The Dutch life sciences sector in context

Global Benchmark Life Science and Health business climate (2026)

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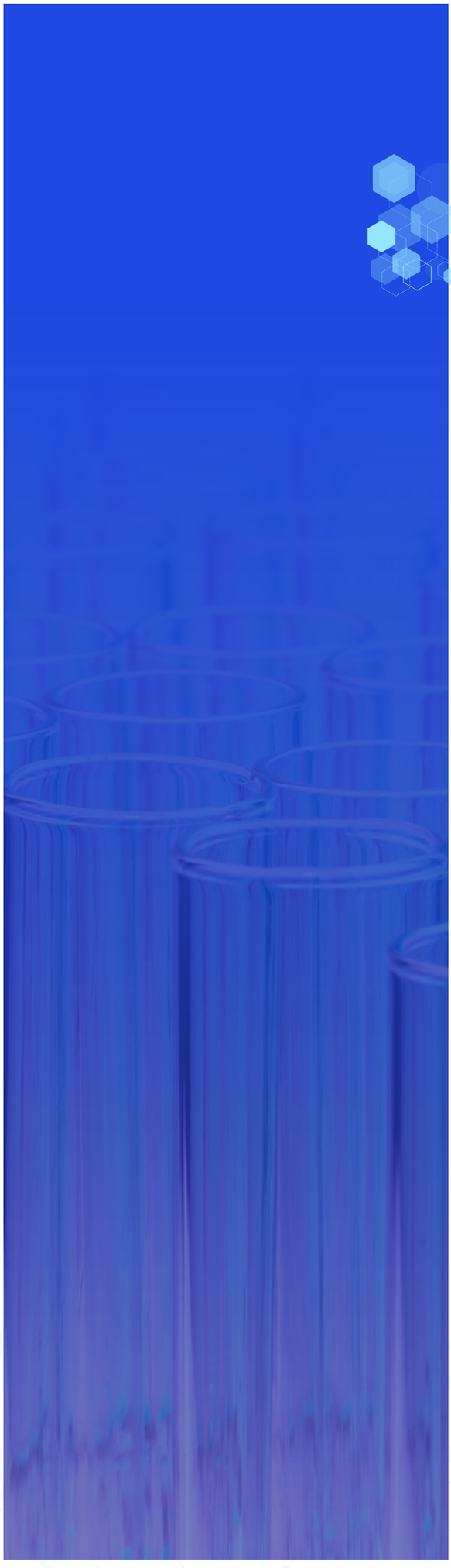

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Foreword

The Netherlands has held on to sixth place in the 2026 benchmark of 32 countries, but standing still is becoming harder in a world that is moving faster.

The more important question is whether the factors that secured that position in the past will be sufficient to maintain it in the future. Strong research institutions, skilled talent, advanced logistics and a mature innovation ecosystem continue to provide the Netherlands with a solid foundation. Yet competitive advantage is increasingly determined by a different set of factors. Geopolitical developments, market access conditions, regulatory execution and the ability to scale innovation are playing a growing role in shaping investment decisions across the global life sciences sector. This report therefore does not treat the Netherlands' sixth-place ranking as reassurance, but as a starting point for a more forward-looking discussion. The central question is whether the Netherlands can convert its accumulated strengths into future competitiveness in a global environment where countries are moving faster, acting more strategically and competing more deliberately for life sciences investment.

What distinguishes the 2026 edition from earlier ones is the international context in which these pressures are unfolding. The rules-based global order that once provided a relatively stable backdrop for trade, investment, and regulatory cooperation is under strain. Rising geopolitical fragmentation, economic nationalism, and more assertive industrial policy are reshaping where life sciences companies allocate capital, talent, and pipelines. Simultaneously, China has consolidated its position as a peer competitor, not only in scale but increasingly in speed, execution, and innovation output. This raises the competitive threshold for both Europe and the Netherlands.

The Netherlands occupies a somewhat mixed position throughout this report. The country remains an attractive place for innovation, but its role as a commercial market is less compelling. Low pharmaceutical spending, strict pricing policies, and complex access pathways limit its appeal, and this becomes more pronounced as international pricing dynamics grow more interconnected. In MedTech, a similar imbalance appears in a different way. The Netherlands combines strong research capacity, clinical expertise, digital maturity, logistics and engineering capabilities. However, this asset base is not yet matched by equally effective pathways for adoption and scaling within the healthcare system. The underlying issue is one of alignment. Scientific and industrial capabilities remain strong, but they are not fully matched by predictable and investment-relevant market conditions. Without addressing this gap, there is a growing risk that current performance reflects advantages built up in the past rather than a position that can be sustained going forward.

This publication offers both a snapshot of the Netherlands' current standing and a framework for assessing what may lie ahead. The life sciences sector already contributes significantly to economic activity, innovation, and public health — yet there remains a substantial gap between its potential and its current contribution. Closing that gap calls for a coherent and forward-looking national strategy that treats health and life sciences as a strategic investment in economic resilience, productivity, and long-term prosperity: safeguarding regulatory predictability, strengthening public and private R&D investment, fully leveraging digital and data infrastructure, and adopting an ecosystem approach.

Health is a driver of growth, innovation, and societal well-being, rather than merely a cost to be minimized. In an ageing society with rising demand for care, failure to invest in prevention, innovation, and system resilience will ultimately undermine both economic and social outcomes. The Netherlands has many of the ingredients to remain a leading life sciences location, but only if it acts with urgency and coordinated ambition.

Executive summary | Competing for life sciences investment in a rapidly changing global landscape

The global race for life sciences investment is entering a new phase. Governments are becoming more interventionist, geopolitical considerations are carrying greater weight, and competition for innovation is intensifying. Yet the Netherlands appears remarkably stable, retaining sixth place out of 32 countries in the 2026 AmCham Life Sciences & Health Benchmark. That stability is both reassuring and misleading. It reflects strengths accumulated over decades through sustained investment in science, talent, infrastructure and innovation, but may not fully capture how rapidly the environment for future investment is changing.

The central message of the 2026 benchmark is that the Netherlands remains strong upstream but faces increasing pressure in translating this strength into downstream ecosystem outcomes. Its scientific, clinical, logistical and digital foundations continue to support research, development and early-stage innovation. Yet these strengths are not consistently converted into market access, adoption, commercialization, clinical trial activity, scale-up and long-term investment. This upstream-downstream gap runs through the benchmark results, the qualitative stakeholder insights, and the strategic priorities set out in this report.

This edition of the benchmark appears at a moment in time when the Netherlands is explicitly reframing competitiveness as a strategic national priority. The coalition agreement for 2026–2030 states that the government will actively steer towards 1.5% structural economic growth, explicitly in line with the Wennink report (*De route naar toekomstige welvaart, December 2025*). The report shows that sustaining public services and long-term prosperity requires sustained growth and changes in both investment levels and enabling conditions. It highlights that a substantial pipeline of investment opportunities already exists, but that the primary challenge lies in realization rather than identification, requiring improvements in scale, execution speed, and the removal of structural bottlenecks. In parallel, the coalition agreement sets out a focused ecosystem approach, in which life sciences, including pharmaceuticals, medical technology (MedTech), and biotechnology, are designated as one of four priority domains, with the ambition to build technological niche positions within these areas.

Shifting global context: geopolitics, pricing and strategic risk

The global life sciences ecosystem now operates within a more fragmented international order. While multilateral governance frameworks remain formally in place, their practical influence is diminishing as national strategic priorities, bilateral arrangements and industrial policy tools take precedence. Supply-chain fragility and strategic competition are pushing governments to onshore manufacturing, secure critical materials, and implement trade barriers and protectionist measures. For capital-intensive and globally integrated sectors such as pharmaceuticals, biotechnology, and MedTech, this shift materially alters risk assessments and location choices.

The evolving role of the United States (US) and its strategic repositioning is central to this change. A more explicit US industrial policy—combining reshoring incentives, active use of tariffs and direct intervention in pharmaceutical pricing—has reduced predictability across global value chains. What initially appeared as temporary disruption has become a persistent strategic variable, shortening planning horizons for manufacturing footprints, supplier networks and clinical development. Even where life sciences were initially excluded, threatened and implemented tariffs on pharmaceutical and MedTech inputs have increased cost exposure for globally operating companies, with implications for European exporters closely linked to the US market.

As highlighted by former Philips CEO Frans van Houten, this has exposed the limitations of previously optimized global manufacturing footprints. (1) He notes that Philips had reduced its US manufacturing presence based on the assumption that products could be efficiently exported from Europe and Asia, an approach he now describes as a "mistake" in a more fragmented global landscape. As access to the US market increasingly depends on local production, decisions to concentrate manufacturing in Europe or Asia are being reconsidered, reinforcing the need for regional footprints. (1)

Most-Favored-Nation (MFN) drug pricing adds a second layer of pressure. By explicitly linking US reimbursement levels to prices in selected peer countries, MFN pricing increases interdependence between national pricing decisions, decisions on whether and when to launch products, and patient access across markets. This is particularly relevant for smaller or lower-priced European markets, where pricing outcomes may have consequences beyond the domestic market.

Taken together, tariffs and MFN pricing are reinforcing a shift in investment behavior. Companies are increasingly concentrating activity in markets that offer sufficient market size, stable policy environments, and shorter lead times, while reassessing or delaying exposure to more price-sensitive and procedurally complex jurisdictions. These dynamics affect all countries competing for life sciences investment, but are particularly consequential for Europe, where fragmented regulation and heterogeneous market access frameworks already limit effective scale.

China is also changing the competitive reference frame. It is no longer competing primarily on cost or manufacturing scale, but increasingly on speed, execution, innovation output and dealmaking. China's rise from 14th place in 2025 to 10th place in 2026 is partly affected by methodological updates of this benchmark, including the addition of clinical trials and universal healthcare coverage, but the broader trend is still important. China is becoming a more credible peer ecosystem for innovation, clinical development and global partnerships, raising the competitive threshold for both Europe and the Netherlands.

Benchmark results: a solid but increasingly contested Dutch position

The benchmark assesses 32 countries across six domains and 30 KPIs, enabling comparison over time and across jurisdictions. The 2026 edition introduces two additional KPIs—universal healthcare coverage and clinical trials—strengthening insight into health-system fundamentals and the Netherlands' role in clinical research.

The benchmark confirms that the Netherlands retains a strong competitive base, but the domain-level direction of travel is uneven. The overall ranking remains stable at sixth place, supported by continued strength in areas such as infrastructure, economic factors and labor market conditions. However, talent and education declined from third to fifth place, and market access and potential fell from fourth to sixth. Looking at the underlying KPIs helps explain this nuance. The Netherlands continues to perform well on digital and logistics infrastructure, productivity, waste management, corruption control, research density, R&D presence and broader competitiveness.

At the same time, several indicators relevant to future investment and scale are under pressure: clinical trial activity has weakened compared with peers, private R&D investment remains relatively low, and both medicinal product exports and electricity cost competitiveness have deteriorated compared with last year.

The overall country ranking highlights both consolidation at the top and rapid movement just below. The US retains its leading position, while Switzerland, Sweden, Denmark, Germany and the Netherlands continue to form the upper tier. The clearest move just below that group is China's rise from 14th place in 2025 to 10th place in 2026. This shift places China ahead of several traditional European leaders and reflects sustained investment across innovation, clinical development and execution capabilities rather than short-term fluctuations. This reinforces the need to look beyond the static ranking and assess whether the Netherlands' position is matched by sufficient forward momentum.

Table 1: Results for the Netherlands by domain

Domain	Ranking The Netherlands (score 1 is high, score 32 is low)[1]		
	2025	2026	Difference
Economic factors	8	8	0
Labor market	8	8	0
Governance	29	28	+1
Talent and education	3	5	-2
Infrastructure	3	3	0
Market access and potential	4	6	-2
Overall ranking:	**6th**	**6th**	

[1]This publication examines only the impact on the business climate; in doing so, we are aware that something that has a negative impact on the business climate may have other positive effects. The ranking is based on the 32 countries included and therefore does not reflect the global index and ranking for the relevant KPI.

Table 2: Total country ranking based on benchmark results[2]

	Ranking	
Country	**2026**	**2025**
United States	1	1
Switzerland	2	2
Denmark	3	4
Germany	4	5
Sweden	5	3
Netherlands	6	6
Belgium	7	7
Finland	8	10
United Kingdom	9	9
China	10	14
Norway	11	8
Austria	12	13
France	13	11
Ireland	14	12
Spain	15	15
Italy	16	16
Slovenia	17	17
Czech Republic	18	18
Poland	19	21
Luxembourg	20	23
Portugal	21	19
Hungary	22	28
Lithuania	23	20
Latvia	24	29
Estonia	25	26
Bulgaria	26	27
Cyprus	27	21
Malta	28	25
Croatia	29	23
Greece	30	30
Romania	31	31
Slovak Republic	32	32

[2]Note: In cases where countries have identical aggregate scores, they are assigned the same rank.

A closer look at China's rise

China's rise in the rankings is partly driven by the inclusion of two new indicators—clinical trials and WHO Universal Health Coverage—introduced to better capture healthcare affordability, access, and R&D intensity. China ranks highly on these measures, achieving a top 10 position on both, which has significantly lifted its overall score. Beyond these additions, China also scores highly across a wider set of KPIs. It ranks in the top five for GDP growth, presence of R&D facilities, private R&D investment, decarbonization policy, data regulation, energy costs, and presence of headquarters. Compared with last year, its most striking improvements are observed in digital infrastructure, GDP growth and healthcare expenditure. As a result, its overall ranking has increased notably. However, this improvement should be interpreted with caution, as the updated KPI set limits direct comparability with last year's results. That said, China's upward trajectory remains noteworthy. As one stakeholder, a market access expert, observed, "that trend is only going to accelerate over the next 5 to 10 years."

A structural duality in the Dutch life sciences ecosystem

Our benchmark and qualitative analysis show that the Dutch life sciences landscape remains strong, but uneven. The Netherlands continues to be attractive for research, early-stage innovation and clinical collaboration. The main challenges emerge later in the value chain, though they differ by segment: for pharmaceuticals, they are most visible in market access and commercial attractiveness; for MedTech, in adoption and scale-up.

In pharmaceuticals, this is reflected in both access outcomes and clinical trial activity. Overall medicine availability in the Netherlands stands at 54%, above the EU27 average of 45%, but still trails approximately seven EU member states. More importantly, access is weaker in strategically relevant therapeutic areas. For oncology medicines, availability is around 39%, below the EU average of approximately 48–51%, with 17 EU member states reporting higher availability rates than the Netherlands. For orphan drugs, availability also stands at 39%, compared with an EU average of around 43%, with 13 EU member states performing better.

Timelines reinforce this picture. Under the EU Transparency Directive (89/105/EEC), Member States are required to make pricing and reimbursement decisions within a maximum of 180 days after a marketing authorization application has been submitted – though this is a procedural clock that pauses when applicants are asked for further information and understates actual calendar time. In practice, lengthy health technology assessment (HTA) and reimbursement processes contribute to longer access timelines. EFPIA data show that the Netherlands' average time from marketing authorization to patient availability is approximately 493 days for all products, placing it around the European mid-range, with 11 EU member states demonstrating faster access timelines.

These access dynamics are no longer only a domestic market-access issue. As previously referenced, MFN-related pricing dynamics are increasing the strategic weight of national pricing and reimbursement decisions. For the Netherlands, this exposure is direct: while it is excluded from the Generous MFN variant, it remains embedded within GLOBE and GUARD. As US pricing becomes more closely linked to international reference markets, Dutch pricing and access conditions carry greater weight in global launch and investment decisions. In this context, pricing and access conditions increasingly shape not only whether patients can access innovations domestically, but also how attractive the Netherlands is as a market for future launches and investment.

Moreover, clinical trial activity has weakened markedly, with commercial clinical studies in the Netherlands declining from 660 in 2021 to 354 in 2025, a decrease of 46%. On a population-adjusted basis, this represents a decline from 37.8 to 19.6 commercial studies per million inhabitants. Stakeholders emphasize that clinical trial placement increasingly follows commercial strategy: where future access is uncertain or delayed, the incentive to conduct late-stage trials locally weakens.

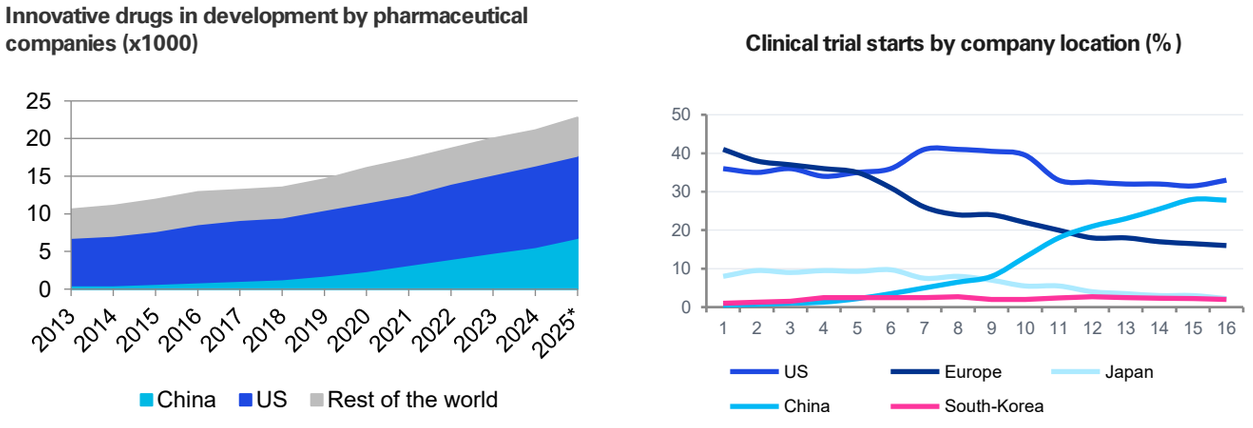
[3]GLOBE and GUARD are proposed mandatory IRP frameworks for U.S. Medicare. Both rely on a basket of 19 OECD countries (Australia, Austria, Belgium, Canada, Czech Republic, Denmark, France, Germany, Ireland, Israel, Italy, Japan, the Netherlands, Norway, South Korea, Spain, Sweden, Switzerland, and the United Kingdom) for MFN price benchmarking. GENEROUS is a voluntary framework in which MFN prices are based on the manufacturer reported second lowest net price across a smaller set of eight countries (Canada, Denmark, France, Germany, Italy, Japan, Switzerland, and the United Kingdom).

Stakeholder interviews suggest that access conditions may also affect trial feasibility in specific cases. International studies often require comparator arms that reflect current standards of care across participating markets. Where innovative therapies are not yet reimbursed or routinely available in the Dutch setting, relevant comparator treatments may be less straightforward to use locally. This can complicate the inclusion of the Netherlands in certain multi-country trials, particularly where protocol design depends on consistency in the control arm across jurisdictions.

