



## **Brexit Impact on Imports and Exports of medicines and medical devices in Ireland**

March 2021

A report prepared by Medicines for Ireland

# Executive Summary



The supply of medicines and medical devices in a timely manner is crucial for patients and their families, as well as all health care professionals. As the supplier of the majority of medicines in Ireland to both the HSE and to patients directly, Medicines for Ireland (MFI) members are acutely aware of the challenges posed by Covid-19 and more recently by Brexit.

Changes due to the end of the Brexit transition period in relation to importing from the UK have resulted in significant delays, with the majority of MFI companies experiencing delays of between 2 – 3 days over the last two months. The end of the Brexit transition period and the subsequent advent of the new trading agreement has brought with it considerable challenges for MFI members in delivery medicines in these most unprecedented of times.

In relation to Northern Ireland, thankfully all stakeholders, including the Irish and the British Government, regulators, health care professionals and others have worked tirelessly to insure the initial impact of Britain leaving the European had zero impact on medicines supply to patients and their families in Northern Ireland. This was thanks to temporary Northern Ireland Protocol promises and solutions. MFI call on all parties to improve on these temporary sticking plasters, leave politics at the door and deliver long term stability and certainty to patients and their families in Northern Ireland by assisting companies trying to navigate the current complex web of form filling and additional costs.

The supply of medicines is a complex global business and requires open and constructive engagement with Government, state agencies, patients and health professionals. This survey shows that 73% of MFI companies have had to change distribution routes into or out of Ireland, over the last two months to reduce any impact on the supply of medicines.

We are living through a health crisis and our members are experiencing increased pressure as they battle with supply chain issues and major disruption at transport routes. Nevertheless, patients and their families remain front and centre of our mission statement and we have changed our distribution routes to ensure the continued supply of medicines. Thankfully, MFI engagement throughout 2019 and 2020 with state agencies has helped lessen the impact of Brexit. This has however come at a cost, with 91% of respondents experiencing increased costs associated with importing and exporting.



**David Delaney**  
Chairperson

# Key Findings



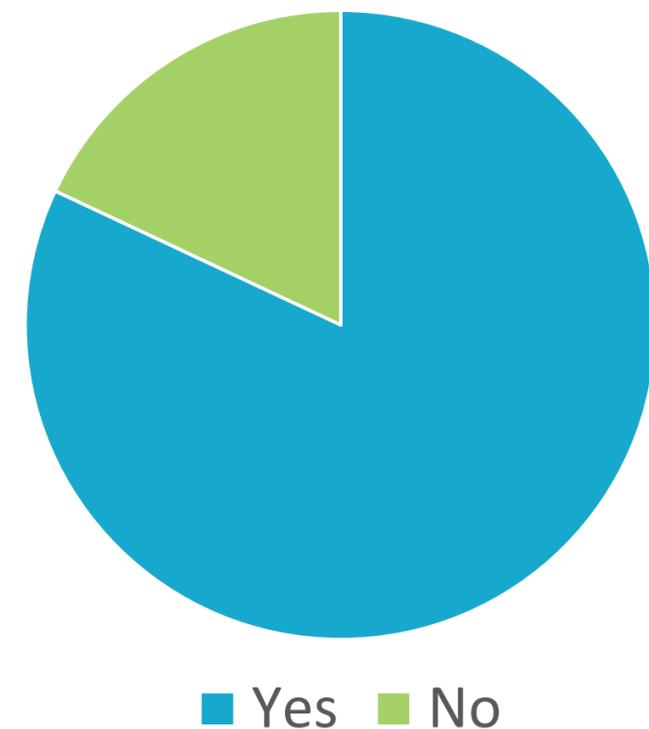
-  **82%** of respondents are involved in import/export of medicines and medical devices
-  **90%** of respondents have experienced delays in importing and exporting since 1 January
-  Majority (**56%**) of companies have experienced delays of 2-3 days
-  Another **22%** of companies have experienced delays of up to 5 days
-  **73%** of respondents have changed distribution routes since 1 January arising from these delays
-  **73%** of respondents had also altered routes prior to 31 December, 2020
-  **91%** of respondents have experienced increased costs associated with importing and exporting
-  **All companies** envisage increased pressure on the supply chain
-  General rating for state agencies support and effectiveness is positive, with the majority (**60%**) of respondents rating the work of the Revenue Commissioners and the HPRA as excellent

# Question 1

Is your company involved in the import or export of medicines, medical devices, packaging or raw materials used in the production of medicines or medical devices?

