



A Design for Life Sciences

Delivering Health, Growth,
and Investment

May 2025

Introduction



The innovative pharmaceutical industry, part of the life sciences sector, has the potential to help the next Welsh Government drive both the health and the wealth of Wales. The sector already makes a significant contribution to Welsh research and development (R&D) investment, and the medicines and vaccines our industry develops are transformative for public health, patients, and the NHS. In 2023/4 the value added through employment in Wales was nearly £670 million.¹ (See page 6).

This plan for Wales sets out the ABPI's vision for improving health outcomes, supporting the health system, and stimulating inward investment and economic growth. Implementing these proposals will create a virtuous cycle where investment in medicines and research accelerates future waves of innovation and attracts an increased share of global R&D, all the while improving the health of the nation. Delivering these proposals requires a constructive partnership between the pharmaceutical industry and government, centred on the principles of collaboration, transparency of delivery, and a unified approach to health and growth.

We believe that the next Welsh Government should pursue two key goals that will benefit the health and wealth of the nation.

Background/Context



The UK has been steadily disinvesting in medicines. The UK – and Wales – sees poorer health outcomes versus other international comparators, with significantly worse results for many conditions, including cancer, heart disease and stroke.² New medicines have the power to transform patients' lives and will be key to a sustainable NHS for the people of Wales. (See page 12).

Building on the New Treatment Fund, rapid and consistent adoption of evidence-based innovative medicines is a strategic opportunity for Wales to transform patient outcomes, reduce economic inactivity, and reduce pressure on front-line NHS services. Despite the National Institute for Health and Care Excellence (NICE) and the All Wales Medicines Strategy Group (AWMSG) approving new medicines for use, significant geographic and sub-population variation in their usage remains, leading to unequal patient access to proven treatments and health inequalities as a result.

Wales also fails to realise the economic benefits for the NHS and wider society that adoption of innovations can provide.³ A greater emphasis on prevention, early intervention, and healthy communities, alongside sustainable care close to home, is needed with rapid and consistent adoption of evidence-based innovative medicines as part of this strategic opportunity.

Wales has the potential to position itself as a beacon for inward investment. However, to stand out in a highly competitive UK and international investment environment, Wales must be strategic and focus on clear areas of strength and unique selling points. These strengths include its diverse patient communities, a mature health data ecosystem, strong partnership between academia, industry and the health system, and significant pharmaceutical industrial footprints in areas such as Wrexham and Hengoed.

Pharmaceutical industry investment

Helping to make the NHS sustainable

Pharmaceutical industry investment that supports the long-term sustainability of the health system

The NHS and Welsh economy benefits from sustained industry investment into clinical trials, pre-clinical R&D and manufacturing that drives growth and supports the long-term financial sustainability of the NHS.

Enabled by a world-leading standard of care, and dependable ecosystem for clinical trial location, access to skills across the NHS, industry and in academia, incentives that encourage industry investment, and NHS prioritisation for research and innovation.

Treatment and prevention

All patients have the same opportunity to access proven treatments or preventative interventions, with postcode lotteries and health inequalities significantly reduced.

Enabled by a health system that is encouraged to deploy clinically effective and cost-effective innovations through effective system-level incentives.



Diagnosis

All patients have world-class access to early and accurate diagnosis.

Enabled by effective diagnostic, digital and data infrastructure that supports rapid diagnosis and improved risk stratification across the population. Accompanied by improved rollout of diagnostic capabilities in the community to reduce pressure on the front line.

Patient access

All patients have timely access to clinically effective and cost-effective medicines and vaccines.

Enabled by well-resourced regulatory and HTA bodies, and evolution of assessment methods that recognise the full value that innovative medicines and vaccines can deliver to patients, the NHS and the wider economy.

Goal 1: Make Wales a beacon for life sciences investment, by harnessing the potential of health data assets and making Wales a destination of choice for clinical research.