For MedTech, the constraint is different. Implementation of the Medical Devices Regulation (MDR) and In Vitro Diagnostic Medical Devices Regulation (IVDR) has increased evidence and documentation requirements, with 51 Notified Bodies designated under the MDR and certification timelines averaging around 20 to 22 months per device. In the Netherlands, this is compounded by fragmented clinical data infrastructure and procurement practices that still tend to emphasize price and volume over clinical outcomes, and additional national implementation requirements that can add complexity on top of EU frameworks. As a result, the Netherlands is not yet fully positioned as a launch, validation and scale-up environment for MedTech innovation.

The distinction between pharmaceuticals and MedTech is important, because the binding constraint sits at a different point in the value chain. In pharmaceuticals, the pressure point is downstream and commercial: pricing and reimbursement determine whether an approved medicine reaches patients and earns a return, and so shape launch, trial and investment decisions. In MedTech, approval has become more demanding under MDR and IVDR, but the deeper constraint is adoption and scale-up: even a validated, certified device struggles to enter routine use where procurement rewards price over outcomes, real-world evidence is fragmented, and financing does not reward longer-term system gains. In both cases, however, the underlying issue is the same: strong upstream capability is not matched by a predictable, investable downstream pathway.

Figure 1: Global drug development and clinical trial activity by region



Source: The Economist (2026), based on data from Citeline, IQVIA. (2)

Europe

Although this report focuses on the Netherlands, Dutch competitiveness cannot be assessed in isolation. Life sciences companies compare investment locations across regional and global portfolios, and the Netherlands is part of a broader European proposition that is increasingly being tested against the United States and China. The Europe bloc is therefore included to show whether Europe, as the Netherlands' immediate competitive and regulatory context, offers the scale, predictability, infrastructure, and market conditions needed to compete globally.

The results show that Europe occupies an intermediate position: stronger than China on talent and labor market fundamentals, but weaker than the United States on scale, and commercial attractiveness. At the same time, China's improving position illustrates how quickly the competitive reference frame has shifted, and how quickly it may continue to evolve.

This has direct implications for the Netherlands. Some constraints are national, including access timelines, infrastructure bottlenecks, procurement dynamics and clinical trial decline. Others are European by nature, including regulatory fragmentation, limited cross-border scale, uneven implementation of EU legislation and weaker capital markets compared with the US. National reforms are therefore necessary, but not sufficient: the Netherlands' ability to compete for life sciences investment also depends on a stronger and more coherent European proposition.

Table 3: Comparative performance across domains for Europe, the US and China

Domain	US	Europe	China
Economic factors	1	3	2
Labor market	2	1	3
Governance	2	3	1
Talent and education	2	1	3
Infrastructure	2	3	1
Market access and potential	1	2	3
Overall ranking:	**1**	**2**	**3**

Strategic implications: competitiveness under geopolitical pressure

The benchmark points to four priorities. Together, they focus on improving the conditions that determine whether Dutch life sciences strengths can translate into sustained competitiveness, investment and patient impact.

Treat infrastructure as a binding competitiveness constraint, not a background condition

Energy costs, grid capacity and permitting speed now directly determine whether life-sciences investments materialize. Grid access for manufacturing, biomanufacturing and data-intensive R&D should be prioritized, with fast-track connections for strategic projects. Permitting speed requires a similar level of focus, but the bottleneck is often not administrative capacity alone. Delays frequently reflect misalignment between national, provincial and municipal authorities, with each layer attaching its own conditions to a single project. Addressing this requires coordination mechanisms that align requirements across government layers before they reach the investor.

Moreover, stabilizing energy costs for capital-intensive facilities is essential to ensure the Netherlands remains a viable location for scale-up and production. Health data infrastructure should also be treated as part of the competitiveness agenda, since fragmented and poorly accessible data limits the Netherlands' ability to track ecosystem trends, support evidence-based policymaking, and enable data reuse across the life sciences ecosystem.

Restore predictability by reducing regulatory fragmentation and execution risk

The core challenge is not the level of regulatory ambition, but the predictability of execution. Lengthy and variable HTA, MDR, pricing and reimbursement processes introduce uncertainty that directly affects the attractiveness of the market in global decision-making. This uncertainty influences launch sequencing, R&D and portfolio allocation, manufacturing and supply decisions, and ultimately health system outcomes. The Netherlands should therefore focus on stronger execution capacity, clearer timelines, proportionate implementation of EU legislation and better coordination across institutions.

Predictability also requires a longer-term policy and budgetary lens. Life sciences investment cycles often span more than a decade, while public decision-making still tends to weigh immediate expenditure more visibly than future health, fiscal and productivity benefits. Embedding multi-year assessment frameworks, that recognize credible future savings and system value, would help prevent investments in research, prevention, health innovation and implementation capacity from being treated only as short-term costs. In parallel, regulatory frameworks should better keep pace with scientific and technological progress. Instruments such as regulatory sandboxes could help bridge this gap by enabling controlled testing of innovative solutions while maintaining appropriate safeguards.

Strengthen MedTech competitiveness through enabling technologies and adoption capacity

For MedTech, the question of competitiveness is increasingly twofold. First, future growth will depend on whether the Netherlands builds sufficient strength in enabling technology domains such as micro-electronics, quantum computing, AI computing power, sensor technology, materials science which are expected to shape the next generation of healthcare innovation. Second, these technological strengths will only translate into economic and health-system value if the Dutch market offers credible pathways for validation, adoption and scale. At present, procurement, data infrastructure and financing models do not yet consistently support that transition, limiting the Netherlands' ability to function as a full development, validation and scale-up environment for MedTech.

Align innovation strength with market access and commercialization outcomes

Mobilizing domestic and European capital is necessary to close the "middle gap" between early-stage development and commercial scale-up. As emphasized in both the Draghi and Wennink reports, European capital markets remain constrained by fragmentation and overreliance on bank-based financing, limiting access to the risk capital needed for firms to scale. Strengthening the Capital Markets Union is critical to reduce fragmentation and unlock the scale of equity financing needed for global competitiveness. Moreover, a long-term and predictable pricing and reimbursement framework remains essential to anchor investment and prevent the Netherlands from being deprioritized in global strategies. Ireland offers a relevant example: its Framework Agreement on the Supply and Pricing of Medicines (FASPM) brings pricing, supply and access considerations together in a coherent multi-year framework, showing that cost discipline and market predictability do not have to be mutually exclusive.

1. Introduction | Life sciences competitiveness in an era of geopolitical fragmentation

The global environment for life sciences investment has changed markedly since the publication of the 2025 benchmark. Geopolitical tensions, industrial policy and economic security considerations are playing a growing role in shaping where companies invest, innovate and scale. The 2025 edition nevertheless provides an important baseline. It highlighted a Dutch life sciences ecosystem characterized by strong fundamentals, including innovation capacity, research infrastructure and a skilled workforce, alongside persistent challenges in areas such as approval procedures, reimbursement pathways, regulatory complexity and investment incentives. Against this backdrop, the 2026 edition builds on the 2025 baseline to examine whether the strengths and vulnerabilities that shaped the Netherlands' performance remain equally relevant in a changing global environment.

Recent national policy developments have reinforced this shift towards a more deliberate competitiveness agenda. The coalition agreement for 2026–2030 explicitly targets 1.5% structural economic growth, in line with the Wennink report. (3) (4) Both emphasize that the Netherlands' challenge lies not in identifying investment opportunities, but in realizing them. This aligns closely with the central premise of the 2026 benchmark: competitiveness increasingly depends on the ability to translate existing strengths into investment, innovation and scale.

The 2026 benchmark therefore examines how geopolitical pressures interact with regulatory and market frameworks, and how this affects the Netherlands' position relative to European peers and key global reference markets. For an open and trade-oriented economy such as the Netherlands, deeply embedded in international research networks and global production chains, geopolitical fragmentation, evolving trade relations and changing market entry dynamics are no longer abstract risks. They are material factors shaping long-term competitiveness.

1.1 Benchmarking methodology

The current AmCham Life Sciences & Health Benchmark 2026 applies a consistent and transparent methodology to enable meaningful comparison across countries and over time. It combines a set of quantitative indicators covering key aspects of the investment climate with qualitative analysis to support interpretation. By maintaining methodological continuity with previous editions, the benchmark allows trends and structural developments to be identified, while the qualitative assessment provides context for understanding how historic investment patterns relate to a rapidly evolving international environment.

The methodology aggregates performance across multiple KPIs within different domains. As a result, the benchmark reflects overall system performance across a balanced set of indicators, rather than performance on any single metric. Countries with consistently above-average results and limited weaknesses may therefore rank highly, even without leading on individual dimensions, while countries with strong performance in specific areas may rank lower if those strengths are offset elsewhere. The ranking should therefore be read as a measure of the overall strength and balance of a country's life sciences and health investment climate.

Figure 2: Overview of six domains that influence the business climate for life sciences companies

1.2 Interpretation of the results in a changing geopolitical context

In addition to ensuring quantitative comparability over time, the 2026 benchmark places strong emphasis on context and interpretation. Rather than treating these developments as background context, the analysis explicitly considers how selected policy changes and external shocks influence specific indicators and their underlying dynamics.

Particular attention is given to developments in 2025–2026 that have direct relevance for the life sciences sector. These include policy initiatives related to United States (US) Most-Favored-Nation (MFN) drug pricing and changes in international tariff structures. Such measures are reflected in the analysis where they directly affect pricing conditions, regulatory environments, or cross-border flows relevant to the benchmark indicators. This allows the benchmark to distinguish between structural performance and shifts driven by recent policy changes.

Many of the indicators used in the benchmark are inherently backward looking and reflect performance with a degree of time lag. Consequently, recent policy changes and market developments may not yet be fully captured in the data. The analysis therefore explicitly distinguishes between measured outcomes and more recent developments that are likely to influence future performance but remain only partially visible in current indicators.

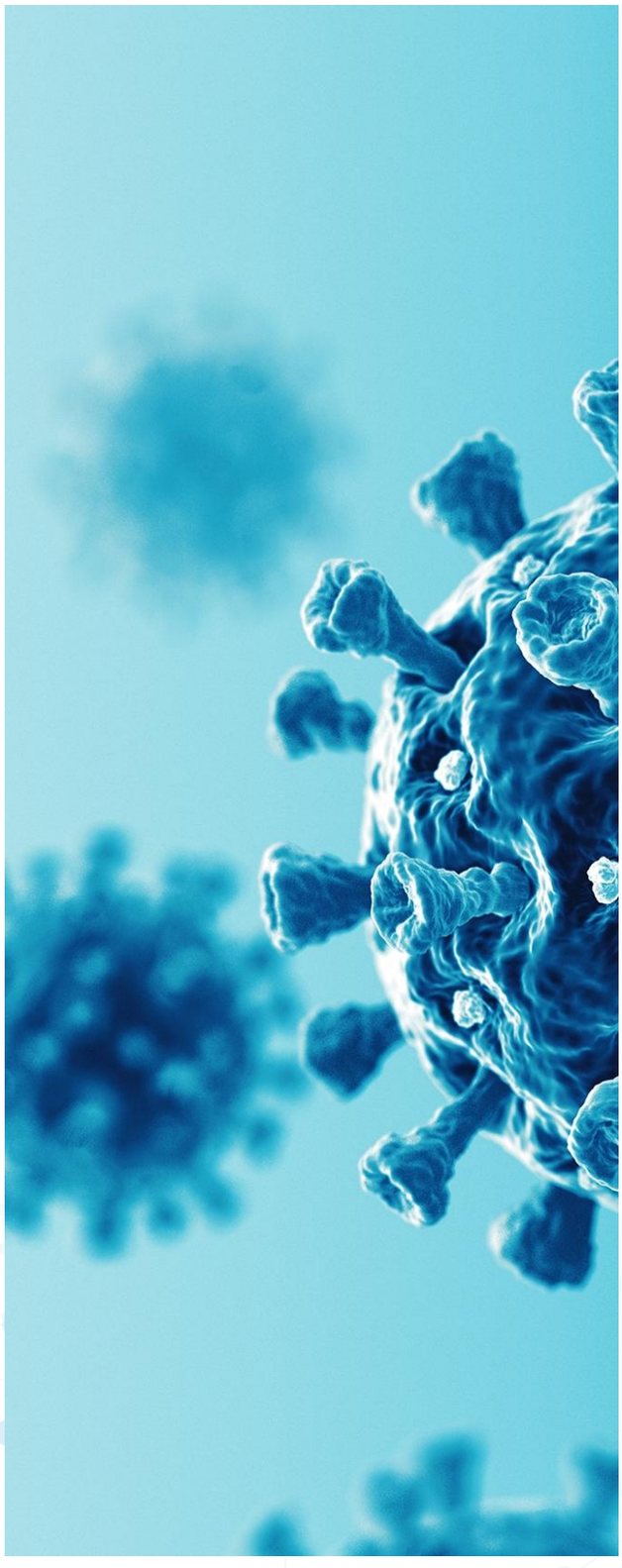
To account for this limitation, the quantitative analysis is complemented by desk research and qualitative insights from interviews with relevant stakeholders. This approach enriches the data with practical experience and forward-looking expectations from the field, helping to translate figures into implications for the day-to-day reality of companies and policymakers. Together, these perspectives provide deeper insight into how international developments are perceived on the ground and what they mean for the future positioning of the Netherlands as a location for life sciences activities.

The interviews capture a wide range of perspectives across the life sciences ecosystem. Interviewees included EQT Partners, the Confederation of Netherlands Industry and Employers (VNO-NCW), the employers' organisation for the technology industry (FME), a Director at a multinational biopharmaceutical company, a Founder of a biopharmaceutical company, a Global Market Access Consultant, the Clingendael Institute, the Netherlands Foreign Investment Agency (NFIA), the Country Director of Amgen in a European market outside the Netherlands, the Association of University Medical Centers of the Netherlands (UMC NL), and a former senior executive from a European healthcare system outside the Netherlands. Together, these insights shed light on how geopolitical uncertainty, trade and pricing policies, regulatory developments, and strategic autonomy considerations shape investment decisions, R&D location choices, supply chains, and the overall strength of the Dutch research and innovation ecosystem. The international perspectives help place the Dutch findings in a broader European context, showing how other markets are responding to similar pressures and what this may imply for the Netherlands' future positioning.

With this combination of consistency, timeliness, and context, the AmCham Life Sciences & Health Benchmark 2026 offers a robust foundation for an informed and forward-looking discussion on the Dutch business climate. Especially at a time when international developments are evolving rapidly and policy choices are increasingly strategic; performance cannot be assessed in isolation from its environment. The benchmark therefore invites stakeholders to look beyond rankings alone and jointly explore the actions needed to safeguard the Netherlands' attractiveness and competitiveness for the global life sciences sector in the years ahead.

2. Qualitative Insights | Geopolitical fragmentation and structural shifts shaping the life sciences investment climate

2.1 The end of the international rules-based order



The operating environment for life sciences ecosystems is moving decisively away from a predictable, rules-based multilateral order toward a system defined by power politics, speed of execution, and the ability to mobilize policy at scale. Transactional bargaining, national interest and strategic leverage increasingly shape outcomes, while shared rules and neutral arbitration play a diminishing role. As one policy stakeholder stated, *''life sciences companies often see themselves as apolitical, but that is not always the case, COVID 19 has shown that clearly.''*

The current phase is often described as a deepening G Zero world, in which no single actor reliably underwrites multilateral rules or collective public goods. (5) In practice, this means that cooperation is selective, conditional and reversible. Multilateral frameworks persist, but they increasingly compete with bilateral deals, export controls, subsidy regimes and strategic stockpiling. For globally integrated sectors such as life sciences, this raises the premium on jurisdictions that can move quickly and speak with one policy voice.

Developments in global health governance underscore how directly these dynamics now affect the sector. In January 2026, the US formally notified the World Health Organization (WHO) of its intention to withdraw, triggering the organization's legal and procedural response. (6) While the full operational consequences will unfold over time, the signal is immediate: participation in multilateral health institutions is no longer treated as a default, but as a negotiable element of national political and economic strategy.

2.2 The United States as a critical variable

Within an increasingly fragmented global order, US policy has become a central source of instability for globally integrated life sciences ecosystems. A clear shift toward economic nationalism and strategic autonomy—manifest in reshoring incentives, the active deployment of tariffs, and a more interventionist industrial policy—has materially reduced the predictability of trade and investment conditions for pharmaceuticals, biotechnology, and medical devices. Analysts consistently identify US policy as a primary source of international economic disruption, with the Eurasia Group flagging US trade and industrial policy as a key generator of volatility in 2026, affecting not only bilateral trade but confidence across entire global value chains. (5)

Sector specific assessments indicate that tariff uncertainty is no longer episodic but persistent, compressing corporate planning horizons and increasing the risk premium attached to cross border investment. (7) While pharmaceuticals and life sciences inputs were initially excluded from broad US tariff regimes, they have been progressively drawn into scope. In 2025, episodes of threatened and implemented tariffs on European exports resulted in provisional tariff rates of up to 15%, directly affecting active pharmaceutical ingredients, intermediates, and specialized manufacturing inputs. (8) Reuters cited estimates place the resulting annual cost burden on the global pharmaceutical sector at USD 13–19 billion, with the European Union disproportionately exposed due to its export dependence and deep integration into US centric supply chains. (8)

Similarly, in April 2025, the Trump administration introduced new tariffs on medical devices imported from the European Union, with EU goods initially facing a 20% rate under the reciprocal tariff framework. Company-level disclosures already indicate significant financial impacts, with firms such as GE HealthCare (~$500M), Johnson & Johnson (~$400M), Boston Scientific (~$200M), Philips Healthcare (~$340M) and Intuitive Surgical (~$140M) each reporting hundreds of millions of dollars in additional annual costs. (9) (10) Although tariff rates were subsequently adjusted in 2026, bringing the effective baseline for most imports closer to 10%, the policy environment has remained unstable. Continued uncertainty around tariff design and the cumulative effect of layered duties still undermine the relative appeal of maintaining production in the EU. (11)

Industry representatives indicated that the direct impact of tariffs has so far been more limited than initially expected, but that tariffs still add to a broader set of pressures affecting MedTech supply chains. The greater concern currently lies in the combination of raw-material dependencies, geopolitical uncertainty, transport and energy costs, and the need to safeguard continuity of supply for healthcare providers. MedTech companies operate through relatively complex and international supply chains, which require greater visibility, alternative sourcing options and additional buffers when disruptions occur. This reduces the scope for lean operations and increases costs that cannot always be fully absorbed by companies themselves. In practice, these pressures may be passed on to healthcare institutions, potentially limiting their investment capacity. At the same time, stakeholders note that companies are already responding by reconsidering production footprints, including partial relocation of activities to the United States.

