

# Brexit: What's next

## Pharma

### *The Leave decision is expected to have an effect on regulation and the supply chain in the pharma industry*

While the post-Brexit landscape is still evolving, some of the impacts of the referendum decision on the Pharmaceutical and Life Sciences industry are beginning to emerge.

Transactions between the UK, Ireland and the EU will need to be considered from both a customs duty and import VAT perspective. Duty could represent

a real cost for businesses with import VAT having associated cash flow implications.

The biggest concerns that we're hearing from clients in the industry are in relation to supply chain, impact on regulation and cross border research funding.

In the immediate aftermath of Brexit, we recommend that companies begin to map the areas of their business which are impacted by Brexit and drill down to understand the potential issues arising in each business unit.

Issue		Importance		Impact
<b>Regulation</b>	▶	A change in location for the European Medicines Agency and increased uncertainty in the regulatory approval process in Europe.	▶	Both of these factors may result in a longer lead time for products to market across the EU.
<b>Supply Chain</b>	▶	Irish relationship with suppliers, finishing plants, distribution hubs and third party customers will all need to be examined. Transactions between the UK and Ireland and the EU will need to be considered from both a customs duty and import VAT perspective.	▶	Duty could represent a real cost for businesses with import VAT having associated cash flow implications.
<b>Cross-border Research Funding</b>	▶	The type of exit package which is negotiated between the UK and the EU will determine the level of future funding from the UK in the Irish Pharma Industry.	▶	Cross-border research funding and collaboration may be at risk in the medium to long-term.



*If you would like to talk further, please contact...*

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