Recommendations:

This can be achieved if the next Welsh Government commits to:

- increasing resources and capacity to deliver rapid clinical trials approvals and timely assessment, adoption and use of medicines by the NHS in Wales
- ensuring Wales delivers the highest per-capita public investment in health R&D in the UK
- reversing the decline in commercial clinical trials by investing in the infrastructure needed to reliably deliver efficient clinical trials, while encouraging clinical leadership and staff engagement in research across the NHS
- creating a seamless pathway between genetic testing, personalised medicines access, and clinical trials
- ensuring that Wales health data is accessible to industry and integrates across the UK to deliver for health and growth
- establishing and continually supporting development of a world-leading, health-data-enabled patient recruitment service for clinical trials

Goal 2: Improve health outcomes, address health inequity, and deliver sustainability goals within the NHS through investment in and adoption of cutting-edge medicines and vaccines.

Recommendations:

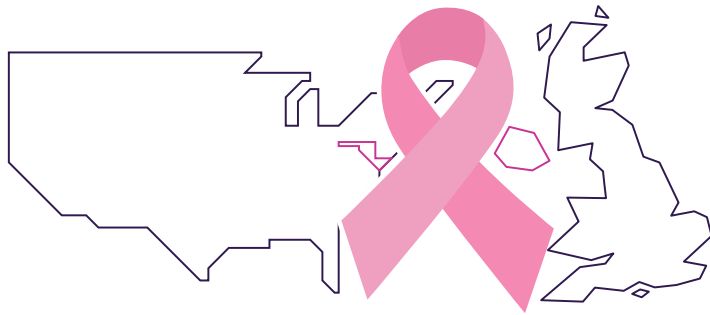
This can be achieved if the next Welsh Government commits to:

- ensuring that investment in medicines and vaccines is reflective of the full value they deliver to health and economic growth in Wales
- ensuring all eligible patients have equal and timely access to clinically effective and cost-effective treatments
- recommitting to the effective delivery of the New Treatment Fund in Wales to ensure patients and clinicians across Wales can benefit equitably, with commitment to fully monitoring its implementation
- preparing the ground for the next generation of innovative medicines and vaccines through improved horizon-scanning capabilities, partnership with industry, and new payment models
- ensuring delivery of key commitments in the Voluntary Scheme for Branded Medicines Pricing, Access and Growth (VPAG) to support outcomes-based healthcare delivery.⁴
- providing dedicated funding for the National Action Plan to protect the world from the silent pandemic of antimicrobial resistance (AMR)

The UK lags significantly behind other countries for some cancer types, especially in its five-year net survival rates

5.1%

NHS patients are **5.1 per cent less likely** to **survive for five years** after a **breast cancer diagnosis** than patients in the US (the best-performing country)



UK is ranked 14th out of 18
developed countries

10.6%

NHS patients are **10.6 per cent less likely** to **survive for five years** after a **cervical cancer diagnosis** than patients in Japan (the best-performing country)



UK is ranked 15th out of 18
developed countries

15.1%

NHS patients are **15.1 per cent less likely** to **survive for five years** after a **colon cancer diagnosis** than patients in Australia (the best-performing country)



UK ranked last out of 18
developed countries

Goal 1

Make Wales a beacon for life sciences investment by harnessing the potential of health data assets and making Wales a destination of choice for clinical research



The next government should have at its heart a desire to make Wales a destination of choice for the delivery of R&D. A key component of this is an aspiration to attract and deliver world-leading commercial clinical trials, which bring with them major economic benefits, alongside increasing revenue for the NHS and improving patient outcomes. (See page 7).

In 2024, the ABPI Frontier Economics report⁵ demonstrated the value of industry clinical trials to the UK economy, the NHS, patients and the R&D base. The report shows that in 2022, industry clinical trials generated **£7.4 billion GVA** for the UK economy and created **65,000 jobs**. The NHS also benefited from £1.2 billion in direct revenue from clinical trials, with **13,000 of the total jobs** based in the NHS. Faster access to new treatments following clinical trials helped to avoid **three million sick days**, worth **£0.9 billion** to the UK economy. The same report also outlines that if trials were to return to 2017 levels UK-wide, an extra **£3 billion** would be contributed to the UK economy, including an additional **£486 million of revenue to the NHS** and **26,000 more jobs, including 5,000 jobs in the NHS**.