In this environment, tariff policy has shifted from a background risk to a first order strategic variable. Companies are actively reassessing manufacturing footprints and supplier configurations, with localization in the US increasingly used as a hedge against policy volatility rather than as a pure efficiency choice. Ongoing uncertainty around future US tariff regimes feeds directly into capital allocation decisions, reinforcing investor caution, delaying financing and dampening deal activity across the life sciences value chain. (5), (7)

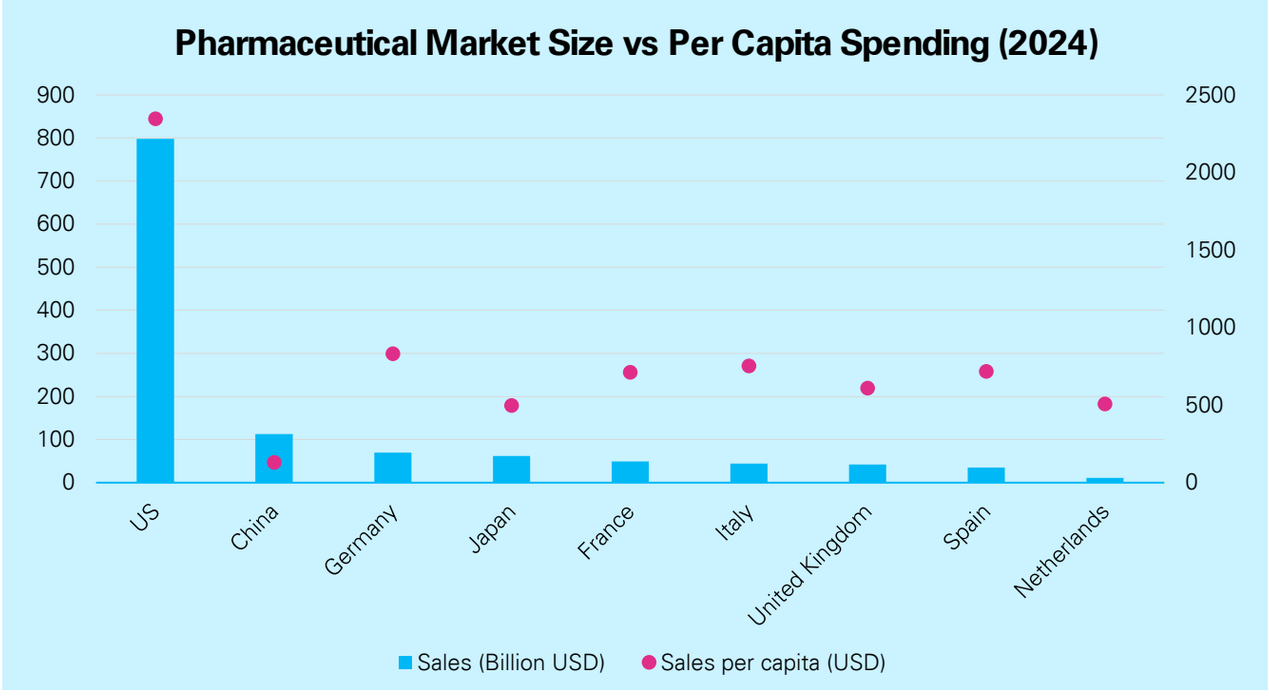
2.3 Most-Favored-Nation policy and global price-cascade effects

Beyond tariffs, the prospective use of MFN drug pricing in the United States represents a more fundamental disruption to global life sciences economics. MFN pricing effectively imports international reference pricing (IRP) into the world's largest pharmaceutical market, directly linking US reimbursement levels to prices set elsewhere. As of 2026, the non-voluntary MFN models, notably GLOBE and GUARD, reference a basket of high-income comparator countries that typically includes the G7 countries (excluding the US), alongside a broader group of European markets such as Austria, Belgium, the Czech Republic, Denmark, France, Germany, Ireland, Italy, the Netherlands, Norway, Spain, Sweden, Switzerland, and the United Kingdom. (12) (13) These are high-income markets with mature regulatory systems and strong health outcomes, but their inclusion hardwires foreign pricing decisions into US market access. The result is a shift in global pricing dynamics, increasing cross-border interdependence between national price setting, launch sequencing and patient access. (14)

Pricing policy is also increasingly embedded within broader trade and industrial negotiations rather than treated as a purely domestic health policy issue. The US–UK pharmaceutical agreement confirmed in April 2026 illustrates this convergence. In exchange for protection from potential US tariffs, the UK agreed to raise net prices for new branded medicines by 25% and reduce the repayment rate under its voluntary pricing scheme to 15%. (15) This agreement signals a material change in how pricing outcomes in third country markets are determined: not solely by domestic affordability or value assessments, but by their strategic relevance to US trade and industrial objectives. The United States is no longer just the largest end market, but the central reference point shaping global pharmaceutical price formation.

A direct consequence is the amplification of international spillover effects from lower priced markets. Prices set in smaller or more cost constrained countries can now feed directly into US benchmarks, giving them disproportionate influence over global revenue trajectories. Given that the US accounts for nearly half of global pharmaceutical sales (Figure 3), this sharply raises the stakes of international price exposure for manufacturers. This shift is already reflected in global investment behavior. In late February, Eli Lilly announced a $27 billion effort to expand domestic manufacturing of active pharmaceutical ingredients and sterile injectables. Since then, 13 additional companies have announced investments, pledging a total of more than $480 billion over the next 4 to 10 years. (16) As one Dutch investor noted, *"Ultimately, for us, the market is the US."* To manage downside risk to US revenues, companies face stronger incentives to delay, deprioritize or forego launches in lower priced jurisdictions to prevent adverse price cascade effects. (17) What was previously a secondary commercial consideration is becoming a binding constraint on access strategies.

Figure 3: Largest pharmaceutical markets in 2024, by estimated sales

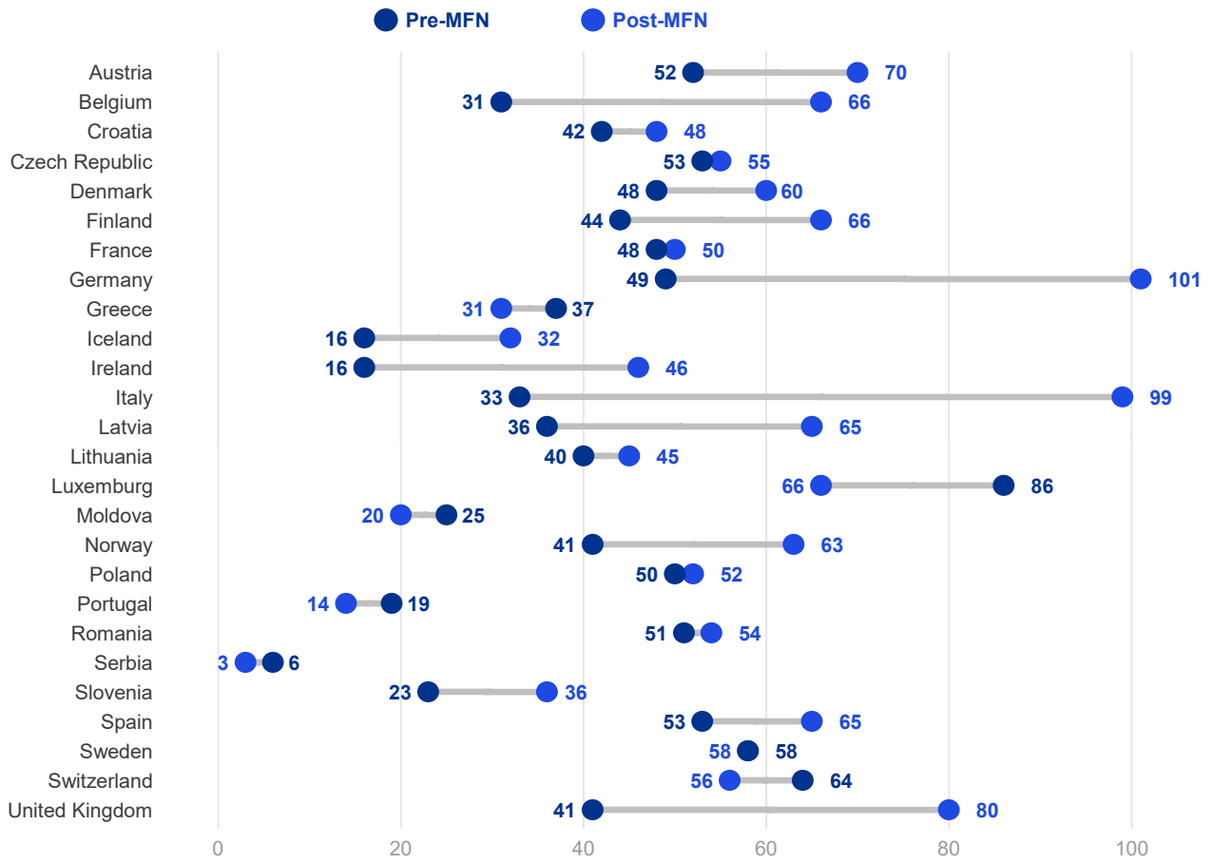


Source: IQVIA, World Bank, OECD Data Explorer (2024).

Within Europe, MFN pricing is therefore interpreted through two lenses. (18) From an access perspective, it is expected to accelerate geographic selectivity in launch strategies, with smaller and lower priced markets most exposed. For companies with limited pricing flexibility, postponement or restriction of launches becomes a rational response, directly undermining timely patient access. As one market access specialist noted*: "they [companies] are holding back because they feel that they can't run the risk of launching at prices in Europe or Japan that would potentially compromise their price in the critical US market."* From a competitiveness perspective, MFN intensifies pressure on Europe's role as a global price reference for the US market. Over time, this affects not only launch timing but also the allocation of R&D and strategic investment, favouring regions that offer stronger pricing competitiveness. (18)

Early indicators are consistent with these dynamics. GlobalData's Price Intelligence (POLI) analysis shows a marked decline in pharmaceutical launches across Europe following the introduction of US IRP measures (see Figure 4), which compares the number of launches before (red) and after (blue) MFN introduction across countries, with connecting lines indicating the direction and magnitude of change. FDA data indicate that US approval volumes remained broadly stable, with 50 novel drugs approved pre-MFN and 46 post-MFN. By contrast, European launch activity fell by approximately 35–43% over the same period. Taken together, this provides an indication of how US IRP policies may affect European market dynamics, rather than reflecting a broader slowdown in pharmaceutical innovation. However, the authors note that other factors, such as regulatory delays, pricing and reimbursement negotiations, and supply chain constraints, may also have contributed to this trend.

Figure 4: Europe Drug Launches activity before and after the introduction of the MFN policy*



Source: Reuters (2026), based on data from GlobalData. Launch timing is defined by first pricing dates; each distinct dose strength is counted as a separate launch. *Note: The Netherlands is not included in this figure.

2.4 China's acceleration and rising global competitive pressure

The US is no longer the sole external benchmark shaping global competition for life sciences investment. China has emerged as a structurally significant competitor, accelerating across the full innovation value chain. In 2024, China surpassed both the US and the EU in the number of newly developed chemical and biologic entities, developing 28 new medicines compared with 25 in the US. This marked the first time China has taken the global lead on this indicator. (18) The shift represents a clear inflection point, as in 2020, China developed only seven new chemical or biologic entities, underscoring both the speed and scale of its innovation expansion. (18)

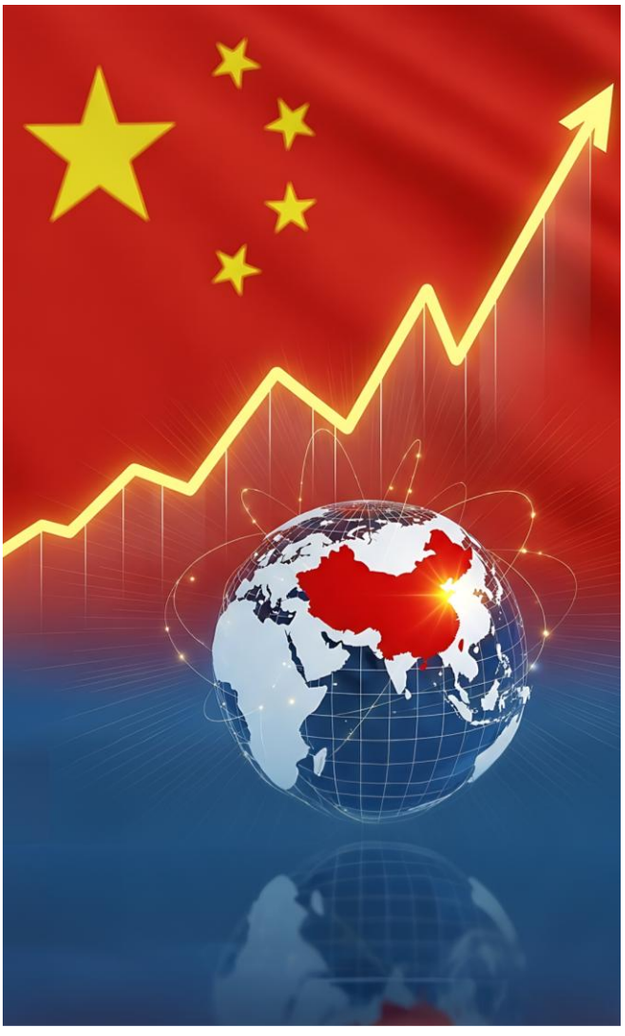
This innovation momentum is supported by sustained growth in research and development investment. China accounted for 17% of global pharmaceutical R&D firms in 2025, up from 16% a year earlier. (19)

Over the past five years, China has overtaken the EU to become the world's second-largest region for life sciences R&D expenditure, with growth rates exceeding those in both the US and Europe. (18) Although pharmaceutical R&D spending in the European Union has increased—from €27.8 billion in 2010 to €46.2 billion in 2022 (4.4% annual growth)—this growth lags behind that of the US (5.5%) and China (20.7%), putting Europe's global share under pressure. (20) As a point of comparison, total R&D expenditure in the Netherlands—across all sectors—stands at €24.2 billion, highlighting the magnitude of pharmaceutical investment in larger markets. (21)

Market scale further reinforces this dynamic. China's pharmaceutical market reached an estimated USD 254 billion in 2023 and is projected to grow to USD 288 billion by 2026—representing ~1.4% of GDP in both years—and to USD 370 billion by 2030, implying a medium-term compound annual growth rate of approximately 6.5%. (22) Notably, despite this strong growth, the sector's share of GDP remains stable. This suggests that expansion is occurring broadly in line with overall economic growth and reflects the increasing role of innovation in driving output. In line with multi-sector economic dynamics, growth is thus driven more by productivity and value gains than by sheer scale, indicating ongoing industrial upgrading rather than an increase in relative economic weight. (23) This is further evident in the composition of growth, as the innovative medicines segment is projected to expand at an 11.3% CAGR between 2023 and 2030—more than twice the overall market pace. (22)

A similar dynamic is visible in China's MedTech sector. The medical device market is one of the fastest-growing globally, with expected compound annual growth rates of around 8–9% in the coming years and a projected market size exceeding USD 55 billion by 2029. (22) Key segments are expanding at significantly elevated rates, including surgical robotics (38.4% CAGR), wearable medical devices (13.5% CAGR), and 3D printed medical devices (12.5% CAGR), while AI penetration in the medical device industry is projected to reach over 41% by 2030. (22)

This growth is reinforced by strong government support, including industrial policies such as *Made in China 2025*, which aim to strengthen domestic innovation capabilities and promote the development of high-end medical technologies. In 2024, China announced that medical device companies seeking participation in procurement projects for innovative MedTech would have to manufacture the product and maintain its primary patent in China. At the same time, policies such as volume-based procurement and stricter controls on imports are placing pressure on foreign products and encouraging local production and technological self-sufficiency. This broader policy environment is reflected in deal activity, where domestic transactions account for 89% of total deals. (22)



Unlike the Netherlands, where market driven innovation operates within a stable EMA-anchored regulatory framework, China's domestic market is shaped top-down through procurement policy, hospital localisation mandates targeting 70-95% domestic device procurement in hospitals, and government-directed R&D incentives. (24) Thus, creating a structurally different competitive environment. China is simultaneously a massive consumption market, a generics production base, and an emerging innovation source, but domestic profitability remains under persistent policy-induced pressure. For an investor, the Dutch market offers regulatory clarity, stable margins, and direct access to the EU market through EMA approval. China, on the other hand, presents a market where access is conditional, reimbursement requires annual price negotiations with an average cut of 63%, and foreign incumbency is being systematically eroded in favor of domestic players. (24)

However, China's most distinctive competitive advantage lies in execution speed. Discovery-to-Investigational New Drug (IND) timelines—the preclinical stage that transforms a laboratory concept into a candidate ready for human testing—are estimated to be 50–70% shorter than global averages. (22) These advantages persist in later development stages. Clinical trial recruitment in China frequently proceeds two to five times faster than benchmarks in the US and EU, supported by large and concentrated patient populations, well-resourced trial sites, and increasingly sophisticated clinical operations. Executional speed is now being matched by rising scientific ambition. Since 2019, China's contribution to publications in leading international journals has increased markedly, signaling a shift away from predominantly fast-follower strategies toward greater emphasis on original and first-in-class research. (19)

China's growing role in global dealmaking further reinforces its position as a pipeline-shaping actor rather than a peripheral market. Out-licensing has become a central mechanism through which Chinese companies monetize innovation and access international markets. In 2024, several individual transactions exceeded USD 2–6 billion in headline value, signaling rising multinational confidence in the scientific quality and commercial relevance of Chinese assets. (22) This trend has accelerated rapidly, with outbound licensing deals reaching $135.7 billion. (25) As a result, China now accounts for approximately 30% of the global innovative biopharma pipeline. It is also the region's leading destination for biotech-focused investment, raising USD 26 billion in private equity and venture capital funding between 2019 and 2024. (26) This sustained capital inflow reflects investor confidence in the depth, maturity, and scalability of China's life sciences ecosystem.

Taken together, these developments point to a structural shift in global competitive dynamics. China is no longer competing primarily on cost advantages or manufacturing scale. Instead, it is increasingly competing on speed to clinic, regulatory throughput, and the ability to commercialize innovation through global partnerships. For countries and regions seeking to attract life sciences investment, this raises the competitive bar. China now operates as a peer innovation ecosystem capable of shaping global pipelines, capital allocation, and partnership strategies, rather than as a secondary or derivative market.

