China Is Playing To Win the Biotech Race. The United States Is Falling Behind.

50 years ago, the biotechnology industry was born in the United States. Since then, biotech has become a key battleground for national security and economic interests. China is gaining ground in biotech development and dealmaking. If the U.S. doesn't act, China could surpass America in biotech by 2028 - and by 2040, 35% of FDA-approved drugs could originate from China.

U.S. v. China Biotech Playbooks





National coordination	Hasn't deployed a coordinated biotech strategy for sustained leadership.	Considers biotech a national priority, investing roughly $1 trillion in strategic technologies since 2015.
Innovation timelines	Regulatory systems remain slow and complex, biomanufacturing capacity is limited, and regulatory uncertainty threatens the biotech sector. • Policy uncertainty drove a 34% drop in investor willingness to fund preclinical assets between late 2023 and 2025, according to a BIO survey.	Low-cost, high-scale production capacity; and end-to-end capabilities from research to manufacturing. • In many cases, China's regulatory speeds are more than twice as fast as U.S. timelines.

China's Advantage by the Numbers

Trials: China listed about **18%** (roughly 1,100) more clinical trials in 2024 than the U.S.

Drug development: The share of drug development programs originating in China has surged - rising from roughly 8% in 2015 to over **32%** in 2024 - over the same period the U.S. share declined from about **48% to 37%.**

Market value: Chinese biotech firms grew their market value **100-fold** between 2016 and 2021.

Drug approvals: China expanded its annual approvals of innovative drugs from 20 in 2019 to 66 in 2023 - a **230%** increase.

Dealmaking: China-origin companies increased their share of major biopharma licensing deals (≥$50M upfront) **more than eightfold** between 2022 and 2025.

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Global Biotech Status Report

According to multiple global analyses, China is surpassing the United States across several key dimensions shaping global biotechnology competitiveness, including:

- Developing and implementing a strategy for biotechnology and biomanufacturing
- Coordinating public investments with the mobilization of private capital
- Speed and affordability of early-stage clinical trials
- High-quality scientific publications in both synthetic biology and biological manufacturing

A Winning Plan

- **Defend our biotech prowess**

  America's biotech leadership rests on a strong ecosystem - public investment in early research, robust IP protections, trusted regulation, a predictable reimbursement environment, and deep public and private funding to turn discovery into impact. Today's policy choices risk eroding that edge by weakening IP, threatening foreign price controls, increasing regulatory uncertainty, and threatening sustained NIH investment.

- **Commit to a national biotech plan**

  Remove barriers to drug development: Accelerate access to safe and effective treatments by streamlining IND requirements; modernize the clinical trial ecosystem by reducing administrative burdens, and supporting single IRBs, and strengthening FDA expertise.

  Protect America's IP advantage: Maintain strong, reliable IP protections to ensure the U.S. remains the global leader in biotech discovery.

  Scale domestic biomanufacturing: Expand U.S.-based manufacturing capacity and workforce to eliminate bottlenecks, reduce foreign dependence, create jobs, and compete at a global scale.