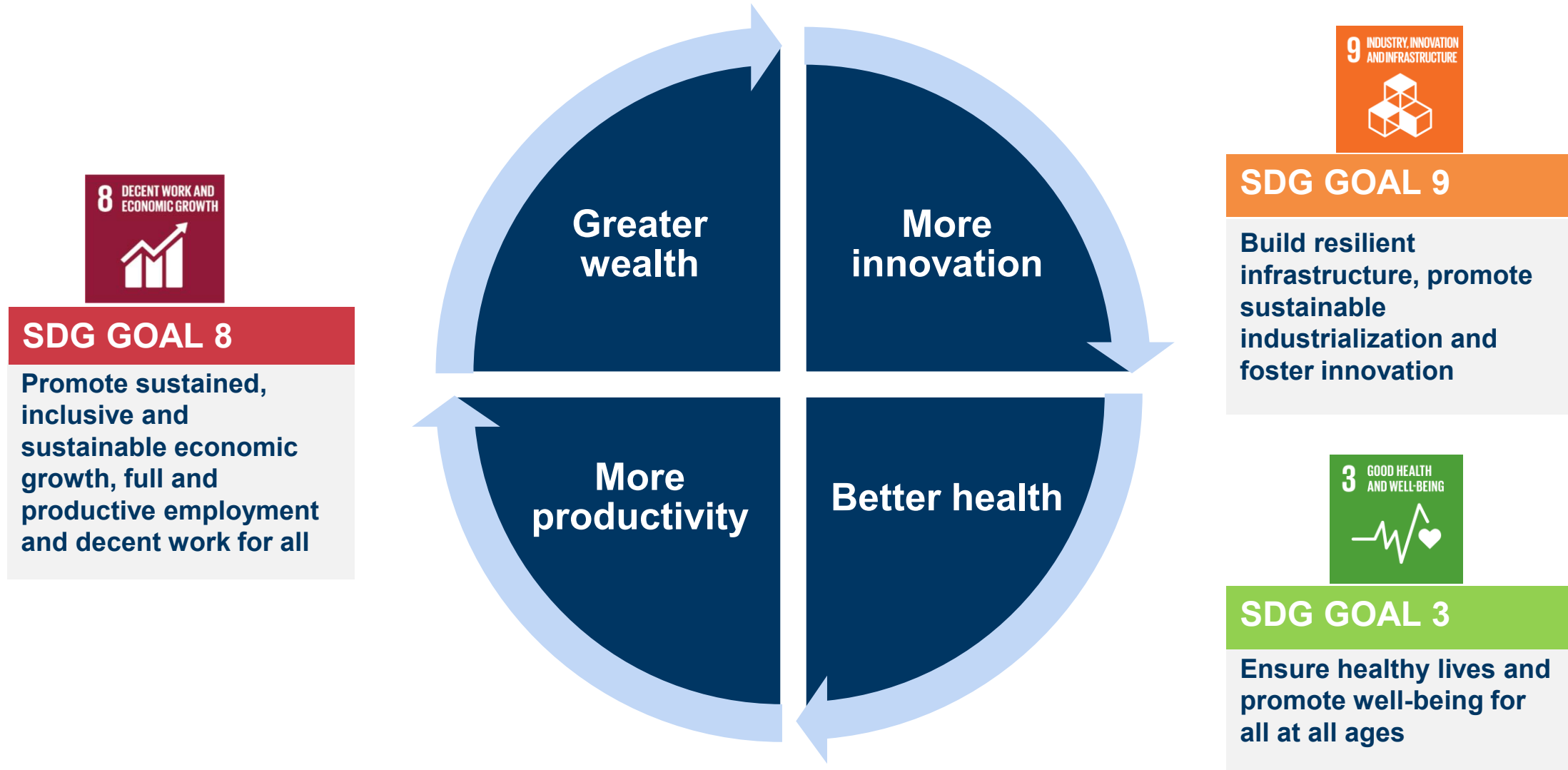
Delays in access translate directly into avoidable health losses and foregone economic returns. Streamlining approval, reimbursement, and uptake pathways must be a shared priority across member states.



3. Strengthen Europe's life sciences ecosystem through coordinated policy action

The geopolitical and regulatory environment risks making Europe less competitive as a destination for pharma investment. Member states and EU institutions must treat innovation, access, and competitiveness as interconnected, not siloed, policy agendas.

Health investments create a positive feedback loop



Source: WifOR illustration. Sustainable Development Goals (UN).

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