Laurence Peyraut â?? Director General, LEEM

If France and Europe fail to reassert health as a sovereign investment, we risk becoming reliant on treatments designed elsewhere

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Laurence Peyraut serves as Director General of LEEM (Les Entreprises du MÃ©dicament), Franceâ??s pharmaceutical industry association representing 270 companies ranging from small French generic manufacturers to major multinational innovators. With two years at LEEM and one year on the EFPIA Board, Peyraut is operating under unprecedented geopolitical pressures reshaping pharmaceutical economics. At the same time, LEEM is advocating strongly for French stakeholders to view medicines as strategic investments essential for healthcare sovereignty and economic competitiveness.

With the 2026 Social Security Financing Bill approaching, what are your key priorities, and how do you see it shaping Franceâ??s pharmaceutical strategy?

This yearâ??s PLFSS arrives at a genuinely pivotal moment. While each edition is described as a turning point, the geopolitical context of the 2026 cycle is unprecedented. The new US administration has accelerated a shift from multilateralism towards a world organised around competing bilateral blocs. For pharmaceuticals, this means two dominant poles â?? the US and China â?? between which Europe, and thus France, must now navigate.

Recent US tariff announcements and the renewed push for â??Most Favoured Nationâ?• pricing exemplify this new environment. President Trumpâ??s claim that other countries, particularly in medicines, have â??benefitedâ?• at Americaâ??s expense marks a clear geopolitical rupture, exposing Europeâ??s dependence on the US â?? not only in defence but increasingly in health

economics.

At the same time, Asia, especially China, has expanded rapidly: roughly 30% of innovation now originates there. In discussions with the government, we emphasise that PLFSS decisions cannot be treated as narrow budgetary adjustments; they are signals sent to these two global blocs. If France and Europe fail to reassert health as a sovereign investment, we risk becoming reliant on treatments designed elsewhere for different populations and clinical realities.

Access timelines are another concern. The US is increasingly reluctant to introduce innovations into markets viewed as insufficiently profitable. In such cases, it is not the medicine that becomes the adjustment variable â?? it is the patient. This is profoundly concerning.

Meanwhile, Franceâ??s industrial base is weakening. A decade ago, we enjoyed a significant life-sciences trade surplus; this year, we are likely to record a deficit for the first time, echoing the trajectory of the automotive sector. Financial flows underscore the challenge: after recent US policy moves, pharmaceutical companies announced around USD 500 billion in new American investments. Today, 80% of global clinical trials take place in the US or China, and China alone has invested USD 300 billion in digital health since 2019. Both powers are deliberately using health as a geopolitical tool.

Against this backdrop, debating the technical minutiae of the PLFSS â?? an exercise increasingly opaque to most stakeholders â?? is no longer sufficient. What is required is a strategic reset: a renewed French and European ambition for the place of medicines within the broader health ecosystem, from clinicians and hospitals to pharmacists and allied professions.

We will of course have concrete expectations for the national budget, but these choices must be guided by the wider geopolitical forces and capital flows reshaping global pharmaceuticals. That is the true context for this yearâ??s PLFSS.

LEEM represents diverse industry interests that wish to continue investing in France. Beyond identifying the challenges, what are the concrete messages and actions you are putting forward?

The responsibility is considerable. The strength of the LEEM is that it represents nearly 270 companies in France, ranging from small French enterprises, including generics manufacturers, to the largest global innovators, as well as major international generic groups. The business models and interests of these companies differ widely. Our president, who recently survived a serious illness, often says he is alive today for two reasons: first, because he benefited from a highly innovative medicine launched in France over 20 years ago; and second, because that innovation was supported by a solid base of mature products. This is why representing the full spectrum of companies matters â?? each patient may rely on a combination of both cutting-edge innovation and established treatments.

It is also important to recall that half of the companies we represent are small and medium-sized enterprises in the regions. Supporting them is central to Franceâ??s health sovereignty. At the same time, attracting large multinational groups remains essential for research, development, and potentially production in France. These interests may appear contradictory, but once you put the patient at the centre, they converge: ensuring access to innovation while guaranteeing the availability of medicines, whether produced in France, Europe, or elsewhere.

What are the main priorities you are working on?

We are focusing on three major priorities. The first is strengthening Franceâ??s competitiveness. France must regain attractiveness to support innovation, production, and its position in the global pharmaceutical landscape. Too often, the public forgets that behind every medicine lies an industrial value chain that spans research, development, manufacturing and distribution. Competitiveness, therefore means recognising the magnitude of the investments required to develop tomorrowâ??s treatments and protecting our early access pathways. Franceâ??s early access system is envied worldwide â?? we cannot afford to weaken it, especially in a shifting geopolitical environment. Competitiveness also concerns industrial capacity. Companies must navigate ecological and low-carbon transitions, and we were the first professional federation to sign a sector-wide agreement supporting them through this transformation.