Because of its strong track record in clinical research and scientific leadership, the UK has traditionally been a preferred global destination for pharmaceutical industry clinical trials. However, recent reports^{6,7} from the ABPI revealed a significant decline in industry clinical trials activity in the UK over the past six years. **Between 2017/18 and 2021/22, there was a 44 per cent decrease in participants recruited into UK industry trials** and the UK's global competitiveness ranking for delivery of phase III industry trials plummeted from fourth to 10th place.

The ABPI's 2024 annual report⁸ shows that the UK is making some progress, climbing in global competitiveness ranking from 10th to eighth for phase III trials initiated in 2023. While patient recruitment in Wales has remained relatively stable, **only 2 per cent of all participants in industry trials across the UK are in Wales, with only 436 and 441 individuals recruited over the past two years, respectively**. For Welsh patients this means fewer opportunities to enrol in cutting-edge clinical trials that can offer potentially transformative treatment and missed revenue and economic benefits to NHS Wales and the wider economy.

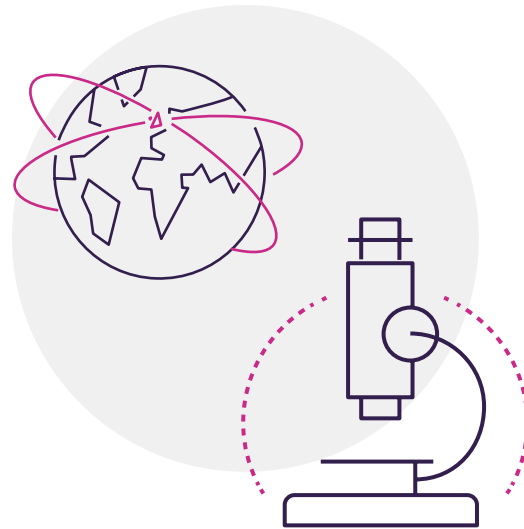
Benefits to the economy

The overall economic contribution of industry clinical trials, measured in GVA and full-time equivalent employment. Wider productivity benefits from a healthier population arising from improved patient care in research-active hospitals compared to research-inactive hospitals were also considered



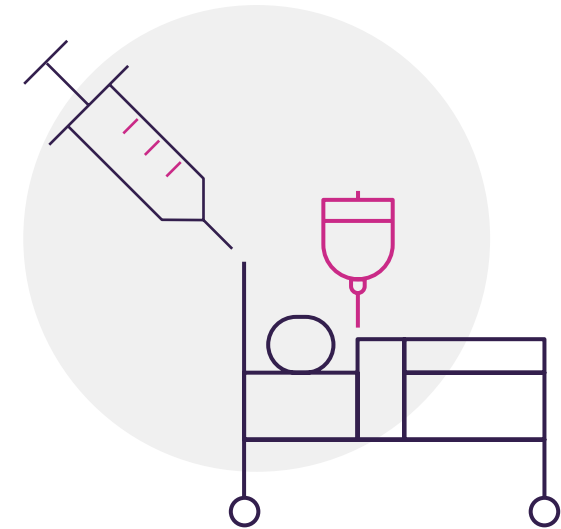
Benefits to the NHS

Revenue from commercial income payments for the delivery of trials.



Benefits to the R&D base

Enabling UK-led clinical research publications; strengthening the UK's global scientific leadership and attractiveness as a destination for R&D and investment.



Benefits to patients

Potential health improvements for patients participating in clinical trials.