Stakeholders increasingly frame China's rise not as a one-dimensional competitive threat, but as a more complex dilemma for Europe. One interviewee highlighted that China's rapid innovation progress introduces simultaneous competitive, dependency, and collaborative dynamics. China is a direct competitor, with rapidly advancing innovation capabilities that are beginning to capture market share and investment that might otherwise flow to Europe. Simultaneously China is emerging as a supplier, raising the prospect that European health systems could become increasingly reliant on Chinese-developed and manufactured therapies, especially as these are often available at more competitive price points. Lastly, China also represents opportunities as a partner through licensing, co-development, and access to innovation. This threefold role creates a structural trade-off for Europe that is closely tied to its own innovation base. Engagement with China may support access and affordability, but it also increases competitive pressure and the risk of structural dependency. In this dynamic, Europe's ability to generate and retain its own intellectual property becomes critical; strong domestic IP not only underpins competitiveness, but also functions as a strategic asset in negotiations, partnerships, and licensing exchanges with Chinese players. Without such a position, Europe risks becoming primarily a payer for externally developed innovation rather than a co-shaper of global value chains. As a result, European governments will need to make deliberate choices in how they balance openness with the need to sustain a robust domestic innovation ecosystem.

2.5 Dutch Developments

Within global life sciences competition, country positioning is increasingly shaped by commercial attractiveness, predictable reimbursement, and the ability to offer investors a coherent pathway from approval to uptake. In this context, the Netherlands has a distinct pharmaceutical market profile: it combines strong health-system and research fundamentals with relatively limited revenue potential as a sales market. (27)

By European standards, the Netherlands is a small and price sensitive pharmaceutical market. Retail pharmaceutical expenditure stood at EUR 309 per capita (PPP) in 2023—the lowest level in the EU—and accounted for just 6% of total health expenditure, compared with an EU average of 13%. (27) (28) This constrains the revenue outlook for innovative medicines and limits the prioritization of the Dutch market relative to larger and higher spending jurisdictions. (27)

High generic penetration reinforces this positioning. In 2023, generics accounted for 79% of dispensed units in community pharmacies, driven by insurer tendering and reimbursement practices that systematically prioritize the lowest priced product. (27) While effective in containing short term expenditure, this approach has reduced market attractiveness for suppliers and contributed to recurrent medicine shortages, exposing a structural trade off between cost control and supply resilience.

For innovative medicines, access challenges in the Netherlands are shaped less by regulatory approval timelines and more by post-approval reimbursement dynamics. The Netherlands operates a dedicated policy instrument—the so called "sluis" (or lock for expensive medicines)—to manage the entry of high-cost hospital drugs into the basic insurance package. Since July 2023, the formal criteria for sluis placement have been tightened, with lower budget impact thresholds increasing the likelihood that new high-cost therapies are captured by the procedure. (29) (30) Under this mechanism, new intramural medicines with a high expected price or significant budget impact are temporarily excluded from reimbursement following European Medicines Agency (EMA) approval, pending further assessment and price negotiations before a final decision on coverage is made. (29)

Although overall time to reimbursement is not consistently among the longest in Europe, access outcomes are variable, especially for medicines with high budget impact or residual clinical and economic uncertainty. (27) These outcomes are commonly assessed using the EFPIA Patients W.A.I.T. indicator, which defines availability as the inclusion of a centrally approved medicine on the public reimbursement list of a country, based on innovative therapies that have received EU-wide marketing authorization. Based on this measure, the Netherlands shows relatively low availability for high-need categories. For oncology medicines, availability is approximately 39%, compared to an EU average of around 48–51%, while for orphan drugs availability also stands at 39%, compared to an EU average of approximately 43%. (31) At the same time, overall availability in the Netherlands is 54% of new medicines, somewhat above the EU average of 45%, but below leading markets such as Germany, Austria, and Italy. (31)

In parallel, timelines to access remain substantial. While EU legislation sets a benchmark of 180 days for pricing and reimbursement decisions, this figure is a procedural measure that excludes periods during which applicants are requested to provide additional information and therefore understates actual calendar time. (32) Real-world access times are significantly longer. For the Netherlands, the average time from marketing authorization to patient availability is approximately 493 days, placing it in the mid-range of European countries. (31) Further empirical evidence from a case study across seven European countries shows that compliance with the 180-day benchmark is limited, ranging from full adherence in Germany to only 29% in countries such as the UK and the Netherlands. (33) Together, these dynamics point to a system characterized by selective and often delayed access, reinforcing price sensitivity as a dominant determinant of market entry.

This aggregate picture, however, masks important differences between access pathways. Outpatient medicines reimbursed through the Geneesmiddelenvergoedingssysteem (GVS) can achieve relatively rapid access once listed, as reimbursement follows inclusion in the system. In contrast, high-cost hospital medicines are often subject to the "sluis", which temporarily excludes them from reimbursement while health technology assessments and price negotiations take place. These processes can substantially delay access, with timelines extending to multiple years in practice. Cohort-based evidence shows that medicines exiting the Dutch 'sluis' have experienced durations of ~650–800 days. (34) As such, average access times do not fully capture delays for the most innovative and budget-impactful therapies.

Stakeholder interviews confirm that these pricing and reimbursement dynamics affect how the Netherlands is perceived commercially. While the country remains attractive for academic collaboration and early-stage research, interviewees consistently describe more limited commercial prioritization of the Dutch market by pharmaceutical companies. Recent investment patterns reflect this tension. In 2025, Eli Lilly announced a €2.6 billion investment in a new oral medicines manufacturing facility, driven by factors such as workforce quality, logistics infrastructure, and proximity to European markets. Yet, the company raised concerns regarding the Dutch political climate and the reimbursement environment for innovative medicines. (18)

These pressures are compounded by broader governance challenges. Stakeholders highlight frequent political shifts, and the absence of a coherent long-term strategy. This is critical given the inherently long-term nature of pharmaceutical innovation, which unfolds over a multi-stage cycle spanning decades. Governments initially fund basic research (public phase), after which companies take on most of the development costs and risks (private phase). (35) Medicines are then brought to market at relatively high prices to recover substantial R&D investments, fuel future investments in innovation, and offset failed projects (commercial phase). After 10–20 years, patents expire and prices drop significantly, often by 70–90%, making treatments widely accessible as generics or biosimilars (mature phase). (36) Short-term policy shifts are therefore fundamentally misaligned with the long-term nature of the sector.

In addition, policy development in the Netherlands is often experienced as government-driven, with limited involvement of the private sector in shaping strategic industry and innovation policy. This applies across both biotech and MedTech, where companies, including larger players, report difficulties in engaging effectively with policy processes. As one industry association leader emphasized: "*What you really see is that it is often already very difficult to bring any coordination into the government side.*" A key factor underlying these challenges is the fragmentation of responsibilities across ministries: while economic policy is shaped within the Ministry of Economic Affairs, decisions related to healthcare and pricing sit with the Ministry of Health, where industry engagement is perceived to be more limited.

This fragmentation also affects the Netherlands' ability to make deliberate choices about the technology domains that will shape future MedTech competitiveness. Sector representatives identify micro-electronics, sensor technology, materials science, artificial intelligence and, in some areas, quantum computing as enabling domains for future MedTech development. (37) Investing in these areas is therefore relevant not only for the broader technology sector, but also for the Netherlands' ability to build and retain strategic MedTech activity over time.

2.6 European Position

Europe's pharmaceutical, MedTech, and biotechnology sectors remain a cornerstone of the EU economy. In 2024, pharmaceutical exports reached approximately €313 billion, making the sector one of the EU's largest export categories and a key contributor to the trade balance, while MedTech market represented a further €170 billion in value. Pharmaceuticals accounted for 33% of total EU high tech exports to non EU countries, with the United States as the leading partner, while MedTech recorded a trade surplus of €5 billion in 2024, with the US, China, Japan, and Mexico as its leading partners. (38) (39)

Europe's position in global pharmaceutical R&D has weakened significantly over time. In 1990, it accounted for nearly half of global R&D activity, compared with roughly one-third in the US. Today, that balance has reversed: the US represents 55% of global R&D activity, while Europe's share has fallen to 26%, with around a quarter of its global share of pharmaceutical R&D investment lost over the past two decades (40)

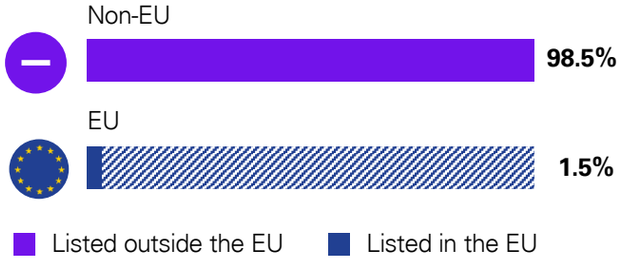
This challenge is compounded by the fact that European R&D remains disproportionately concentrated in automotive and traditional manufacturing sectors, which are less R&D intensive and slower growing than the digital and platform-based sectors driving global R&D expansion. (41) At the same time, global R&D investment is concentrating rapidly in a small number of very large firms: the top five companies—Amazon, Alphabet, Meta, Microsoft and Apple—now account for approximately 15 percent of total global corporate R&D, nearly double their share a decade ago. (41)All are US based, operate at scale in ICT and digital infrastructure, and deploy individual R&D budgets that exceed those of Europe's largest corporate investors. In parallel, EU firms invest structurally less in R&D relative to their size: in 2024, average R&D investment per employee was approximately €16,800 in the EU, compared with more than €48,700 in the US. (41) Together, these factors limit Europe's ability to maintain its global R&D share even as overall investment volumes continue to rise.

These gaps are reinforced by the policy and financing environment. The European biopharmaceutical sector operates under fragmented regulatory regimes and comparatively shallow capital markets, constraining both speed of development and scale up relative to the US. (27) The effects are most visible in access to growth capital. Over the past decade, the US attracted approximately €219 billion in venture capital into health biotech, compared with €25 billion in Europe. (42) Venture capital is also becoming increasingly concentrated, both geographically and thematically, particularly in North America and around a limited number of large AI-related financings. (43)

Notably, in 2019 around 30% of private European biotech investment originated from US-based venture capitalists, and since 2012, 98% of follow-on public financing for European biotechs has been raised on US markets. (44) As a result, Europe effectively exports its most promising biotech companies at the scale-up stage, limiting its ability to capture the economic and strategic value of domestic innovation.

In this environment, companies favor jurisdictions that offer predictable policy, credible execution and a coherent long-term proposition. Countries such as Belgium, Ireland and Switzerland are often seen as stronger examples within Europe. (43) Where this alignment is lacking, Europe risks losing investment in R&D, clinical development and advanced manufacturing, while becoming more dependent on external production for critical medicines.

Figure 5: Since 2020, 66 of 67 EU biotechnology firms that went public have listed outside the EU*



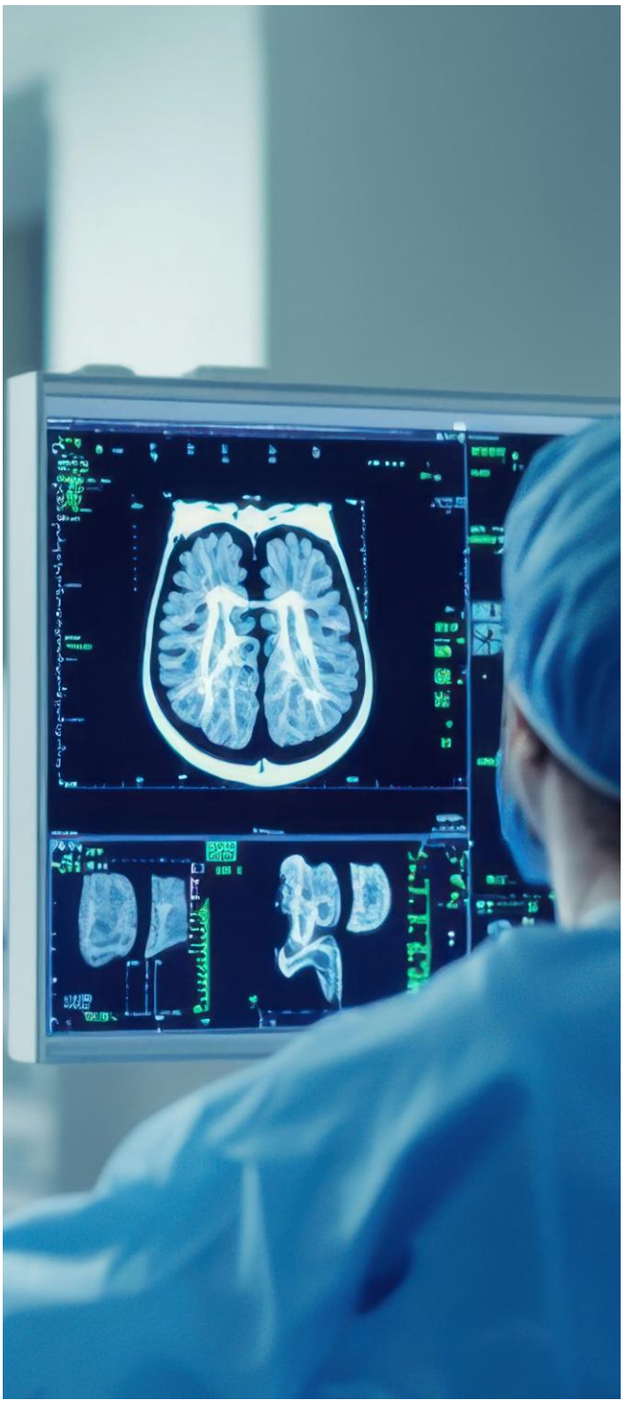
***Source:** EFPIA (2026), Charles River Associates (2026)

A similar dynamic, with regulation rather than capital as the binding constraint, is visible in MedTech. The European MedTech market was valued at roughly €170 billion in 2024, employing over 930,000 people across more than 38,000 companies making it the second largest MedTech market globally after the United States. (39) The sector remains highly innovative: MedTech filed over 15,700 patent applications in 2024, placing it among the leading fields at the European Patent Office. (45) However, the implementation of the EU Medical Device Regulation (MDR) and In Vitro Diagnostic Regulation (IVDR), which introduced stricter requirements for clinical evidence, documentation, and post-market surveillance, has substantially raised the cost and uncertainty of EU market access. As a result, companies increasingly prioritize launching innovations in markets such as the United States or China before entering the European market.

Compared to the previous Medical Devices Directive (MDD), market approval under MDR is widely reported to take longer and involve higher costs. (46) Average certification waiting times have lengthened to roughly 20 to 22 months, up from 13 to 18 months in 2022. (47) This increase is partly linked to capacity constraints among Notified Bodies, the entities responsible for conformity assessment, which have struggled to absorb the volume and complexity of applications under the MDR framework, resulting in certification backlogs and extended review timelines.

The strategic consequence has been a reversal of Europe's traditional role as the global launchpad for medical devices. A 2024 MedTech Europe survey of 211 IVD and medical device manufacturers, representing an estimated 30% to 75% of European market revenue, found that since the MDR application the share of large manufactures choosing the EU as a first launch geography has fallen by 33 percent. (47) In a 2025 survey of 245 manufacturers in the DACH region, roughly four in ten no longer introduce new products in the EU at all, with more than half of those debuting in the United States. (48) The same survey reported that 53 percent of manufacturers had reduced R&D spending over the past five years due to MDR/IVDR burdens. (48) As with biopharmaceuticals, the pattern is one of European innovations increasingly commercialized, and ultimately anchored, outside Europe.

The European Commission's targeted revision proposal of December 2025 addresses these structural deficiencies directly. (49) Its core measures include removal of mandatory five-year certificate expiry in favor of risk-based recertification, proportionality-based documentation requirements, predetermined change control plans allowing pre-approved modifications without individual approval cycles, reduced fees for small and medium enterprises and orphan device developers, and a revised classification framework for medical device software that would allow a broader range of lower-risk applications to fall into Class I. (49) These are substantive improvements that respond to the operational realities identified in the Commission's own call for evidence, which attracted 427 submissions from companies, business associations, academic institutions, and public authorities. (49) However, the proposal is now subject to the ordinary legislative procedure requiring approval from both the European Parliament and Council, with adoption not expected before mid-2027 and staggered implementation thereafter.



Conclusion

To complement the country-by-country ranking, the benchmark includes a Europe bloc that compares Europe with the US and China as a wider investment and innovation environment. This is relevant because the Netherlands is not assessed by companies in isolation: investment decisions are made across regional and global portfolios, and Dutch competitiveness is partly shaped by the European context in which it operates. The Europe bloc should therefore be read as a stylized reference point rather than as a fully harmonized market.

At that aggregate level, Europe ranks second, but the result still points to a meaningful competitiveness gap: it leads China by 3 points, while the United States remains 12 points ahead. It retains relative strengths in talent and labor-market conditions but performs less strongly on domains that influence scale and execution. The US offers a clearer market-led proposition, while China increasingly competes through execution capacity and infrastructure. Europe's challenge is therefore not a lack of life sciences assets, but the fact that these assets operate within a more fragmented and less consistently investable system.

A more granular view helps explain these positions. China ranks first on governance, driven by less stringent decarbonization requirements and data regulation. It also ranks first on infrastructure, reflecting lower energy costs and stronger enabling conditions for production and connectivity. At the same time, China ranks last on market access and potential, driven by weaker performance on indicators such as patents and median time to availability.

The US ranks first on economic factors, driven by the scale and depth of its innovation ecosystem, including strong performance on R&D activity, private R&D investment, healthcare expenditure, and median income. It also ranks first on market access and potential, reflecting the commercial attractiveness of the market, including the concentration of headquarters and faster timelines for medicines.

Europe ranks last on governance, driven by GDPR, environmental regulation and decarbonization policy. It also ranks last on economic factors, reflecting fewer R&D facilities, lower GDP growth and comparatively lower public R&D investment. A similar pattern is visible in infrastructure, where Europe ranks last due to higher electricity costs, a smaller production base and less advanced digital infrastructure. Europe leads on talent and education as well as labor market conditions, reflected in strong outcomes on indicators such as work–life balance, gender pay equity and the quality of universities.