A major issue remains regulatory design: France combines some of the lowest prices in Europe with some of the highest taxation, creating a scissors effect that discourages investment. Other countries have found more attractive regulatory models â?? Spain, through clinical trial simplification; Germany, with price premiums linked to domestic manufacturing; Denmark, with robust publicâ??private governance. We need to move from a punitive to an incentive-based framework, including multi-year visibility rather than annual price cuts. Although it has not yet been published, the Beaumeunier report presented to us is an important lever to move this approach forward.

The second priority is reframing medicines as an investment rather than a cost. Medicines represent around EUR 30 billion in spending, representing only nine percent of national health insurance expenditure, yet they are too often portrayed as driving system deficits. In reality, France has some of the lowest prices in Europe, and the pharmaceutical sector delivers more than half of all savings required by health insurance â?? EUR three billion out of EUR six billion. We are not asking to stop contributing to the national effort; we simply need a system that remains high-performing and sustainable so that investment truly translates into better care for patients.

The third priority is building more coordinated publicâ??private governance. To ensure the system functions, all actors in the value chain must be aligned. This is why we have called for â??*les Ã©tats gÃ©nÃ©raux du mÃ©dicament*â?•, bringing together innovators, generics manufacturers, industrial partners, clinicians, payers and regulators. Our sector depends on this wider ecosystem, and the entire chain must benefit from a model that encourages investment and ensures long-term access for patients.

Do you sense a readiness for a more incentive-based, collaborative approach in France?

I try to stay optimistic, but the situation is mixed. Franceâ??s core difficulty is governance in silos â?? what I call â??swimming lanesâ?• â?? that rarely intersect. When I speak with the Ministry, there is no single interlocutor able to tackle issues end-to-end; each department has a narrow remit, and anything outside it is passed elsewhere. Denmark, by contrast, has a Life Science Council bringing public, private and patient representatives around a shared compass. In France, decisions tend to be top-down and siloed, even though everyone believes they are acting correctly within their scope. The result is an average of 523 days for medicine access in standard procedure, and close to 1,000 for vaccines.

Each actor â?? CEPS, HAS, the Ministry â?? is convinced they are fulfilling their mandate. What we lack is a transversal view, similar to how companies coordinate a product from submission to reimbursement. Instead, we manage each step in isolation. Everyone agrees on the diagnosis, yet no one sits around the same table.

During my first week in the role, at the height of drug shortages, Minister AurÃ©lien Rousseau gathered all parties and reminded us that while each was doing a good job individually, the system was failing collectively. By committing to a shared charter, we made progress. Three years on, shortages have returned to pre-COVID levels. Some areas remain difficult, but collaboration works.

This is why we are calling for *Ã?tats GÃ©nÃ©raux du MÃ©dicament*. No actor can be â??rightâ?• alone. Since we share the same diagnosis and objectives, we need a structure that unites us. Even in recent tense discussions â?? such as the issue with wholesale distributors and commercial rebates â?? the pattern is the same: division is easy, but collective construction, focused on the common good, is harder and far more productive.

Franceâ??s attractiveness to global life-science investment has shifted over the past decade. What are the key challenges, and where do you see opportunities to restore Franceâ??s competitive edge, especially given the countryâ??s strong scientific base?

France has an exceptional research ecosystem, both public and private, with world-class scientists and leading institutions such as Paris-Saclay. Our focus has been on strengthening the connection between public research and industry, and we recently appointed a Chief Scientific Officer specifically to foster these collaborations, as effective partnerships are essential to translate scientific excellence into tangible outcomes.

Yet collaboration alone is not enough. If issues around market access, particularly early access pathways, are not addressed, innovations risk being developed but not reaching patients promptly. Ensuring a predictable and favourable access environment is crucial to reinvigorate R&D investment.

We have taken practical steps in this direction. Every two years, we organise the â??*Rencontres Hybides*â?• in Bercy, a one-day event bringing together public and private researchers in a fast-paced networking format that fosters partnerships and deals for future therapies. We also lead â??Horizon Scanningâ?•, which examines late-stage pipelines to anticipate the treatments likely to emerge over the next three to five years, helping to prepare care pathways and budgets in advance. Without such planning, France faces organisational and financial bottlenecks, as annual budget cycles under the PLFSS often leave no long-term strategy.

To fully leverage Franceâ??s scientific strengths, we must deepen publicâ??private co-construction and streamline evaluation, pricing, and clinical-trial processes. Without these operational improvements, access barriers will persist, prompting some companies to invest elsewhere despite France having all the necessary ingredients for innovation.