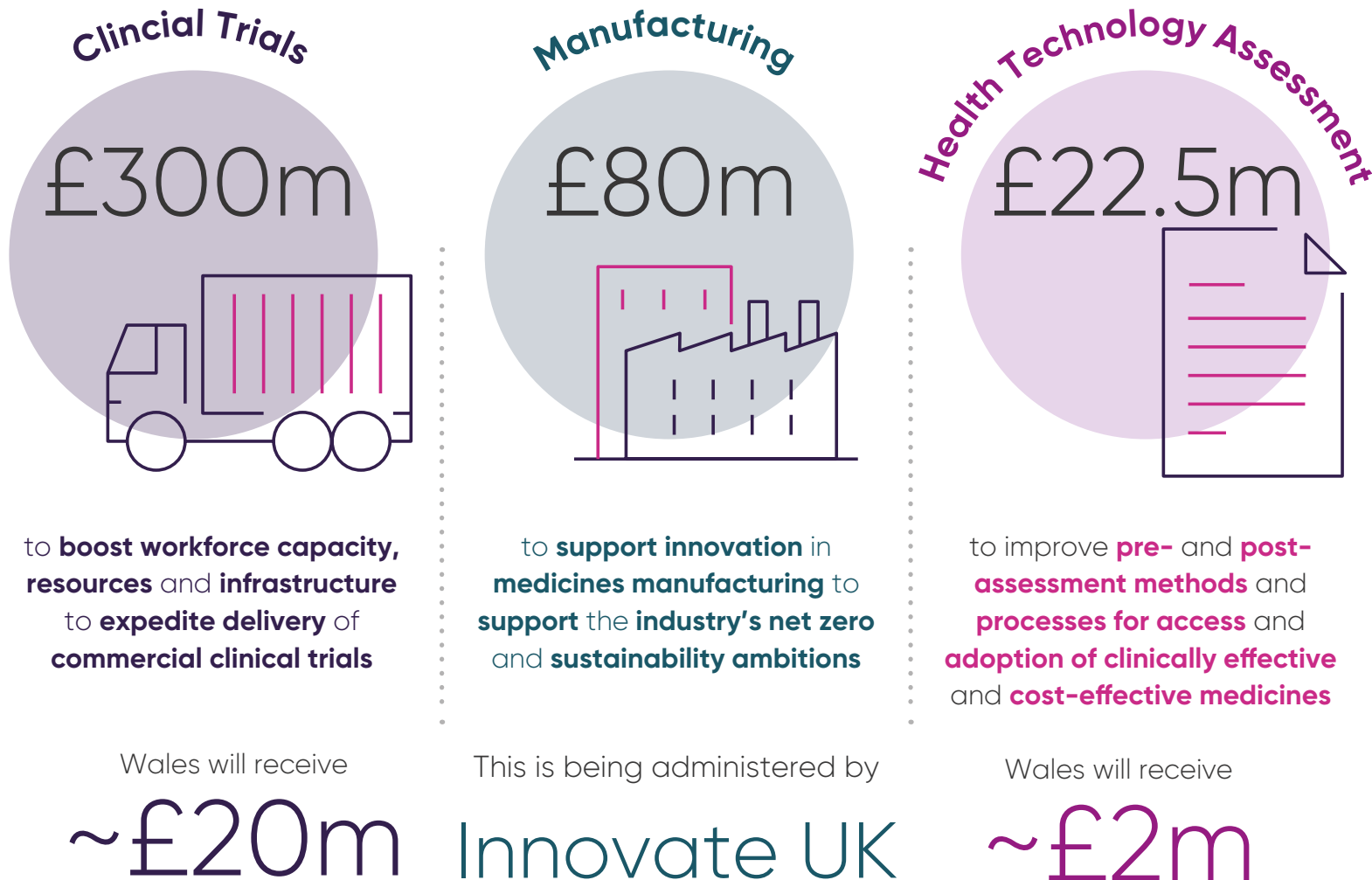
While many of the component parts required to deliver improvements in the R&D ecosystem in Wales are already in place, they often operate in isolation from the wider health system and each other. Actively supporting the development of clinical leaders and widening staff opportunities for involvement in research will not only join these dots but also impact positively on staff retention and upskilling. Combining assets and expertise to design and deliver the right services for patients, the NHS and industry will help to attract inward investment and support NHS financial sustainability.

How industry is supporting and funding clinical research capacity in Wales:

To support improvement in the trials delivery ecosystem in Wales, **the pharmaceutical industry has committed a multi-million-pound investment** as part of the VPAG Investment Programme. This will include more than £22 million to expand Wales capacity and capability to conduct trials funded by industry.² As part of the new programme of commercial research delivery centres (CRDCs), a Wales clinical research centre will strengthen the approach to clinical trials and increase the opportunities for people to access new and innovative treatments. However, this must be just the start. (See page 10).



