

THE IMPACT OF GLOBAL INSTABILITY

With the world facing economic and political turmoil, not to mention soaring energy prices, the pharmaceutical industry is – in contrast to usual – feeling negative effects as much as other sectors. From R&D operations to manufacturing efforts, this infographic examines how the pharma sector is being affected by current global instability

THE COST OF R&D IS RISING RAPIDLY

The problem

Cost of R&D rising in line with rocketing energy prices

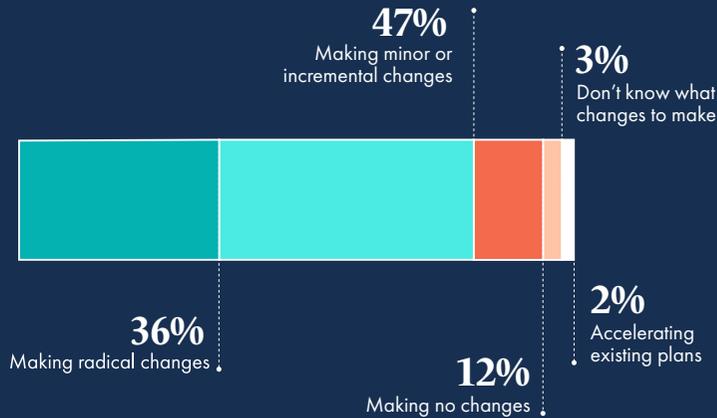


77% of pharma companies expect to be affected by rising energy costs

72% is the average for all other sectors

The response

Companies are taking varying degrees of action



The solutions

Companies are choosing different methods to tackle the issue



Despite this, 36% of pharmaceutical firms are expecting to spend more on R&D in 2023

Source: Ayrning, 2022

DECLINE IN CLINICAL TRIALS IN UKRAINE AND RUSSIA

January 2022

October 2022



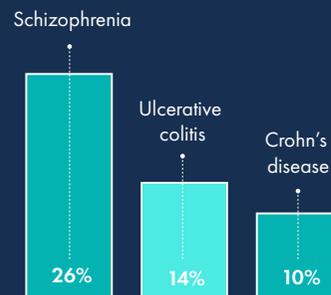
Clinical trial recruiting sites in Ukraine have fallen by 48%



Clinical trial recruiting sites in Russia have fallen by 52%



Main diseases affected by the decline:



% = percentage of trials that take place in Ukraine and Russia

Poland has filled some of the gaps in clinical development caused by the war by increasing the number of its recruiting investigator sites by 10%

Source: PHESI, 2022

FINANCIAL SQUEEZE ON GENERICS MANUFACTURERS



For the last 10 years, off-patent medicines have represented 70% of dispensed medicines in the European Union

However, companies have been contending with:



This has been exacerbated by the COVID-19 crisis and the war in Ukraine as raw material costs have increased by between:



This is a huge issue for generics manufacturers as they can't pass higher costs onto customers as they risk losing them to cheaper brands

Source: EURACTIV, 2022