Recent investments in production sites are notable, yet doubts persist about sustaining them. How do you view this challenge, and what steps can strengthen Franceâ??s industrial competitiveness today?

The most recent *Choose France* event, at which new investments were announced, shows that our country still retains real attractiveness and a genuine capacity to host industrial projects. But for how much longer? When we observe that, in the pharmaceutical sector alone, more than USD 500 billion in investments have been announced in the United States, and that China has devoted over USD 300 billion to digital health since 2019, these figures must give us serious cause for concern. They call for an immediate and determined response. Without a rapid collective wake-up, the risk is clear: a lasting widening of our industrial and technological gap, ultimately calling into question our

healthcare sovereignty.

France needs to reconcile with its industry, not just in pharmaceuticals, but more broadly. Industrial activity creates wealth, high-quality jobs, and economic security. Allowing these capabilities to relocate abroad would undermine both competitiveness and employment. The first warning signs are already clear: in 2024, employment growth slowed significantly, with growth halved compared with 2023. It is therefore crucial to retain and grow industry on French and European soil. Since joining LEEM, we have focused on reinforcing industrial engagement at the regional level, working closely with regional authorities, associations, and companies. By aligning stakeholders â?? even those who might appear to be competitors â?? we can address shared challenges, particularly around societal and environmental transitions. For example, we negotiate framework agreements to support decarbonisation and provide on-the-ground expertise to companies, ensuring that smaller and medium-sized enterprises can access the same support as larger groups.

We also place strong emphasis on talent and skills development, partnering with universities, professional schools, and industry initiatives to attract and retain the workforce of tomorrow. Collaborations with organisations such as â??*France Travail*â?• help us identify skill gaps and coordinate training across the country, creating a more connected ecosystem.

Ultimately, this approach seeks to reindustrialise France responsibly, securing high-quality employment, maintaining operational continuity, and preparing for demographic shifts, such as the growing number of employees with caregiving responsibilities. By integrating industrial strategy with regional engagement, workforce planning, and sustainability, France can enhance its competitiveness and ensure that industry remains a pillar of the national economy.

Looking ahead, what is your perspective on the future of the sector â?? both in relation to the PLFSS and beyond â?? and what message would you like to convey to an international audience about Franceâ??s role in healthcare and innovation?

Today, we face a fixed budget envelope, which makes efficiency essential. This means investing wisely in prevention, vaccination, diagnostics, and the responsible use of medicines. Campaigns we have led on proper usage, involving tens of thousands of physicians, demonstrate that it is possible to reduce unnecessary prescriptions without limiting patient access. Efficiency does not mean cutting services â?? it means working smarter to ensure resources deliver real benefit.

Healthcare is an investment in the country. Properly directed spending keeps people healthy, prolongs autonomy, supports employment, and strengthens the workforce. Innovative treatments, even if costly, pay dividends through increased productivity and improved quality of life. I believe we must view the pharmaceutical and healthcare sector as a driver of sustainable growth. This requires both smart resource management and, where needed, reinvestment, because the population will require it and the returns are tangible.

Europe â?? and the international dimension â?? are central to my work, and I also serve on the EFPIA Board. A strong European platform requires a strong France; there can be no Europe without France leading within it. I have built alliances across Europe, notably with Germany and Spain, and while we lag internally compared to international benchmarks, the goal is to reclaim Europeâ??s strategic space.

I have engaged in initiatives, including the Draghi report, to highlight the urgent need to reinvest in innovation, particularly in health. As Nobel laureate Philippe Aghion recently noted, growth depends on innovationâ??and it must be sustainable, including environmentally responsible industrial policies.

Action is required both in France and across Europe.

Is there anything you would like to add, perhaps about the ambitions of the LEEM for the months ahead, especially given the current uncertain environment?

Today, France has to make choices: we can either look back nostalgically or focus on building a contemporary, forward-looking union. My goal is to shape the future of the sector I represent, which is essential to France. We cannot do this alone, particularly amid the political instability we have experienced â?? five Prime Ministers and nine Health Ministers since I arrived.

At the beginning of 2026, France will launch a national consultation on the healthcare system entitled *â??*Medicines at the Heart of Careâ?•. This ambitious initiative will bring together all stakeholders across the pharmaceutical ecosystem, as well as citizens, to define a shared strategic project for France.

The objective is to ensure that changes in public policy and the regulatory framework strengthen, rather than weaken, the entire medicines value chain â?? from hospitals and pharmacies to healthcare professionals. Drawing on previous national consultations, this initiative will prioritise dialogue and cooperation to build sustainable solutions in support of the healthcare system.

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