For the Netherlands, this adds an important layer to the interpretation of its ranking. Domestic reform can improve parts of the investment climate, but it cannot fully address constraints that are European in nature, including capital-market depth, regulatory consistency, health-data scale and the region's attractiveness for clinical development and market access. This sets a ceiling on what national policy alone can achieve: the same fragmentation that pushes scaling capital toward Nasdaq, that has cut Europe's share of global commercial trials and that amplifies launch withdrawal under MFN will keep operating on Dutch firms however well the national ecosystem performs. The strategic question is therefore not only how the Netherlands strengthens its own ecosystem, but also whether Europe can become a more effective platform for turning Dutch strengths into scale. Without that shift, the Netherlands risks improving domestically while remaining part of a region that is less attractive than the US or China for life sciences investment. As one stakeholder put it: *"I think that the danger is that the Netherlands and Europe could look back in 10 years' time and realize what has been lost."*

Table 4: Comparative performance across domains for Europe, the US and China

Domain	US	Europe	China
Economic factors	1	3	2
Labor market	2	1	3
Governance	2	3	1
Talent and education	2	1	3
Infrastructure	2	3	1
Market access and potential	1	2	3
Overall ranking:	**1**	**2**	**3**

3. Benchmark results | An international comparison of the business climate for life sciences companies

In this chapter, we compare 32 countries across six domains relevant to the establishment and operation of life sciences companies. The benchmark captures differences in market size, fiscal conditions, regulatory frameworks, and innovation capacity that shape location decisions across the value chain. As a static snapshot, it reflects accumulated outcomes of past policy and investment choices and therefore provides limited insight into the momentum of ongoing reforms. KPI interpretation differs by indicator, reflecting distinct transmission channels to the business environment. For example, higher healthcare expenditure is considered favorable as it signals stable demand and stronger system capacity to absorb innovative products, whereas lower spending may constrain market opportunities.

Building on the 2025 benchmark, the core KPI set is maintained with two targeted additions based on stakeholder feedback. The inclusion of clinical trials captures observed research activity and industry interest within the market access and potential domain, while the WHO Universal Health Coverage (UHC) index complements the Global Health Security Index by better reflecting structural access, affordability, and quality of healthcare systems. Together, these additions strengthen the framework by addressing gaps in measuring innovation potential and market accessibility. As a result, the 2026 benchmark is not directly comparable to the 2025 results. The edition also introduces a Europe bloc to provide a reference point relative to the United States and China, recognizing that the Dutch investment climate must be assessed within its broader European context.

Fiscal, labor market, and R&D-related indicators are assessed in terms of their impact on cost structures, operational flexibility, and the attractiveness of locating research and innovation activities. Lower corporate tax rates can enhance post-tax returns, while more stringent labor regulation may increase costs and reduce flexibility, particularly for firms in scaling environments. The benchmark assesses these factors solely from an investment climate perspective and does not constitute a normative evaluation of underlying policies. The Netherlands' rankings across the six domains and associated KPIs for 2025 and 2026 are presented below, followed by an outline of the methodology and a domain-level analysis of results.

Table 5: Results for the Netherlands by domain

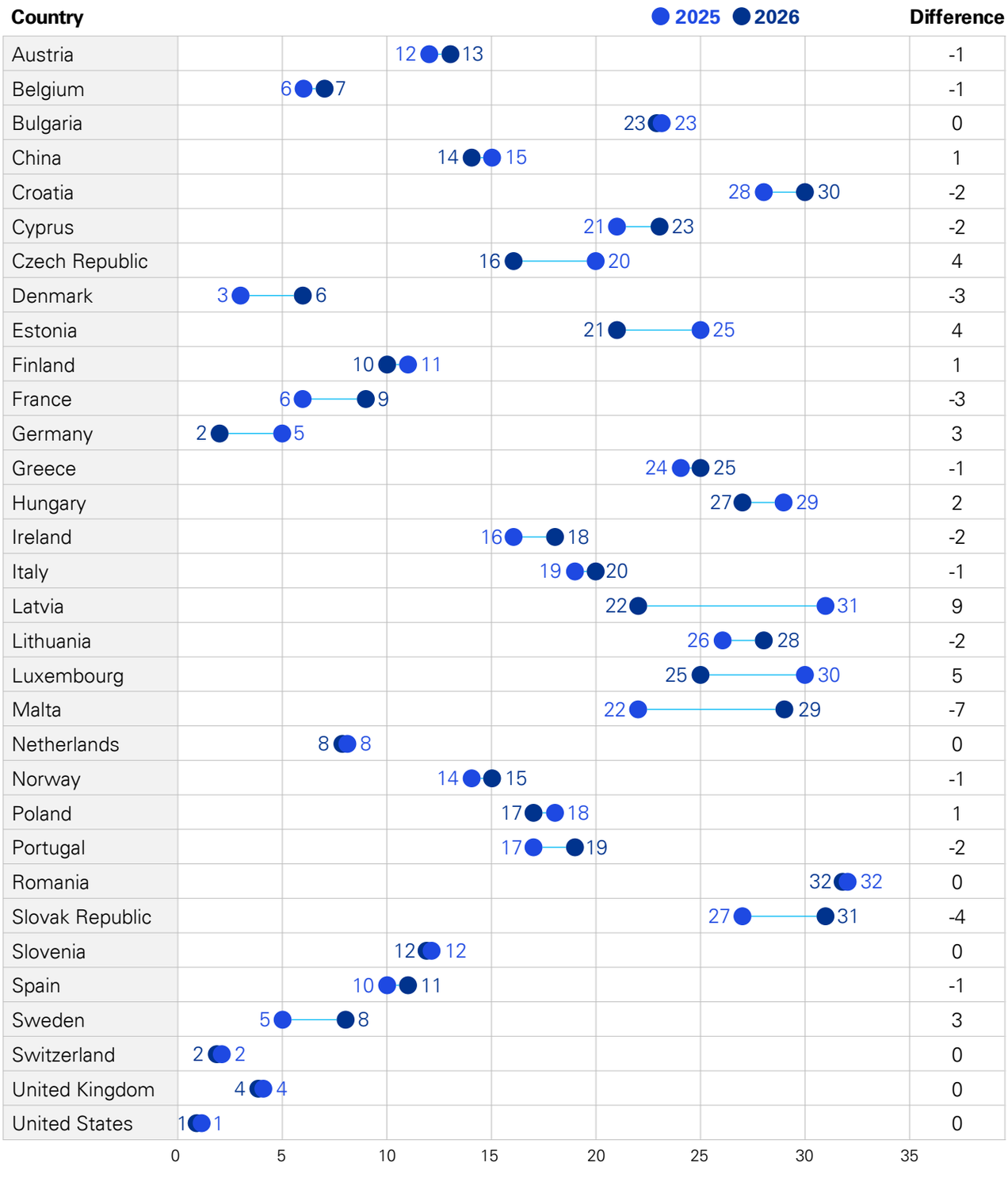
Domain	Ranking The Netherlands (score 1 is high, score 32 is low)		
	2025	2026	Difference
Economic factors	8	8	0
Labor market	8	8	0
Governance	29	28	+1
Talent and education	3	5	-2
Infrastructure	3	3	0
Market access and potential	4	6	-2
Overall ranking:	6th	6th	

The ranking by individual KPI per domain can be found in appendix.

3.1. Economic factors

Economic conditions are an important foundation for the development of the life sciences sector. In this domain, attention is given to indicators that reflect a country's capacity to support innovation-driven industries, such as overall economic performance, investment climate, and spending on healthcare and innovation. Together, these indicators illustrate the extent to which sufficient financial resources, purchasing power, and long-term investment incentives are in place. For life sciences companies, a strong economic environment supports sustainable growth, reduces operational risks, and enhances the appeal of a country as a competitive and reliable location for research, development, and commercial activities.

Economic factors **Table 6:** Results of the economic factors domain per country



The Netherlands retains a strong R&D footprint, while capital availability and innovation-oriented spending remain pressure points

Recent growth outcomes point to increasing divergence within the European reference field. In the latest assessment, the Netherlands' relative position weakened, falling from 21st to 23rd place in the GDP growth ranking. Several Central and Eastern European economies recorded sharp improvements over the same period, reflecting strong rebound effects following earlier contractions. Poland rose from seventh to third place, while the Czech Republic moved from 18th to 10th. (50) Latvia recorded the most pronounced shift, moving from last place to tenth as growth rebounded from –0.4% to 2.2%. (50)

These short-term movements do not directly measure the quality of national investment climates, which depend on structural rather than cyclical factors. However, they do alter the competitive environment in which investment decisions are made. Faster growing economies can temporarily strengthen their attractiveness for mobile capital, increasing competitive pressure on traditionally strong Western European economies, such as the Netherlands.

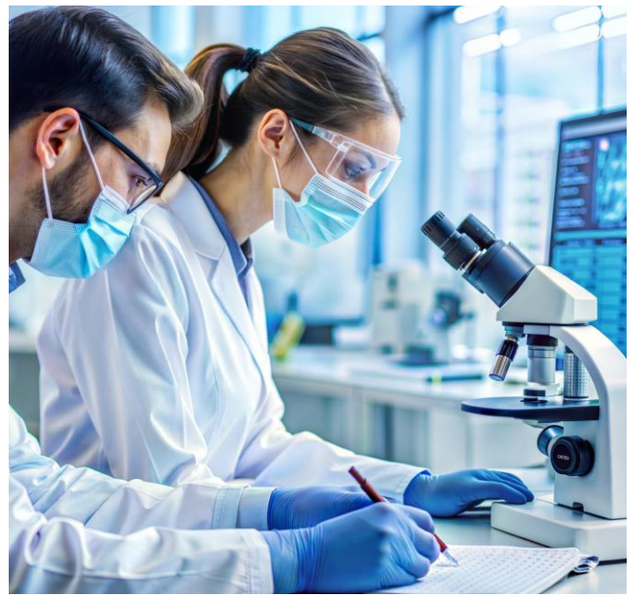
Against this more competitive backdrop, the Netherlands shows a mixed performance across economic and innovation-related indicators. Its position weakened on healthcare expenditure as a share of GDP, moving from 9th to 11th place among peers, and it continues to rank outside the top 10 for both public and private R&D investment. At the same time, the Netherlands performs strongly on the presence of life sciences R&D facilities, where it ranks fourth among benchmarked countries. (51) (52) (53).

In response to these weaker investment indicators, the Dutch coalition government has outlined a more system-oriented approach to strengthening innovation, including a move toward the 3% of GDP R&D investment target, a more active governmental role as a launching customer for emerging technologies, and establishing a National Agency for Disruptive Innovation to accelerate the translation of research into high-impact technologies.

However, improvements in research and innovation inputs do not automatically translate into successful scale-up or late-stage development. Stakeholder insights help explain this gap. While the Netherlands benefits from a strong academic base, high-quality talent, and established research hubs, as one investor put it: *"We are not losing out on science. We are losing out on policy and also on capital."* A key bottleneck is the availability of risk capital across the innovation lifecycle. Interviewees point to relatively conservative investment behavior and limited participation of institutional investors, particularly compared to countries with more proactive funding ecosystems. This is reflected in international comparisons: Belgium is seen as offering more generous and accessible non-dilutive funding in early stages, while France has built strong momentum through active state-backed investment mechanisms (e.g., Bpifrance) that channel capital into domestic innovation.

Within MedTech, this broader capital constraint is especially visible in the transition from development to market deployment. Using the Technology Readiness Level (TRL) framework, lower TRLs refer to early-stage research, while higher TRLs refer to technologies approaching validation, commercialization and scale. Stakeholders share that Dutch support is relatively stronger in lower TRLs, while access to capital becomes more constrained once companies need to fund later-stage validation, market entry and growth. This matters because MedTech companies often need to generate evidence, prepare for regulatory requirements and build commercial readiness before revenues materialize.

This funding challenge is reinforced by structural limitations in the wider European capital market. Stakeholders underline the absence of a well-functioning European capital market and IPO environment, restricting access to large-scale growth financing across both early and later stages. As a result, many promising companies seek capital abroad, most notably in the United States. Interviewees describe a recurring pattern in which European and Dutch biotech firms relocate or become US-oriented (e.g., through Nasdaq listings or shifting their operational center), reflecting the need to access deeper pools of capital and broader investor bases. As one Dutch employer representative noted: "*We've historically had some companies here, of course. But they tend to get acquired once they really break through, and the government has not yet found a way to retain them in the Netherlands. Ultimately, this is a highly international sector — but it also comes down to ensuring the right capital is available domestically.*"

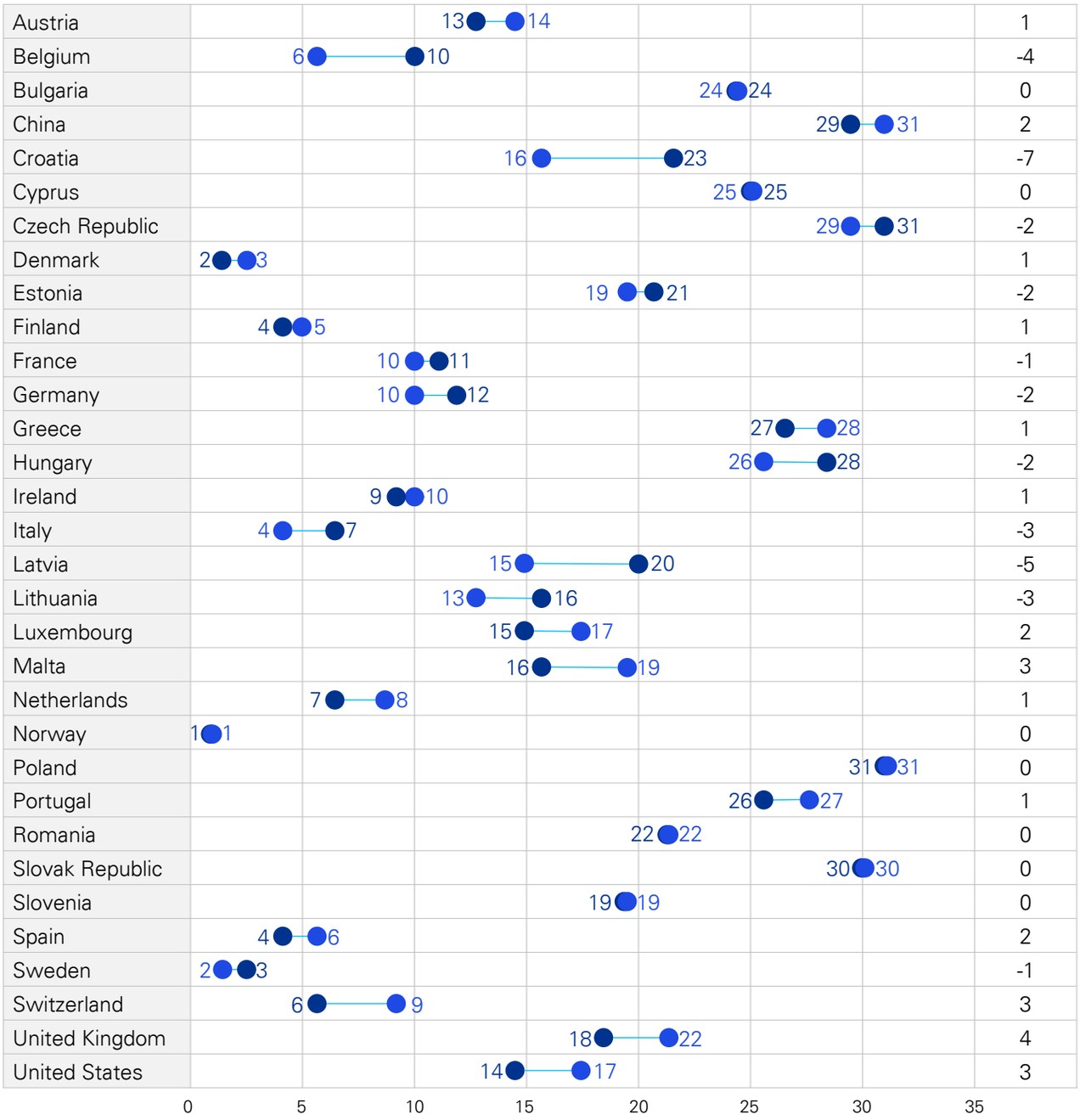


3.2. Labor market

The labor market domain examines how labor-market conditions influence the ability of life sciences companies to attract, retain and effectively deploy talent. Given the knowledge- and R&D-intensive nature of the sector, aspects such as productivity levels, labor-market flexibility and workforce inclusiveness play a key role in shaping operational efficiency and long-term investment decisions. High productivity can help offset higher labor costs and supports the location of advanced R&D and other high-value activities. Labor laws and regulations affect hiring flexibility and scalability, which are particularly relevant for project-based and rapidly evolving LSH activities. In addition, indicators such as work-life balance and the gender pay gap provide insight into talent sustainability, employee well-being and the effective use of the available labor pool. Together, these indicators reflect both the cost and quality dimensions of the labor market that are critical to the international attractiveness of a country's LSH investment climate.

Labor Market **Table 7:** KPI results for the Labor Market domain per country

Country	2025	2026	Difference[4]
Austria	13	14	1
Belgium	6	10	-4
Bulgaria	24	24	0
China	29	31	2
Croatia	16	23	-7
Cyprus	25	25	0
Czech Republic	29	31	-2
Denmark	2	3	1
Estonia	19	21	-2
Finland	4	5	1
France	10	11	-1
Germany	10	12	-2
Greece	27	28	1
Hungary	26	28	-2
Ireland	9	10	1
Italy	4	7	-3
Latvia	15	20	-5
Lithuania	13	16	-3
Luxembourg	15	17	2
Malta	16	19	3
Netherlands	7	8	1
Norway	1	1	0
Poland	31	31	0
Portugal	26	27	1
Romania	22	22	0
Slovak Republic	30	30	0
Slovenia	19	19	0
Spain	4	6	2
Sweden	2	3	-1
Switzerland	6	9	3
United Kingdom	18	22	4
United States	14	17	3



[4] the previous edition, the labor laws and regulations indicator was derived from the overall Economic Freedom score, which includes additional dimensions beyond labor market regulation. In this edition, the analysis is based on the dedicated Labor Freedom indicator to ensure a more precise reflection of labor market conditions.

Strong positions on work-life balance and productivity are offset by weaker rankings on pay equity and labor-market regulation

The 2026 benchmark confirms that the Netherlands continues to hold a strong position within the European labor market landscape, even as competition from peer countries increases. Overall, the Netherlands ranks 8th among benchmarked countries in this domain.

Work-life balance remains a clear strength. The Netherlands ranks 5th, reinforcing its attractiveness to highly skilled and internationally mobile talent. This strong performance reflects enduring characteristics of the Dutch labor market, including shorter average working weeks, widespread part-time employment, and a strong cultural emphasis on flexibility. By contrast, countries such as the US continue to rank at the bottom of this indicator, reflecting longer working hours and more limited institutional support for well-being and flexible work arrangements.

Productivity is another area in which the Netherlands performs well. The country improves from 6th place in 2025 to 4th place in 2026, underlining its strong output per hour worked. This reflects a highly educated workforce and efficient work organization, even in the context of relatively low average working hours. Labor productivity growth accelerated sharply last year, reaching its highest annual increase in twenty years, although this was partly driven by a decline in total hours worked and may therefore not represent a structural trend. (54) As in other advanced economies, sustaining further productivity gains will increasingly depend on innovation, digitalization, and skills development.

