



# **The Future of Biotech: The Role of Legislation on Investment for Innovation**

**Recommendations, 24 September 2024**

**#EBW2024**

## **The Future of Biotech: The Role of Legislation on Investment for Innovation – Recommendations (24 September 2024)**

On 24 September 2024, to celebrate the start of European Biotech Week, EuropaBio brought together experts from across the biotech ecosystem and the European institutions to discuss the critical intersection of legislation and investment into innovation within the biotech industries. In the aftermath of the release of the Draghi Report and with clear political support for European leadership in biotech, including an EU Biotech Act for 2025, ensuring EU legislation becomes a key enabler of investment for innovation will be essential to the EU's global competitiveness and strategic open autonomy.

The biotech industries are innovation intensive sectors, requiring significant investment into R&D, scale-up, manufacturing, people, and market access. Significant investments, both public and private, and a supportive legislative framework are critical to a globally competitive biotech ecosystem.

During the panel, experts underlined that the EU had grown more complex over the years. European legislation plays a key role here with a growing fragmentation across legislations, decreasing coherence and predictability while increasing burden and costs of investing into the EU. With a new European institutional cycle and a global biotech race underway, EU legislations must become enablers of global biotech leadership across value chains and sectors.

### **From Fragmentation to Cohesion – Strengthening our European Model**

During the panel, experts underlined that the EU's diversity could be its greatest strength if it used legislation to improve coordination between Member States. Experts noted that rather than look to copy other economic systems, such as the USA or China, they should improve coordination, cooperation, and cohesion within and across the EU. Biotechnologies are regulated and impacted by many legislations – from the General Pharmaceutical Legislation to the General Food Law – and from many levels of governance – from regional to European and global. The EU's current fragmentation is decreasing its attractiveness for investments into biotech innovation here. EU legislation can address fragmentation and improve coordination and reduce complexity to become faster and simpler for biotech innovators.

### **Building European Strategic Partnerships**

Experts agreed that a key strength of the EU was public private partnerships, such



as the Circular Bio-based Europe Joint Undertaking and the Innovative Health Initiative. Such partnerships can be reinforced and used to align strategic priorities between the public and private sectors, including the EU and Member States. Public-private collaboration is essential to align fundings and create a European effort to support innovators. EU and national fundings are essential not only to biotech SMEs growth in Europe, but also larger companies looking to contribute to the EU strategic objectives. EU public-private partnerships, including Joint Undertakings and Important Projects of Common European Interest (IPCEI), can be used to unleash EU public and private financing to support the development and deployment of next generation of innovation for economic and societal growth.

### **Enhancing and de-risking finance for innovation and growth**

Biotech innovation is highly risky with long timeframes for delivery and deployment, often taking decades. Experts agreed that legislation plays a key role in de-risking investments into innovation by providing the necessary predictability for returns on investment. A predictable and simple legislative framework is essential for all innovators. Whether they are small companies working to translate breakthrough science into products that can change lives or larger companies looking to deliver significant investment, such as new R&D or manufacturing sites. EU legislation should be used to de-risk investments but also reward innovation and risk-taking by providing appropriate incentives, protecting intellectual property, and make the market easier to create a virtuous ecosystem.

### **A Prosperous and Talented EU**

Experts underlined that, as well as being capital intensive, biotech innovation requires the availability of highly innovative and skilled people to support the competitiveness of the ecosystem. A key challenge faced by the EU is the loss of talent as companies relocate to other regions to scale up and the lack of an adequately skilled workforce. EU legislation can support the retention and development of an innovative and skilled workforce, including attracting global talent, thus contributing to the sustainability of the EU social model.

### **Recognising the Value of Biotech Innovation**

During the discussions, experts underlined the need to improve recognition for biotechnology innovation and its value for society. Biotechnologies are important contributors to sustainable competitiveness, economic security, open strategic autonomy. Lack of awareness and visibility of biotechnology applications – and in some cases misinformation – is hindering the uptake and deployment of biotech innovation. EU legislation can play a key role in recognising the value of biotech innovation for a healthier planet and people.



## Meet the panelists of the Webinar



**Marica Nobile**  
Federchimica



**Hans Ingels**  
DG GROW



**Yordan Aleksandrov**  
Pfizer



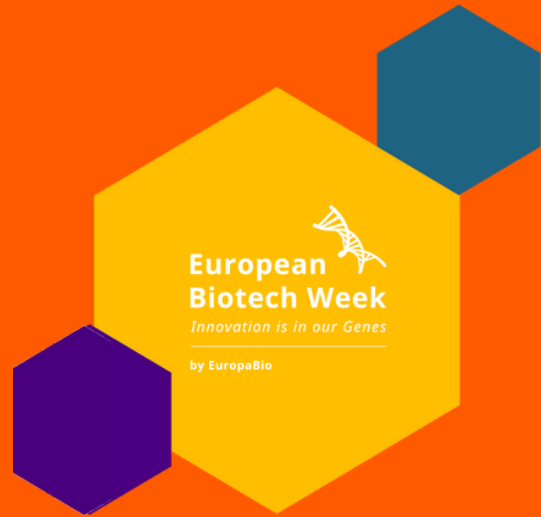
**Nicoló Giacomuzzi-Moore**  
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**Anna Handschuh**  
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**Katrien Swers**  
Kurma Partners



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