Across the UK, through the VPAG Scheme, the pharmaceutical industry is investing an additional:



Investment Programme

The 2024 VPAG Investment Programme is the first major public-private collaboration of this scale in the world. The pharmaceutical industry is providing ~£400 million over the next five years, which will be channelled into key health and life sciences projects to: Increase opportunities for patients to participate in commercial clinical trials

The programme will allocate over £22 million of its investment to expand Wales capacity and capability to conduct clinical trials funded by industry. Commercial Research Delivery Wales (CRDW) has been established to enhance and build upon the commercial clinical trials infrastructure and support patient recruitment into trials. Researchers will also have increased access to the latest equipment and technology to enable innovative trials to be designed across hospital, primary, community and residential care settings, bringing research closer to communities across the UK.

Create sustainable pharmaceutical manufacturing innovation

Around 20 per cent of the funding will be directed towards sustainable manufacturing initiatives, promoting efficiency and reducing waste and emissions within the pharmaceutical sector. These efforts align with net zero goals, supporting the sector's environmental commitments while enhancing the UK's global competitiveness.

Support innovative Health Technology Assessment (HTA) approaches

The All Wales Therapeutics and Toxicology Centre (AWTTC) has secured a £3.3 million investment, which will focus on horizon scanning and financial forecasting, improved assessment methods and processes for the access of medicines, more effective data capture and visualisation to support decision making and better medicines optimisation, and enhanced support of implementation of new medicines.



Harnessing health data for research

Alongside clinical trials, Wales needs health data infrastructure that can support world-class R&D and healthcare delivery, building on the successes of Secure Anonymised Information Linkage Databank (SAIL)¹⁰ and Digital Health and Care Wales (DHCW).¹¹

Wales has the potential to lead other nations and regions across the UK in the strength of its health data ecosystem for research. This requires a coordinated approach that brings together current data assets, funding and research requirements across various parts of the health system.

Currently, **the most pressing need is to enhance the work of SAIL**, ensuring that it is readily accessible to industry researchers to enable the delivery of economic, as well as health, benefits. Through SAIL and DHCW, there is also an opportunity to use Welsh health data to support the efficient design, feasibility, recruitment and conduct of the full range of clinical trials, cementing Wales as an attractive place for global companies to locate clinical trials.

It is essential that future investments in Wales health data infrastructure are co-designed with industry and academia to ensure it meets user needs, can link to other UK data services to maximise investment opportunities, and is trusted by patients, the public and health care professionals.

Current data resources provide a once-in-a-lifetime opportunity for Wales to lead the way, but the next Welsh government will need the vision to make this a reality.