At the same time, the 2026 results point to several areas for attention. Most notably, the Netherlands' relative position on the gender pay gap has weakened compared with 2025. Labor market regulation also remains less favorable than in many peer countries, despite an improvement from 23rd to 19th place. (54) Strict employment protection, particularly around dismissal procedures, notice periods, and employee safeguards, supports workforce stability but can reduce operational flexibility. For firms facing volatile project cycles or rapid scaling needs, this may still act as a constraint.

3.3 Governance

Within the Governance domain, regulatory and policy conditions are assessed according to the extent to which they support a stable, competitive and forward-looking business environment. Governance is therefore operationalized primarily through its implications for cost levels, regulatory predictability and operational flexibility for investors.

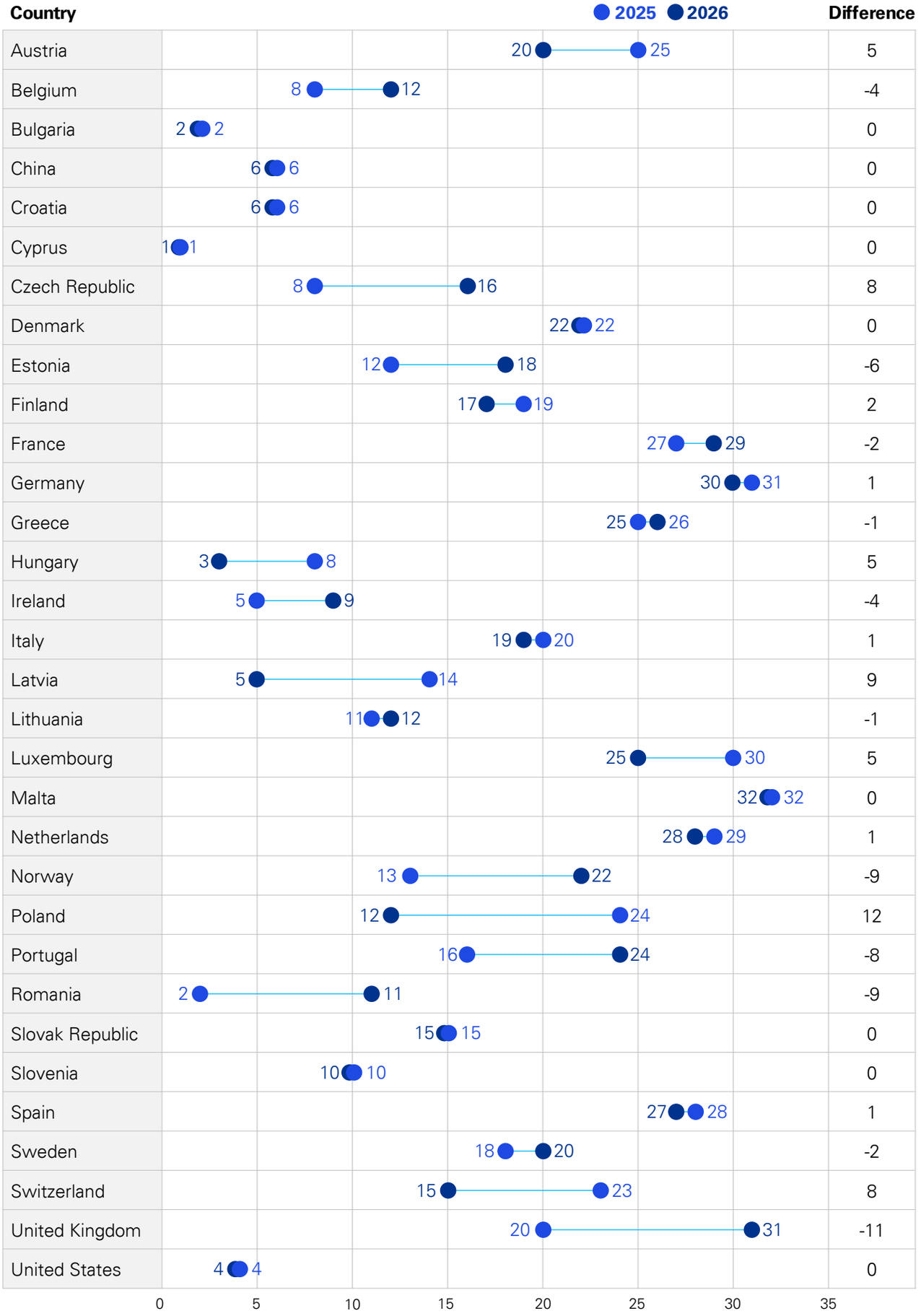
From a fiscal perspective, lower corporate tax rates are assessed as more favorable, as they reduce the direct tax burden on firms and increase a country's attractiveness, particularly for mobile activities such as corporate headquarters and R&D coordination centers. (55)

Data-protection regimes, including the General Data Protection Regulation (GDPR), are assessed based on their regulatory stringency and the associated compliance costs for companies. Jurisdictions with less burdensome compliance requirements are generally regarded as offering greater business flexibility and lower administrative costs. Venture-capital research shows that, following the introduction of the GDPR, investor activity in Europe declined relative to the US, with the strongest effects observed in data-intensive sectors. (56) For segments such as biopharmaceutical R&D and clinical research, which depend on large-scale processing, reuse and cross-border exchange of sensitive data, this remains highly relevant.

Within the sustainability dimension of governance, environmental legislation and decarbonization policies are assessed from a short- to medium-term investment perspective. More stringent regulation is rated as less favorable insofar as it increases compliance costs, capital expenditure and operational constraints. This treatment aligns with cross-country evidence linking stricter environmental regulation to lower inward foreign direct investment, as investors respond to differences in regulatory stringency. (57)

Corruption constitutes a clear exception within the governance indicators. Higher levels of corruption are scored as unambiguously unfavorable, as they undermine institutional quality, legal predictability and fair competition, directly weakening the conditions required for a stable and transparent business environment.

Governance **Table 8:** KPI results for the governance domain per country



Rising regulatory and compliance pressures are gradually shifting the Netherlands away from lower-burden peers, with implications for its innovation capacity.

The Netherlands' relative position in terms of fiscal and regulatory competitiveness has modestly weakened in the latest benchmark. The corporate tax rate has moved up by two positions, placing the Netherlands at rank 27, underscoring a growing divergence from lower-tax jurisdictions such as Hungary and Ireland. A similar pattern is visible in environmental policy stringency: the Netherlands has moved up one place to rank 28, reflecting a comparatively demanding sustainability and compliance framework.

In the area of data protection, the General Data Protection Regulation (GDPR) has largely harmonized the regulatory baseline across EU Member States, placing most countries—including the Netherlands—at a comparable level (rank 17). Nevertheless, some Member States, such as Croatia and Belgium, rank significantly higher (both at rank 3), driven by differences in national enforcement practices and supervisory intensity. The Netherlands is often characterized by a relatively strict interpretation and implementation of European regulation, which can introduce additional complexity and lead to delays in practice.

This kind of national layering is already visible in MedTech. In the Netherlands, stakeholders point to additional requirements alongside EU frameworks, including country-specific interoperability standards such as NEN, ZIBs and MedMij, and overlapping scrutiny for medical AI where MDR requirements intersect with national data protection and oversight frameworks. The issue is not necessarily the existence of these standards, but the cumulative effect of multiple requirements that companies must interpret and comply with simultaneously. (46) Stakeholders interviewed emphasize that more coordinated implementation across Member States is needed, so that companies are not required to navigate divergent national requirements on top of already complex EU frameworks.

A related practical barrier is the fragmented data landscape. One stakeholder, an investor at a Dutch investment agency focused on life sciences, highlighted the lack of a central, accessible data infrastructure as a key bottleneck. According to her, the absence of integrated data makes it difficult to analyze trends and support evidence-based policymaking. As she states: *"no one has the data fully available… and as a result, we are constantly lagging behind developments."* She attributes this to both strict GDPR requirements and broader issues related to data accessibility, with data remaining fragmented across hospitals, companies, government bodies, and research institutions, limiting its reuse across the ecosystem.

The forthcoming European Health Data Space (EHDS) Regulation could help address part of this fragmentation by enabling access to larger and more harmonized health datasets across the EU. (58)Such access could support broader and faster research and development of new therapies, improving the scale and efficiency of data-driven innovation if implemented consistently across Member States. (59)

However, the realization of these benefits will depend critically on harmonized implementation. The EHDS deliberately leaves Member States discretion in how its core institutions are organized: each country must designate both a Digital Health Authority for primary data use and a Health Data Access Body for secondary use but may decide how and where these functions are housed. (59) In practice, further legislative layering is therefore likely. Without strong coordination, national divergences in the interpretation of data access rights, technical standards, and opt-out mechanisms risk emerging, undermining interoperability and diluting the scale advantages the EHDS is intended to deliver.

For the MedTech sector specifically, the quality of EHDS implementation carries direct regulatory and commercial consequences. Post-market clinical follow-up requirements under MDR increasingly depend on real-world evidence to support ongoing clinical evaluation, but the Dutch system is not yet structurally organized to generate such evidence at scale. (46) (60) Research drawing on expert interviews commissioned by the Netherlands Organization for Applied Scientific Research identifies the primary near-term constraints on secondary data use as fragmented institutional ownership, lack of governance clarity across data holders, and uneven technical readiness at Member State level, risks that apply with particular force to data-intensive validation processes in medical technology. (61)

The Netherlands took an important first step in May 2026, when the government announced the establishment of a new Health Data Authority, bringing together the EHDS-mandated Digital Health Authority and Health Data Access Body within a single organization. This creates a clear opportunity to improve coordination and help address the fragmentation of the Dutch health data landscape identified by stakeholders.

More broadly, the cumulative regulatory burden facing companies continues to intensify. Monitoring and documentation requirements have expanded under the Clinical Trials Regulation (CTR), the GMO Directives, the AI Act, and are expected to increase further with the introduction of the EHDS. In parallel, the EU's sustainability agenda is generating extensive new environmental reporting obligations, placing additional pressure on corporate resources, particularly in jurisdictions with ambitious national sustainability targets such as the Netherlands. (27)

In MedTech, these regulatory pressures translate into concrete constraints on market entry, cost, and commercialization. European legislation, including MDR, IVDR, and the AI Act, has significantly increased documentation and evidence requirements, raising barriers to market entry. In the short term, rising compliance demands are already forcing companies to reallocate internal resources away from innovation-oriented activities toward regulatory management. Over the longer term, firms are likely to structurally expand their compliance functions, leading to sustained increases in operating costs.

Stakeholders contrast this with the more explicitly facilitative approach in the United States, where the Food and Drug Administration (FDA) Breakthrough Devices Program provides an accelerated pathway for certain medical devices and device-led combination products that have the potential to offer more effective diagnosis or treatment of life-threatening or irreversibly debilitating conditions. (62) The result is a growing transatlantic contrast between a European system centered on compliance and a US system that more actively facilitates timely market entry for promising technologies.

The changing role of R&D tax credits

R&D tax credits have become an important policy instrument in the international competition for life sciences investment. Countries with strong innovation ecosystems increasingly use targeted fiscal incentives to lower the effective cost of R&D and to support long, capital-intensive development cycles typical of pharmaceuticals, biotech and MedTech. (111)

Since January, however, the OECD has introduced new international tax rules under Pillar Two, including the side-by-side package on R&D tax credits. These rules establish a global minimum effective corporate tax rate of 15% for large multinational enterprises. (111) As a result, traditional tax-rate competition plays a less decisive role in location choices for in-scope multinationals, as low-tax outcomes are largely neutralized through top-up taxation at group level.

Within this new framework, the design and focus of R&D tax credits matter more than headline tax rates. Jurisdictions such as Switzerland have strengthened their position by offering expenditure-based R&D incentives—most notably through R&D super-deductions—thereby directly reducing the after-tax cost of innovation while remaining compatible with Pillar Two rules. (111) These instruments are widely perceived as more targeted and investment-relevant for life sciences R&D than general corporate tax reductions.

The Netherlands primarily relies on the Research and Development Promotion Act, or WBSO, which supports qualifying R&D activities, including the development of technically new products, production processes or software, as well as technical scientific research. This makes the Dutch fiscal framework relatively strong on R&D support, particularly for SMEs and scale-ups, but less directly targeted at high-end life sciences manufacturing as a location factor in its own right. Manufacturing-related activities may qualify where they involve genuine R&D, or where investments fall under broader energy-efficiency, environmental or small-scale investment schemes. However, the Netherlands does not appear to offer a dedicated tax credit specifically aimed at attracting advanced life sciences manufacturing.

For large multinational life sciences companies, this limits the scope for fiscal differentiation. Planned changes to the WBSO scheme, expected to take effect after 2026, also indicate a more restrictive approach to eligibility, particularly for research activities that are more typical of pharmaceutical, biotechnology and CROs. Activities oriented towards validation, application and clinical research are likely to be assessed more critically and may fall outside the scope of the scheme, limiting their eligibility for public support. This could affect the financing of R&D activities, the feasibility of early-stage research and the strategic planning of innovation projects.

3.4 Talent and education

Talent availability and education quality play a decisive role in shaping the investment climate for life sciences and biotechnology. Across advanced economies, shortages of specialized skills in areas like biomanufacturing and applied research limit the ability to scale innovation, even where funding and infrastructure are strong. As a result, innovation capacity is increasingly defined by access to skilled labor and human capital alongside capital investment. Policy frameworks that fail to strengthen this access risk eroding competitiveness over time.

Talent and Education

Table 9: Results of the talent and education domain per country.

Country	2025	2026	Difference
Austria	10	11	-1
Belgium	12	12	0
Bulgaria	31	31	0
China	16	16	0
Croatia	29	29	0
Cyprus	23	24	-1
Czech Republic	18	19	-1
Denmark	7	8	-1
Estonia	20	20	0
Finland	6	7	1
France	9	9	0
Germany	5	7	-2
Greece	24	28	-4
Hungary	26	28	2
Ireland	9	12	3
Italy	15	15	0
Latvia	30	30	0
Lithuania	22	24	2
Luxembourg	16	17	1
Malta	25	26	1
Netherlands	3	5	-2
Norway	10	13	-3
Poland	20	21	1
Portugal	16	19	3
Romania	32	32	0
Slovak Republic	26	27	1
Slovenia	22	23	-1
Spain	13	14	1
Sweden	2	6	4
Switzerland	2	3	1
United Kingdom	2	2	0
United States	1	1	0

The 2026 results confirm the Netherlands' continued strength in knowledge and talent, while highlighting increased competitive pressure from peer economies.

The Netherlands ranks 9th for the presence of universities and 6th for qualified personnel. Compared with 2025, this represents a decline of one position in university presence and two positions in qualified personnel.

Importantly, the number of Dutch universities included in the assessment has remained unchanged. The observed ranking shifts therefore reflect stronger relative performance by other countries rather than a weakening of the Netherlands' domestic knowledge base. Notably, Finland and Sweden have strengthened their positions considerably. Despite these shifts, the Netherlands continues to outperform several European peers, including Belgium and Austria, on both indicators.

A critical but underweighted component of this knowledge infrastructure is the network of seven University Medical Centers (UMCs). Jointly producing approximately 23,500 peer-reviewed publications per year between 2019 and 2022, the UMCs represent a structurally embedded research engine within the Dutch life sciences ecosystem. (63) Bibliometric analyses confirm that all seven UMCs consistently rank among the highest-impact biomedical institutions in Europe, irrespective of publication volume. (63)

Their research impact is especially strong. Across the 2018-2021 period, UMC publications were cited 60 to 90 percent above the world average. Additionally, 18 to 21 percent of UMC publications land in the top 10 percent most-cited papers globally in their research cluster, approximately twice the expected baseline. (63) In citation impact terms, Dutch UMCs are competitive with several of the largest US biomedical institutions, a notable achievement given the significant difference in funding scale. The UMCs also demonstrate strong external funding acquisition, with 63 percent of publications acknowledging at least one external funder, compared to a global biomedical average of 45 percent. (63)

This strong academic foundation is further reinforced by the presence of dense and highly specialized innovation clusters, most notably the Leiden Bio Science Park, which is widely recognized as one of Europe's leading life sciences clusters. Stakeholders highlight that such ecosystems, bringing together universities, research institutes, biopharmaceutical companies, and clinical infrastructure in close proximity, enable rapid knowledge exchange, early-stage collaboration, and efficient translation from research to application.

The lower ranking for qualified personnel should be interpreted with caution. The GTCI 2025 marks a methodological inflection point, with changes to indicator composition and weighting resulting in larger ranking movements than in previous editions. In parallel, the Netherlands is facing a structural labor market challenge: the simultaneous ageing of the population and the workforce. This is particularly visible in the healthcare sector, where around 20% of the workforce is expected to retire within the next ten years. Data from the European Employment Services (EURES) database further indicate persistent shortages in key occupations, including life science technicians and nurses. (64)

Even so, the Netherlands is not standing still. In response to these pressures, the Netherlands has increasingly invested in mechanisms aimed at strengthening and renewing its pool of qualified personnel. This effort builds on a structurally strong public–private collaboration ecosystem. National initiatives such as Health Holland's Life Sciences & Health Human Capital Agenda, the Oncode Institute, and Health-RI's training and academy programs demonstrate how the Dutch triple-helix model—linking government, industry, and academia—actively supports talent development and retention in life sciences and healthcare. Through integrated talent pipelines, translational research training, and data-driven skills programs, these initiatives help offset demographic pressures and sustain alignment between academic output, industry demand, and public health priorities.

At the same time, stakeholders note that this strength cannot be taken for granted. Stakeholder interviews indicate that recent changes to the 30% ruling—a long-standing scheme allowing highly skilled international employees to receive up to 30% of their salary tax-free to offset relocation costs—and the ongoing reform of Box 3 taxation, which governs the taxation of savings and investments, have introduced uncertainty around the effective tax position of both expatriates and Dutch residents. One stakeholder, a biotech founder, emphasized that even relatively small policy adjustments can have broader implications: *"people do not realize that [these kinds of small changes] can create a perception abroad that the Netherlands is unfriendly to innovation"*.

3.5 Infrastructure

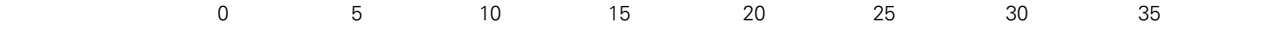
Infrastructure is a critical enabling condition for investment, shaping the ability of firms and research institutions to operate efficiently, scale activities, and integrate into global value chains. In the context of this benchmark, infrastructure is understood in a functional rather than purely physical sense, encompassing the systems and capacities that support innovation, production, and service delivery over time. The assessment therefore focuses on those infrastructure dimensions that are demonstrably relevant to the life sciences and health-related investment environment, and for which comparable evidence is available.