**Yes: 82%**  
**No: 18%**

Medicines for Ireland (MFI) is the Irish pharmaceutical trade association and the supplier of the majority of medicines in Ireland to the HSE and patients directly. MFI and its members are involved in full supply chain operations including injectables, oral solid dose tablets, inhalers and medicines for all disease areas from cancer to cardiology. MFI members have been at the forefront of national efforts to ensure that patients continue to access medicines despite the multitude of challenges that the Covid-19 pandemic introduced to the global medicine supply chain.

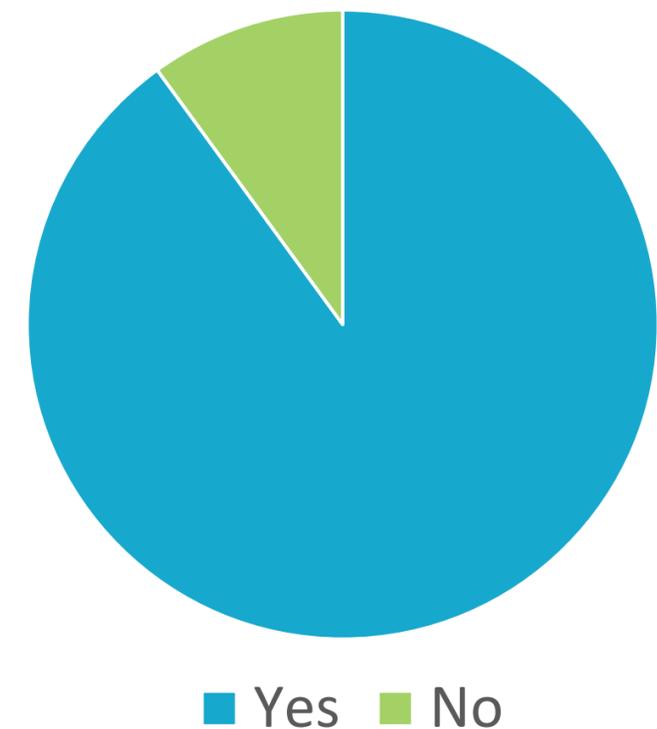


## Question 2

If yes, has your company (or any of your logistics partners) experienced delays in importing and exporting medicines, medical devices, packaging or raw materials used in the production of medicines or medical devices since January 1st, 2021 (UK Exit from EU)?