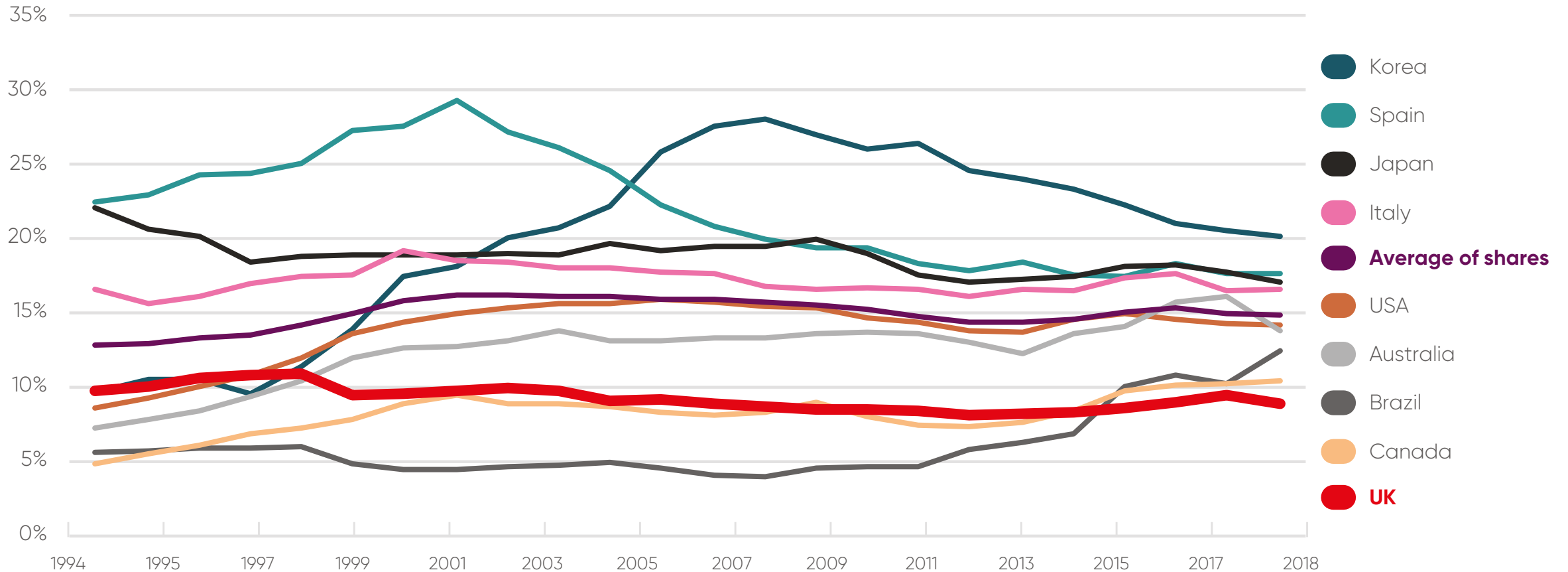
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The UK has the lowest net spend in medicines relative to other comparable countries and has fallen behind other countries over the past decade

Medicines spending as a percentage of healthcare spending



Goal 2

Improve health outcomes, address health inequity, and deliver sustainability goals within the NHS through investment in and adoption of cutting-edge medicines and vaccines.



Investment in innovative medicines and vaccines can help drive the next government's health and growth strategies. Chronic underinvestment in innovative medicines and low and slow adoption of proven innovations is a major reason for the UK and Wales poor health outcomes and high economic inactivity. By working collaboratively with the sector, there is a major opportunity to turn this around.

The New Treatment Fund was launched in 2016. It compelled the NHS in Wales to fund all clinically effective and cost-effective treatments, approved by AWMSC¹² and NICE,¹³ within 60 days by helping with system improvement and transformation. This policy was a cross-party commitment to help address the adoption of innovative treatments equitably across Wales. Despite early gains, full adoption remains mixed, with health boards establishing different processes that delay access for clinicians and their patients and add administrative burden. It leads to variation in the uptake of medicines across care settings and geographies, with Wales lagging behind other countries and areas of the UK. (See page 13).

Medicines that stop the onset of disease and prevent its progression should be recognised as a critical part of an improved approach to health care. Enabling the rollout of these medicines at scale could support progress towards Wales health goals. Research has highlighted the positive impact that preventative treatments can play in improving patient outcomes:

- The Tony Blair Institute estimates that a 20 per cent reduction in cardiovascular disease and musculoskeletal disorders could be achieved using existing treatments and lead to a 0.3 per cent boost in GDP after five years.¹⁴
- Research conducted by PwC found that improving the uptake of 13 medicines across four different disease areas, including coagulation, type 2 diabetes, severe asthma, and autosomal dominant polycystic kidney disease, in line with NICE-recommended levels would deliver 429,000 additional years of life in good health for patients and £17.9 billion in productivity gains for the UK.¹⁵





The next government should encourage early and consistent adoption of innovative treatments (with specific reference to medicines and vaccines) by reviewing funding flows, leadership and culture. Even five years after launch, the average uptake of innovative medicines in the UK among eligible populations is just 62 per cent of the average achieved across similar countries. The high-level goal should be for NHS Wales to be seen as a globally leading health system and an early and consistent adopter of new medicines and treatments, compared to other developed countries.

