

## The baseline: an export economy built on medicines

*Dr Alexander Ressos, TEP  
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),  
Solicitor (England & Wales)*

The starting point is the weight of the industry. As Part G, Chapter I showed, chemical and pharmaceutical products account for roughly half of Swiss goods exports, with medicines, active ingredients and related products making up well over a third on their own.<sup>1</sup> A considerable part of these exports is produced, managed or invoiced from the Basel region, where Roche and Novartis have their global headquarters, Syngenta its operational headquarters, Sandoz its seat and Lonza and Bachem significant activities. No other Swiss region depends to a comparable degree on a single industry. Few regions in Europe combine such concentration with such high value added per employee.

The dependence has a fiscal side that Part G, Chapter III examined in detail. Basel-Stadt draws a large share of its company tax revenue from a small number of groups, whose employees' salaries and whose dividends to resident shareholders add further revenue.<sup>2</sup> The canton implemented the OECD minimum tax by raising its own profit tax for large groups to fifteen per cent and returned part of the additional revenue to the companies through a location package that voters approved in May 2025. This arrangement presupposes that the groups continue to book substantial profits in Basel. If that presupposition fails, the package loses its financial base as well as its purpose.

For the financial centre, the industry matters in at least four ways. Roche and Novartis are among the three largest companies in the Swiss Market Index, so that the investment returns of Swiss pension funds, insurers and private clients depend heavily on their performance.<sup>3</sup> The groups run sophisticated treasury functions in Basel, which issue bonds, manage currency risk and pool cash across the world. Their pension funds rank among the largest institutional investors in the country. Their managers and research staff, finally, form a substantial part of the private banking and wealth planning clientele of the region, a subject treated in Part E. Any

scenario for the industry is therefore also a scenario for the banks, asset managers, insurers and advisers of Basel.

## 1 Notes

1. Federal Office for Customs and Border Security (BAZG), Swiss foreign trade statistics; scienceindustries and Interpharma, annual publications on the share of chemical-pharmaceutical products in Swiss exports. See Part G, Chapter I, section "The weight of the industry in exports and output". Figures to be verified. ↩
2. See Part G, Chapter III, sections "The dependence of the cantonal budget" and "The Basel location package", with references to the budget reports of the Finance Department of Basel-Stadt. Figures to be verified. ↩
3. On the weight of Roche, Novartis and Nestlé in the SMI and the capping rules applied by SIX Swiss Exchange, see Part G, Chapter II, section "The weight of pharmaceuticals in the Swiss indices". Figures to be verified. ↩

---

*For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.*

Online version: [helveticaregister.com/basel-the-baseline-an-export-economy-built-on-medicines](https://helveticaregister.com/basel-the-baseline-an-export-economy-built-on-medicines)