The analysis covers digital, logistics, production, and environmental infrastructure, alongside energy prices as a critical cost factor. Digital infrastructure underpins data-intensive research, clinical trials, regulatory reporting, and cross-border operations, and is increasingly intertwined with innovation outcomes in life sciences and health ecosystems. Logistics performance is central given the sector's reliance on complex, time-sensitive, and highly regulated supply chains, while the presence of manufacturing and scale-up capacity reflects the ability to translate research and regulatory approval into operational output.

Energy costs and waste treatment infrastructure are included due to their direct impact on labor-intensive and manufacturing activities, including biomanufacturing, cold-chain operations, and cleanroom facilities. Persistent differences in energy prices and environmental infrastructure capacity can materially affect operating costs, permitting feasibility, and expansion potential, and may therefore act as binding constraints on capital-intensive life sciences investments.

Infrastructure **Table 10:** Results of infrastructure domain per country

Country	2025	2026	Difference
Austria	9	9	0
Belgium	11	11	0
Bulgaria	29	30	1
China	1	1	0
Croatia	25	27	-2
Cyprus	32	32	0
Czech Republic	20	23	-3
Denmark	4	5	-1
Estonia	26	28	2
Finland	5	8	3
France	14	14	0
Germany	5	6	1
Greece	29	29	0
Hungary	21	26	5
Ireland	12	13	1
Italy	17	19	-2
Latvia	23	24	1
Lithuania	17	20	3
Luxembourg	16	16	0
Malta	17	19	2
Netherlands	3	3	0
Norway	6	8	-2
Poland	12	24	-7
Portugal	16	24	2
Romania	31	31	0
Slovak Republic	27	27	0
Slovenia	12	12	0
Spain	27	28	0
Sweden	9	10	-1
Switzerland	4	4	0
United Kingdom	14	15	-1
United States	2	2	0



In 2026, the Netherlands' infrastructure profile remains strong, supported by incremental gains in digital and logistics capacity, while growing constraints in energy affordability and grid capacity point to areas requiring continued attention.

The Netherlands holds a strong overall position in the infrastructure domain, ranking third among benchmarked countries. Digital infrastructure improved modestly in 2026, with the Netherlands moving up one position in the ranking. Recent assessments point to sustained investment in health information systems, interoperability, and digital tools, reinforcing the Netherlands' position among leading EU performers in health ICT and data availability. (65) In the broader telecommunications landscape, the Netherlands stands out for its near-universal internet access, with around 99% of the population online, and for hosting a major global data hub in the form of the Amsterdam Internet Exchange. (65)

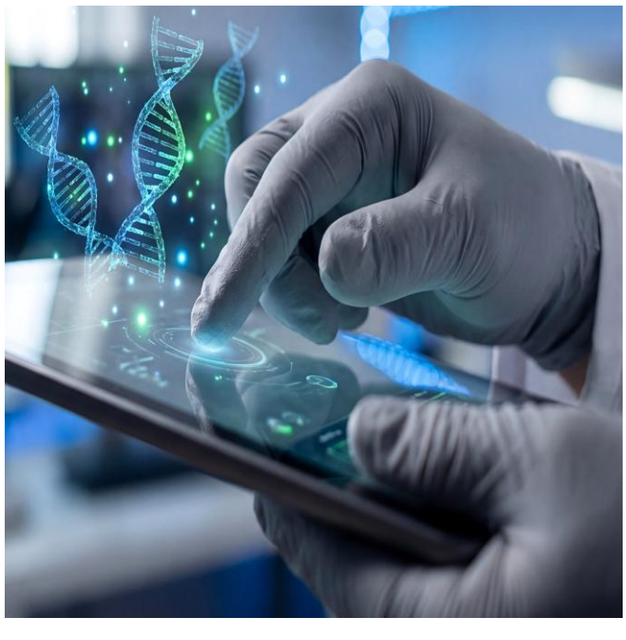
The Netherlands also continues to benefit from structurally strong logistics infrastructure, underpinning its role as a European gateway economy. Anchored by Europe's largest port and a leading international airport, the country is deeply embedded in international supply chains and trade networks. Its connectivity is a key advantage: a large share of Europe's major consumer markets can be reached within 24 hours from Amsterdam or Rotterdam via road, rail, or waterways, enabling efficient access to approximately 170 million consumers. (66) This strength is reflected in a one-position improvement in logistics-related indicators and continues to support the Netherlands' attractiveness as a location for European headquarters, distribution centers, and export-oriented activities.

However, infrastructure-related constraints are becoming increasingly visible. Energy prices and availability in particular have emerged as a growing bottleneck. In 2026, the Netherlands dropped two positions, ranking 21st on this indicator. Grid congestion, relatively high energy costs compared to neighboring countries, and delays in expanding the electricity network are creating tangible barriers to industrial activity and new investment. Capacity constraints on the Dutch grid constitute a major challenge to electrification, reflecting both recent developments and historical legacies. The transmission system operator estimates that grid capacity needs to nearly triple by 2050 to meet demand, yet permitting delays, labor shortages, and nitrogen constraints continue to slow expansion projects. As a result, most parts of the Dutch grid are considered congested, with waiting lists for new or expanded connections including approximately 17,500 large users and generators. (65)

The real-world consequences of these constraints are already visible in the life sciences sector. Eli Lilly's planned €2.6 billion manufacturing facility adjacent to the Leiden Bio Science Park, one of the largest life-sciences investments in Dutch history, illustrates how infrastructure bottlenecks now directly shape investment outcomes. As of June 2026, the municipal council of Katwijk has made its preliminary approval conditional on clarity from the national government on the resolution and financing of a local traffic bottleneck, while grid congestion has been raised as a further concern in the permitting debate. (67) As noted in the governance section, fragmented responsibilities and uneven execution can reduce predictability for life sciences investors. The Lilly case shows how this can materialize in infrastructure delivery, where a strategically significant investment risks stalling on unresolved coordination and cost-sharing questions between national, regional and municipal authorities.

These constraints are particularly pronounced in energy- and capital-intensive sectors such as MedTech. As a sector that is both energy-dependent and increasingly digital, MedTech relies on stable, high-capacity electricity for manufacturing, imaging technologies, and data-intensive diagnostics. This dependence is further reinforced by the growing use of AI and robotics, which increases electricity demand and heightens sensitivity to supply constraints. In addition to energy supply, MedTech depends on a broader infrastructure base, including specialized manufacturing ecosystems and technology infrastructures for testing, prototyping, and validation. As a result, constraints in either area can raise costs and slow scale-up.

Overall, this results in a mixed picture. While the Netherlands ranks among the top performers in digital infrastructure, logistics, and waste management, energy-related constraints are increasingly weighing on its overall infrastructure competitiveness. Nonetheless, infrastructure remains one of the domains in which the Netherlands continues to stand out internationally.



3.6 Market access and potential

This domain assesses how effectively countries translate life sciences innovation into market entry, scale, and sustained presence. It combines indicators of innovation output with measures of market conditions that influence where companies invest and operate over time. Key metrics cover the full pathway from innovation to commercialization, including patent activity, access to international markets, median time to availability of new medicines, clinical trials, overall competitiveness, and the presence of corporate headquarters.

Patent activity serves as a proxy for innovation output and the strength of intellectual property protection, both of which remain important for attracting investment, particularly from venture capital and strategic partners. Pharmaceutical exports reflect the ability of firms to produce and distribute at scale across borders. In the current environment, companies increasingly favor locations embedded in predictable and integrated market frameworks, as trade volatility, tariffs and supply-chain risks weigh more heavily on production and export decisions.

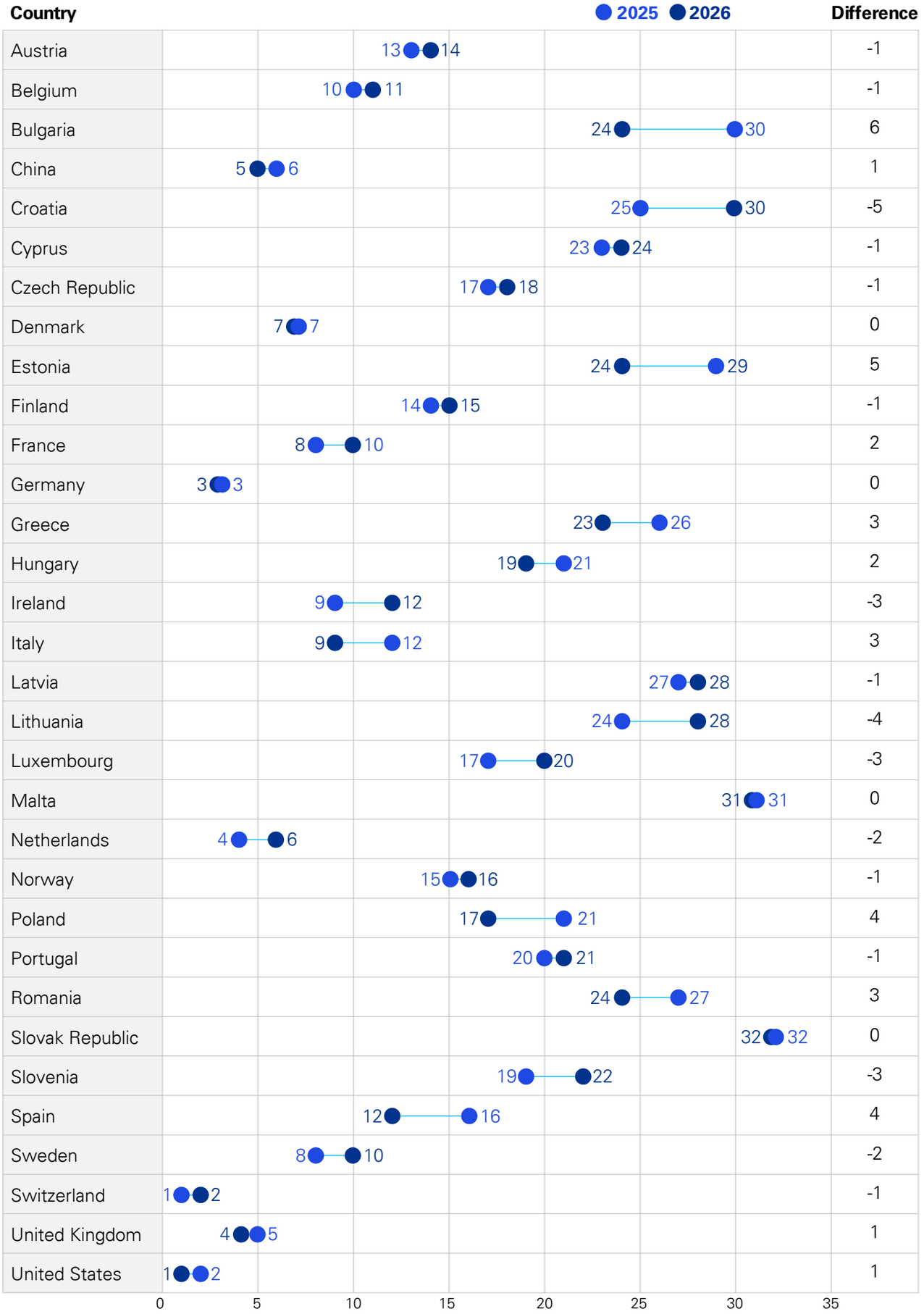
Indicators related to access to medicines and clinical trials capture how effectively innovation translates into commercial opportunity.

Delays and uneven access pathways influence launch sequencing, resource allocation, and investment decisions. Clinical trial activity complements this by signaling where companies prioritize late-stage development, which is typically in markets that combine operational efficiency with credible commercial prospects. In practice, predictable and favorable access environments strengthen expected returns, making them more attractive locations for high-cost, late-stage trials.

This link is reinforced by the role trials can play in supporting market access, for example through evidence generation aligned with national HTA requirements and early clinician engagement. However, these benefits depend on a clear pathway to reimbursement; where this is uncertain, incentives to invest in local trials weaken. As a result, higher-value clinical activity concentrates in markets with stronger access conditions. Importantly, this relationship is asymmetric: strong access conditions attract clinical trials, but the presence of trials alone does not materially improve access outcomes. Finally, the presence of corporate headquarters reflects sustained market attractiveness, as firms tend to locate in environments combining regulatory stability, strong innovation ecosystems, skilled talent, and proximity to decision-makers. (68)

Market access and market potential

Table 11: Results of the market access and market potential domain per country



High Innovation Intensity and Overall Competitiveness, but Uneven Later-Stage Performance

The Netherlands performs strongly in this domain overall, ranking 6th among benchmarked countries and placing in the top 10 on both life sciences patents and the presence of R&D headquarters.

Despite relatively modest domestic pharmaceutical R&D expenditure, the Netherlands recorded 848 life sciences patent filings under the European Patent Office (EPO) framework, corresponding to approximately 47 patents per million inhabitants in 2026. (69) This is nearly three times the average across EU Member States included in the benchmark (around 16 to 17 patents per million), underscoring strong innovation intensity. (69)

This positive profile is reinforced by the 2026 IMD World Competitiveness Ranking, in which the Netherlands ranks fourth among the benchmarked countries. (70) The indicator captures the general conditions that support business activity and long-term value creation across the economy, including economic performance, institutional and business efficiency, and infrastructure.

For this benchmark, it provides an important reference point: the Netherlands is not held back by a weak overall business climate. In life sciences, however, competitiveness depends on more than general business conditions. Because innovations directly affect patient safety, health outcomes and healthcare budgets, they must move through a sequence of evidence, regulatory, reimbursement, procurement and clinical adoption decisions before reaching patients and scaling commercially. This is where the Netherlands' performance becomes less consistent: strong research and innovation indicators are not matched by equally strong outcomes in clinical development, market access and adoption. In pharmaceuticals, the pressure is most visible in clinical trial activity and in MedTech, it relates more to validation, procurement and adoption in healthcare practice.

Pharmaceuticals: declining trial activity and constrained market access

Clinical trial activity in the Netherlands has declined substantially. Companies initiated 354 commercial studies in 2025, compared with 660 in 2021, representing a near-halving of 46%. (71) On a population-adjusted basis, the number of clinical studies conducted fell from 37.8 per million inhabitants in 2021 to 19.6 in 2025, placing the Netherlands among the sharper declines in Western Europe. (71) Recent EFPIA analysis quantifies what is at stake domestically: attracting 11% more clinical research could translate into up to €138 million in additional annual economic value for the Netherlands, highlighting the upside of restoring competitiveness in trial set-up and predictability. (20)

Here too, stakeholder interviews indicate that the decline is not primarily driven by weak Dutch research capability. Respondents point instead to a well-developed clinical trial ecosystem, supported by organized testbeds, regional networks and dedicated trial support structures. The Dutch decline should therefore be interpreted in the context of a broader European deterioration. Spain and Germany remain among Europe's strongest trial locations, but EFPIA finds that Europe's share of global commercial multi-country trial starts declined from 25% in 2013 to 19% in 2023. (72)

Structural inefficiencies in the European clinical trial landscape help explain this trend: multi-country studies often require separate ethical review processes and reimbursement systems across jurisdictions, creating duplication and delays relative to more centralized systems such as the United States and China. Persistent challenges in patient recruitment add to this loss of competitiveness. Part of the activity lost by Europe has shifted to China, where regulatory conditions and targeted support, particularly for Phase I and cell and gene therapy trials, have accelerated development. (72) Europe, as a result, has seen a marked contraction in these segments. (26)

For the Netherlands, these European-level pressures are compounded by the interaction between market access and trial feasibility. Stakeholder interviews suggest that access conditions may affect trial placement not only commercially, but also operationally. For late-stage international trials, sponsors often need participating countries to use comparator treatments that are aligned with current standards of care across markets. If an innovative therapy is already reimbursed and routinely used in some countries, but not yet available in the Dutch setting, the Netherlands may be harder to include under the same protocol. In those cases, the issue is not the quality of Dutch research infrastructure, but whether the control arm can be delivered in a way that is consistent with the trial design. This is particularly relevant for multi-country studies, where differences in regulatory approval, clinical guidelines, real-world practice, access and reimbursement can lead to variation in what counts as standard of care across regions.

The Netherlands continues to face challenges on the commercial side of the pharmaceutical value chain. It ranks 10th on the EFPIA Patients W.A.I.T. Indicator for time to reimbursement, pointing to slower patient access than several peer countries. In addition, the country's ranking on openness to markets declined by one position compared to last year. Together, these findings suggest that while the Netherlands performs strongly on many innovation-related indicators, translating innovation into timely market access and commercial uptake remains a relative weakness.

MedTech: procurement and validation remain the main adoption bottlenecks

In MedTech, the structural gap appears not in the rules themselves, but in the way hospital procurement continues to define and reward value. At the level of hospital procurement, purchasing remains dominated by price- and volume-based models that systematically underweight clinical outcomes. (73) Award criteria therefore still default to lowest price and volume, even though the EU Public Procurement Directive already permits authorities to award on a Most Economically Advantageous Tender (MEAT) basis that explicitly weights cost-effectiveness, life-cycle costing and clinical outcomes. The binding constraint is therefore one of practice, not legal mandate. (73) The Netherlands has applied value-based and MEAT-style award criteria in individual hospital tenders, but the approach remains the exception rather than the norm. (74)

These procurement dynamics are reinforced at the system level. Contracting between hospitals and insurers continues to face structural challenges, including limited data infrastructure, interoperability constraints and difficulties in measuring outcome-based value. (75) This limits the ability of parties to operationalize value-based agreements and constrains the negotiating environment in which MedTech innovations must achieve uptake. Industry representatives indicate that procurement practices remain strongly cost-driven, with the broader value contribution of innovations insufficiently reflected and financial pressures disproportionately absorbed by suppliers. At the same time, alignment and joint commitment across actors, including insurers, purchasing networks and hospital procurement functions, remain limited.

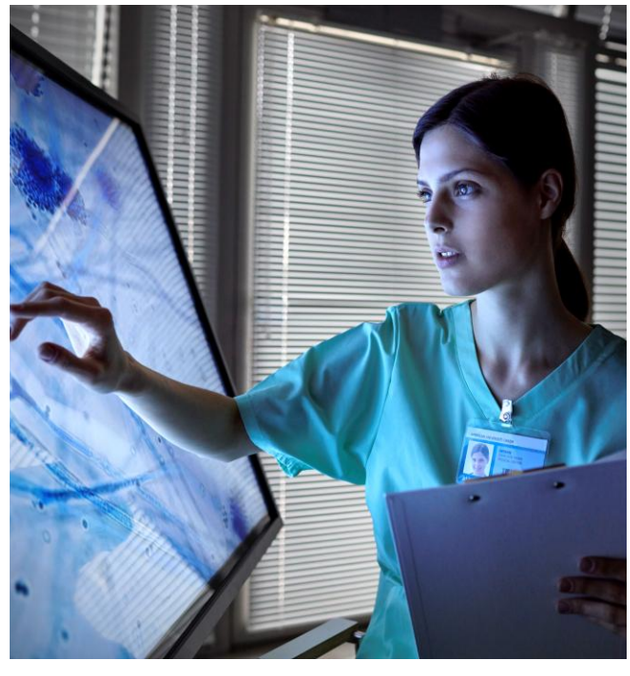
A further constraint lies in the limited differentiation between innovative and more commoditized products. While price-based competition is appropriate for products with limited scope for further development, innovations with demonstrable system impact, for example on labor productivity, require a different approach to evaluation and purchasing. This distinction is not yet consistently reflected in procurement practice, according to industry representatives.