Consistent adoption of new medicines and treatments will support the NHS in Wales to become more sustainable. Many treatments can now be delivered in the most appropriate place for patients, avoiding travel and pressure on hospitals. Medicines can support patients to remain in their own homes, with treatments, including some chemotherapy, now delivered away from hospital.¹⁶

However, there is a need to ensure patients in Wales have access to clinically important medicines and that the diagnostic pathways, infrastructure and payment models needed to make them available are in place. Highly innovative technologies like Advanced Therapy Medicinal Products (ATMPs) and medicines with multiple uses may require more complex payment models supported by data collection. There are opportunities for Wales to not just keep pace but lead the way in some of these innovative arrangements.

The next government should also work with the pharmaceutical industry as a full partner in the shift to prevention of disease, recognising the vital role that innovative medicines and vaccines play. With a new generation of vaccines on the horizon, Wales needs to return to the agility that that was shown during COVID-19, removing hurdles to adoption of treatments that prevent disease progression.

Recommendations:

This can be achieved if the next Welsh government focuses on:

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- preparing the ground for the next generation of innovative medicines and vaccines through improved horizon-scanning capabilities, partnership with industry and new payment models
- ensuring delivery of key commitments in VPAG to support outcomes-based healthcare delivery.¹⁷
- providing dedicated funding for the National Action Plan to protect the world from the silent pandemic of AMR

By adopting these goals and recommendations, the next Welsh government can transform not only the health of the population, but also its economic future. The improvements we suggest in supporting access to and uptake of new medicines and treatments will deliver not only a massive impact in the health of the nation, but, through the virtuous circle, the potential for economic growth.

For a further conversation on any of the areas raised in this document, please contact Joe Castle – jcastle@abpi.org.uk

Endnotes

- 1 ABPI, 'Pharma Impact Map', available at sector-insights-map.abpi.org.uk
- 2 ABPI, 'Transforming lives, raising productivity', 13 May 2022, available at www.abpi.org.uk/publications/pwc-transforming-lives-raising-productivity
- 3 ibid
- 4 Government of the UK, '2024 voluntary scheme for branded medicines pricing, access and growth', 14 December 2023, available at www.gov.uk/government/publications/2024-voluntary-scheme-for-branded-medicines-pricing-access-and-growth
- 5 Frontier Economics, 'The value of industry clinical trials to the UK', 3 December 2024, available at www.frontier-economics.com/uk/en/news-and-insights/news/news-article-i20892-the-value-of-industry-clinical-trials-to-the-uk
- 6 ABPI, 'Rescuing patient access to industry clinical trials in the UK', 20 October 2022, available at www.abpi.org.uk/publications/rescuing-the-uk-industry-clinical-trials
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- 8 ABPI, 'The road to recovery for UK industry clinical trials', 10 December 2024, available at www.abpi.org.uk/publications/the-road-to-recovery-for-uk-industry-clinical-trials
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- 11 Digital Health and Care Wales, www.dhcnw.nhs.wales
- 12 All Wales Therapeutics and Toxicology Centre, www.awttc.nhs.wales
- 13 NICE, www.nice.org.uk
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- 16 Macmillan Cancer Support, 'How chemotherapy is given', accessed 23/04/25, available at www.macmillan.org.uk/cancer-information-and-support/treatment/types-of-treatment/chemotherapy/how-chemotherapy-is-given
- 17 Government of the UK, '2024 voluntary scheme for branded medicines pricing, access and growth', 14 December 2023, available at www.gov.uk/government/publications/2024-voluntary-scheme-for-branded-medicines-pricing-access-and-growth



About the ABPI

The ABPI exists to make the UK the best place in the world to research, develop and access medicines and vaccines to improve patient care.

We represent companies of all sizes which invest in making and discovering medicines and vaccines to enhance and save the lives of millions of people around the world.

In England, Scotland, Wales and Northern Ireland, we work in partnership with governments and the NHS so that patients can get new treatments faster and the NHS can plan how much it spends on medicines. Every day, our members partner with healthcare professionals, academics and patient organisations to find new solutions to unmet health needs.

www.abpi.org.uk



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