**Yes: 90%**  
**No: 10%**

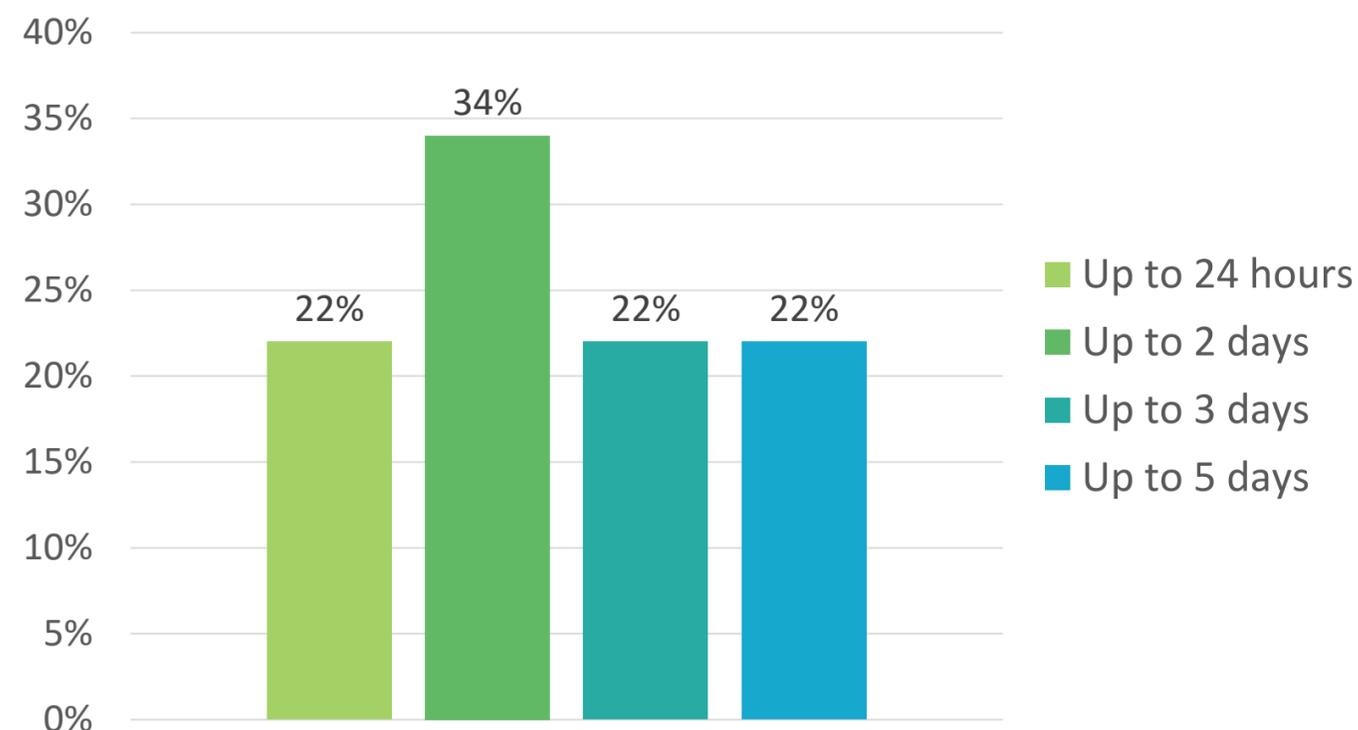
The overwhelming majority of Medicines for Ireland (MFI) members are reporting delays in importing and exporting medicines, medical devices, packaging or raw materials used in the production of medicines or medical devices since January 1st. To mitigate against the impact on patient access to medicines, MFI and its members have worked tirelessly with industry stakeholders in the HPRA, the Department of Health and the Department of Transport, Revenue Commissioners and officials in the British Embassy to alleviate the problems faced by these delays. Nevertheless, it is clear that there has been an impact on the supply chain. However, because of the measures MFI have taken, we have mitigated that impact on patients and their family members to date. At Government level, the temporary nature of some of the current measures in place need to be addressed.



## Question 3

If yes, what has been the average delay experienced since January 1st, 2021;

<b>Up to 24 hours:</b>	<b>22%</b>
<b>Up to 2 days:</b>	<b>34%</b>
<b>Up to 3 days:</b>	<b>22%</b>
<b>Up to 5 days:</b>	<b>22%</b>



The majority (56%) of companies have experienced delays of 2-3 days, while another 22% have experienced delays of up to 5 days. All of the delays have related to imports. We have seen from recent CSO statistics that the pharmaceutical sector continues to be a mainstay of multinational investment and indigenous growth in Ireland. Irish exports hit a value of €160.8b last year, up €8.3b from 2019, and this comes on the back of a surge in exports of medical and pharmaceutical products. It is critical that Government and the various state agencies continue to support the very valuable export sector and the jobs that are supported as a result of this.