EU reforms and the need for predictable access pathways

Against this backdrop, EU-level reforms aim to address these structural weaknesses. The proposed Biotech Act is intended to improve Europe's competitiveness by easing access to funding, simplifying regulatory pathways and reducing time to market. The comprehensive revision of pharmaceutical legislation agreed in December 2025 is intended to improve access, reduce administrative burden and support innovation. (42) As discussed in the European position section, the revision of the MDR points in the same direction. Together, these reforms are a step forward, but their impact will depend on implementation in practice, and on how far Member States continue to determine pricing and access conditions. (42)

This trade-off is not unique to the Netherlands. Across Europe, countries are increasingly seeking to reconcile cost containment objectives with the need to maintain an attractive and predictable commercial environment for innovative medicines. In pharmaceuticals, Ireland's Framework Agreement on the Supply and Pricing of Medicines (FASPM) 2026 to 2029 illustrates how rigorous cost containment can be combined with a predictable and investable market. (76) Crucially, its multi-year structure provides a stable policy horizon, explicitly combining pricing, supply, and access considerations into a single coherent framework. As a director at a multinational biopharmaceutical company based in Ireland reflected*: "The only way a country can navigate through this is by having that certainty in their framework agreements."*

The framework's foundation is an external reference pricing system anchoring list prices to the average of a defined European basket and subjecting them to periodic, downward-only realignments (76) This delivers firm budget control, reinforced by mandatory rebates and explicit loss-of-exclusivity rules that trigger predictable price reductions once generic or biosimilar competition enters the market. (76) The model distinguishes between visible list prices and lower net prices achieved through rebates and commercial arrangements, preserving internationally referenced price points while allowing governments to secure additional savings and limiting unintended spillovers through international reference pricing systems. (76)



Explicit supply safeguards further reduce risks of product withdrawal and support continuity of supply. Importantly for the current geopolitical context, this type of framework also mitigates MFN-type spillover effects. By relying on average rather than lowest-price referencing, decoupling list and net prices, and applying discrete rather than continuous price adjustments, the model limits the transmission of low prices into other markets.

For MedTech, an equivalent model centered on procurement predictability and proportionate regulatory implementation, rather than pricing alone, would address the sector's specific bottleneck. The underlying principle is the same: predictability and coherence are what attract and retain investment, regardless of which part of the value chain is under pressure.

Spotlight: EU pharmaceutical legislation reform and regulatory competition

In December 2025, the European Parliament and the Council of the European Union reached a political agreement on the most comprehensive reform of European Union pharmaceutical legislation in more than twenty years. (103) The reform aims to modernize the regulatory framework governing medicinal products, improve patient access, strengthen supply security, and enhance the EUs global competitiveness in life sciences innovation.

A key strategic implication of this reform is the strengthened role of Manufacturing and Import Authorization (MIA) as a prerequisite for market access and continuity of supply. Under the revised framework, regulatory obligations related to availability, shortage prevention and compliance increasingly tie market access to robust manufacturing and import capabilities within the EU. (103)

As a result, manufacturing and import authorization evolves from a compliance requirement into a strategic pillar for pharmaceutical market participation.

This shift intensifies competition between Member States on regulatory quality and execution capacity, rather than primarily on fiscal conditions. The effectiveness of national competent authorities in issuing MIA, conducting inspections, and providing regulatory predictability becomes a decisive factor in investment and location decisions. (103) Countries with efficient procedures, adequate regulatory capacity and strong coordination with the European Medicines Agency (EMA) are therefore better positioned to attract and retain pharmaceutical manufacturing and supply chain activities.

In this context, the reform of the EU pharmaceutical legislation highlights the growing importance of regulatory governance, speed of execution and supply-chain resilience as core determinants of competitiveness within the European life sciences ecosystem.

4. Conclusion | Sustaining Competitiveness in a Shifting Global Landscape

The 2026 AmCham Life Sciences & Health Benchmark shows that global competition for life sciences investment has shifted into a structurally different phase, increasingly shaped by geopolitical dynamics and strategic policy choices. As one policy stakeholder observed, *'We have been naïve in assuming a fully globalized world - countries are increasingly acting in their own strategic interest.'*

Geopolitical fragmentation, more assertive industrial policies, tariff uncertainty and growing international price interdependencies are reshaping how companies assess markets. In this context, pricing and reimbursement frameworks are no longer only domestic instruments for managing healthcare expenditure. They increasingly affect launch sequencing, clinical trial activity, supply-chain decisions and long-term investment allocation. For pharmaceuticals, this is reinforced by MFN-related spillover risks and the growing strategic weight of national pricing decisions. For MedTech, tariff exposure and supply-chain uncertainty add pressure to margins, production choices and investment capacity.

These dynamics make the Netherlands' position more conditional than its stable sixth-place ranking suggests. While rankings continue to reflect the accumulated effects of earlier policy choices and system strengths, several of the factors shaping future competitiveness are changing more rapidly than headline indicators capture.

The 2025 benchmark already highlighted underlying pressure points. Despite its strong overall performance, the Netherlands showed relative weaknesses in private R&D investment, market access, energy costs, grid capacity and regulatory complexity. Geopolitical developments in 2026 are not creating these vulnerabilities, but increasing their strategic relevance and potential impact on future competitiveness.

The benchmark still reflects a strong foundation: the Netherlands ranks sixth overall, third in infrastructure and sixth in market access and potential. However, some indicators are beginning to move in the wrong direction. Talent and education fell from third to fifth place, while market access and potential declined from fourth to sixth. Governance remains a structural weakness despite marginal improvement.

These movements matter because each tracks a different part of the upstream-downstream gap, and each maps onto one of the priorities outlined in the section below. The slide in market access and potential is the sharpest signal: it is where declining trial activity and constrained reimbursement already show up in the data, and it is precisely what the access-and-commercialization priority is meant to address. The shift in talent and education reflects faster movement by peers rather than a weakening of the Dutch knowledge base – reinforcing the case for sustained investment in people and enabling technologies. Governance's persistent weakness is the standing drag on predictability that the regulatory-fragmentation priority point targets. Taken together, these movements are best read not as a verdict but as a practical agenda: they identify precisely where coordinated follow-through can convert today's strong base into a durable position.

The Europe bloc makes this interpretation broader than the Dutch ranking alone. Dutch competitiveness is shaped not only by national performance, but also by the wider European environment in which capital, regulation, data infrastructure and market access conditions determine whether strengths can translate into scale.

Within this context, capability alone is no longer decisive. Companies increasingly prioritize ecosystems that combine research quality with speed of execution, predictable access and clear routes to scale. For pharmaceuticals, this is reflected in clinical trial location decisions and the growing weight of market access conditions in investment strategies. For MedTech, it is reflected in fragmented routes to validation, procurement and system-wide implementation. As one director of a multinational biopharmaceutical company stated: *"Those countries will be the winners[…] that have a thriving innovation ecosystem from bench to bedside."*

Across interviews, stakeholders consistently note that the core recommendations have remained largely unchanged for years. The constraint is therefore not a lack of insight, but an execution gap. Countries that do not translate policy ambition into predictable, sustained delivery risk losing relevance, even where underlying strengths formally remain intact.

Strategic priorities for sustaining competitiveness

Address infrastructure constraints as a strategic enabler

Energy costs, data infrastructure, grid capacity and permitting speed increasingly determine whether life sciences investments materialize. Infrastructure is therefore a binding competitiveness constraint, not a background condition.

Expanding grid capacity and industrial infrastructure will be critical, alongside stronger alignment across national, provincial and municipal authorities. In practice, this could include prioritizing grid access for strategic projects, reducing conflicting requirements across government layers and introducing coordination mechanisms such as a single national counter to align conditions before they reach investors.

Energy affordability is part of the same equation. Stabilizing energy costs for capital-intensive facilities, for example through targeted contracts or priority schemes, will be key to maintaining the Netherlands as a viable location for scale-up and production. Environmental and sustainability requirements need to be designed and implemented in a proportionate and internationally competitive manner.

Permitting remains a binding constraint, but the issue is often not administrative capacity alone. Delays typically reflect misalignment across government layers, each attaching separate conditions to the same project. Addressing this requires clearer coordination and alignment of requirements across authorities.

Finally, strengthening data infrastructure should support the full innovation lifecycle, from research and development to real-world evidence generation and post-market monitoring. This can be enabled through a national dataset catalogue, secure processing environments and controlled access to linked health data.

Strengthen predictability and reduce regulatory fragmentation

Strengthening competitiveness requires a shift to a proportionate, EU-aligned implementation approach, limiting additional national requirements to cases where they demonstrably add value. Closer alignment with EU frameworks would strengthen the Netherlands' position as a consistent and efficient investment environment. This should be reinforced by multi-year assessment frameworks that capture longer-term health, fiscal and productivity benefits.

At the national level, execution capacity remains a key constraint. Strengthening regulatory, HTA and approval processes, and improving coordination across institutions, is essential to reduce complexity and shorten timelines across development, assessment and market entry.

Regulatory frameworks also need to keep pace with scientific and technological progress. Instruments such as regulatory sandboxes can support earlier testing, clearer pathways and faster adoption while maintaining safeguards.

Strengthen MedTech competitiveness through enabling technologies and adoption capacity

For MedTech, the question of competitiveness is increasingly twofold. First, future growth will depend on whether the Netherlands builds sufficient strength in enabling technology domains such as micro-electronics, AI quantum computing, sensor technology, and materials science which are expected to shape the next generation of healthcare innovation.

Second, these technological strengths will only translate into economic and health-system value if the Dutch market offers credible pathways for validation, adoption and scale. This includes a gradual shift towards outcome-oriented financing, targeted investment in interoperable data and validation infrastructure, and the systematic integration of value-based criteria into procurement processes. In doing so, the Netherlands can strengthen its position not only as a place where MedTech innovations are developed, but also as a market where they can be clinically validated, adopted and scaled.

Align innovation strength with access and commercialization

A predictable and coherent pricing and reimbursement framework remains critical to investment decisions. Multi-year approaches, such as Ireland's FASPM agreement, show how pricing, supply and access can be brought together into a more stable and investable model.

The Netherlands also needs stronger mechanisms to support scale-up and commercialization. This could include more accessible non-dilutive funding in earlier stages, stronger mobilization of domestic and European capital to bridge the gap between early-stage innovation and commercial scale-up, targeted state-backed investment mechanisms, stronger links between clinical validation, adoption and growth financing, and targeted export financing for strategic companies in areas where the Netherlands has or seeks to build a distinctive position.

Final word

The Netherlands does not need to reinvent its Life Sciences & Health ecosystem. Its foundations are already substantial: strong science, high-quality care institutions, skilled talent, digital maturity and international connectivity. The question is whether these foundations will be used deliberately enough to shape the next phase of growth. The 2026 benchmark makes clear that standing still is not a neutral position. In a global environment where countries are making sharper choices about where innovation is developed, tested, produced and brought to patients, past strengths will not automatically translate into future relevance. The Netherlands' challenge is therefore not one of potential, but of follow-through.

If public and private actors are able to move from shared analysis to sustained execution, the Netherlands can remain more than a strong research and care environment. It can become a country where life sciences innovation is also retained, scaled and translated into wider economic and societal value. That is the choice ahead: not whether the Netherlands has the ingredients, but whether it is prepared to use them with sufficient focus, pace and ambition.

Contact

This report was published in August 2026 by KPMG Health on behalf of the AmCham Healthcare Committee.

Contact details

This report aims to start a dialogue; hence comments, questions or suggestions are appreciated and can be addressed to the following people:

AmCham Healthcare Committee
Elke Roelant
Deputy Executive Director
AmCham The Netherlands
E: elke.roelant@amcham.nl

KPMG Health
Dr. David Ikkersheim, MD MSc PhD
Head of Strategy & Operations, Partner KPMG Health
E: ikkersheim.david@kpmg.nl

About AmCham

The American Chamber of Commerce in the Netherlands (AmCham) has represented the American business community in the Netherlands and Dutch/international companies with major interests

in the US since 1961. AmCham represents the trade and investment interests of its 320+ members and strives to strengthen the investment climate in the Netherlands and the transatlantic economic relationship.

About the AmCham Healthcare Committee

The AmCham Healthcare Committee consists of innovative healthcare companies. They strive to contribute to the quality, effectiveness and efficiency of the Dutch healthcare system by creating an optimal environment for innovation, private initiative and public-private partnerships. The committee brings together

a diverse group of innovative healthcare companies, including (bio-)pharmaceutical companies, MedTech companies, healthcare service providers and digital companies with a focus on healthcare. They envision

a healthcare system in which continuous innovation is the standard, which can boost a healthcare system recognized as excellent and provide a crucial boost to the Dutch economy by transforming the Netherlands into an international center for innovative healthcare companies.

Participating companies include Abbott, Abbvie, Amgen, AstraZeneca, Biogen, Boehringer Ingelheim, Bristol-Myers Squibb, Gilead Sciences, GlaxoSmithKline, Johnson & Johnson Innovative Medicine, Lilly, Merck Sharp & Dohme, Moderna, Novartis, Pfizer, Sanofi, Stryker, UPS Healthcare and Vertex.

Appendix

Appendix 1: Ranking of the Netherlands across the six domains, including the associated KPIs, reference year, and source

Domain	KPI	Ranking of the Netherlands (score 1 = high, score 32 = low)			Source 2026
		2025	2026	Difference	
Economic Factors	GDP growth	21	23	-2	International Monetary Fund [50]
	Public investment in R&D	12	11	+1	OECD Data explorer [77]
	Private investment in R&D	12	13	-1	EFPIA [53]
	Presence of R&D facilities	4	4	0	KPMG, Site Selection [51]
	Median income	9	9	0	EUROSTAT [78]
	Healthcare expenditure	9	11	-2	OECD, Data Explorer [52]
	Healthcare system	7	7	0	Global Health Security Index
	Universal healthcare		8	-	Universal Health Coverage [79]
Labor market	Work–life balance	5	5	0	OECD, Better Life Index [80]
	Gender pay gap	14	17	-3	World Economic Forum, Gender pay gap index [81]
	Productivity	6	4	+2	ILOSTAT [82]
	Labor laws and regulations	23	19	+4	Heritage, Index of Economic Freedom [83]
Governance	Corporate tax rate	29	27	+2	Tax Foundation, Corporate Income Tax rates [84]
	Decarbonization policy	29	28	+1	Climate Change Performance Index 2025 [85]
	GDPR regulation	17	17	0	KPMG, Site Selection [51]
	Environmental regulation	19	19	0	Yale, Environmental Performance Index [86]
	Corruption	6	6	0	Corruption Perception Index [87]
Talent and education	Presence of universities	8	9	-1	ShanghaiRanking's Academic Ranking of World Universities [88]
	Skilled workforce	4	6	-2	INSEAD Global Talent Competitiveness Index [89]
Infrastructure	Digital infrastructure	5	4	+1	IMD World Competitiveness, Digital index [90]
	Logistics networks	7	6	+1	IMD World Competitiveness, Infrastructure index [91]
	Energy prices	19	21	-2	World Population Review [92]
	Presence of manufacturing facilities	12	12	0	KPMG, Site Selection [51]
	Waste management	4	4	0	EUROSTAT, Waste generation [93]
Market access and potential	Patents	7	7	0	European Patent Office [69]
	Access to international markets	8	9	-1	EUROSTAT, COMEXT database [94]
	Access to new medicines	10	10	0	EFPIA Patients W.A.I.T. Indicator [31]
	Competitive position	5	4	1	IMD World Competitiveness index (70)
	Presence of headquarters	7	7	0	Mergr life sciences companies [95]
	Clinical trials		10	-	EMA CTIS [96] [97]
	Overall ranking:	6th	6th	0	

[5]Clinical trials are primarily based on EMA data; for countries not covered (Switzerland, the UK, China, and the US), WHO ICTRP data is used to ensure full benchmark coverage. While the two sources differ in scope, cross-checking shows that country rankings remain largely stable (within ~1–2 positions).

Appendix 2: Aggregation of the Europe bloc across the six domains, including the applied methodology per KPI

Aggregation methods were selected per KPI based on the nature of the indicator[6]:

- GDP-weighted averages are used for indicators reflecting economic scale or market exposure
- Simple averages reflect the typical country-level performance
- Sums capture absolute capacity or volume
- Best-performing values are used for indicators where firms can benefit from the most favourable national conditions within Europe
- Volume-weighted averages are used where indicators scale with activity levels

Domain	KPI	Aggregation Methodology
Economic Factors	GDP growth	GDP-WTD AVG
	Public investment in R&D	GDP-WTD AVG
	Private investment in R&D	SUM
	Presence of R&D facilities	SUM
	Median income	GDP-WTD AVG
	Healthcare expenditure	GDP-WTD AVG
	Healthcare system	GDP-WTD AVG
	Universal healthcare	GDP-WTD AVG
Labor market	Work–life balance	SIMPLE AVG
	Gender pay gap	GDP-WTD AVG
	Productivity	GDP-WTD AVG
	Labor laws and regulations	GDP-WTD AVG
Governance	Corporate tax rate	BEST
	Decarbonization policy	SIMPLE AVG
	GDPR regulation	BEST
	Environmental regulation	SIMPLE AVG
	Corruption	BEST
Talent and education	Presence of universities	SUM
	Skilled workforce	GDP-WTD AVG
Infrastructure	Digital infrastructure	GDP-WTD AVG
	Logistics networks	GDP-WTD AVG
	Energy prices	GDP-WTD AVG
	Presence of manufacturing facilities	SUM
	Waste management	VOLUME-WTD AVG
Market access and potential	Patents	SUM
	Access to international markets	SUM
	Access to new medicines	GDP-WTD AVG
	Competitive position	GDP-WTD AVG
	Presence of headquarters	SUM
	Clinical trials	SUM

[6]These aggregation approaches are consistent with practices observed in comparable international benchmarking and policy reports, which commonly provide indicator-level methodological transparency and apply aggregation choices based on the nature of the metric. GDP weights are based on 2024 GDP data from the World Bank's World Development Indicators. All other KPI data are sourced as shown in Appendix 1.

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