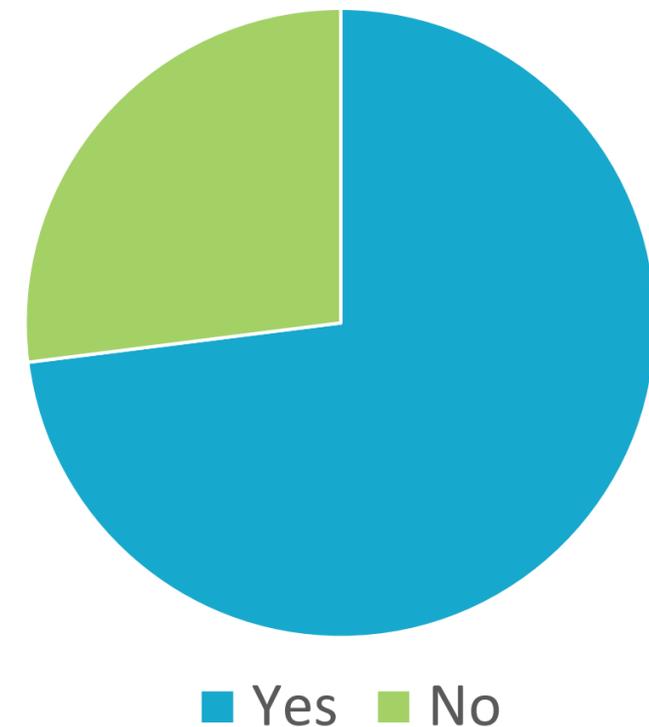
## Question 4

Has your company (or any of your logistics partners) changed distribution routes since January 1st, 2021?

**Yes: 73%**

**No: 27%**

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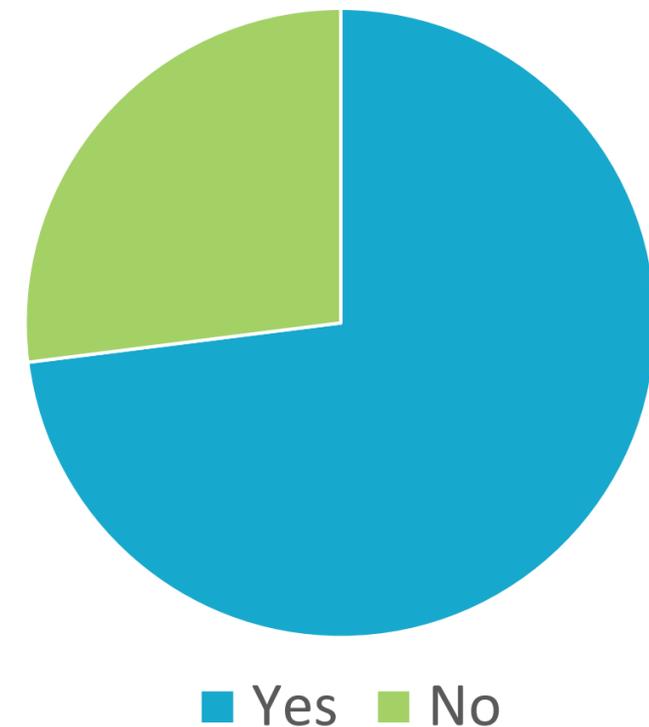


## Question 5

Has your company (or any of your logistics partners) changed distribution routes in the period prior to December 31st, 2020 to lessen the impact from potential delays due to the UK exit from the EU?

**Yes: 73%**  
**No: 27%**

The confirmation that a very high percentage (73%) of companies (or their logistics partners) have changed routes prior to December 31st last, to lessen the impact from potential delays due to the UK exit from the EU. As a country we have had many years to prepare for Brexit and members of Medicines for Ireland were involved in significant preparation, including wide ranging and significant stakeholder engagement with authorities across the national and European spectrum throughout 2020 to lessen the impact of delays on the movement of medicines and medical devices due to the UK exit from the EU.



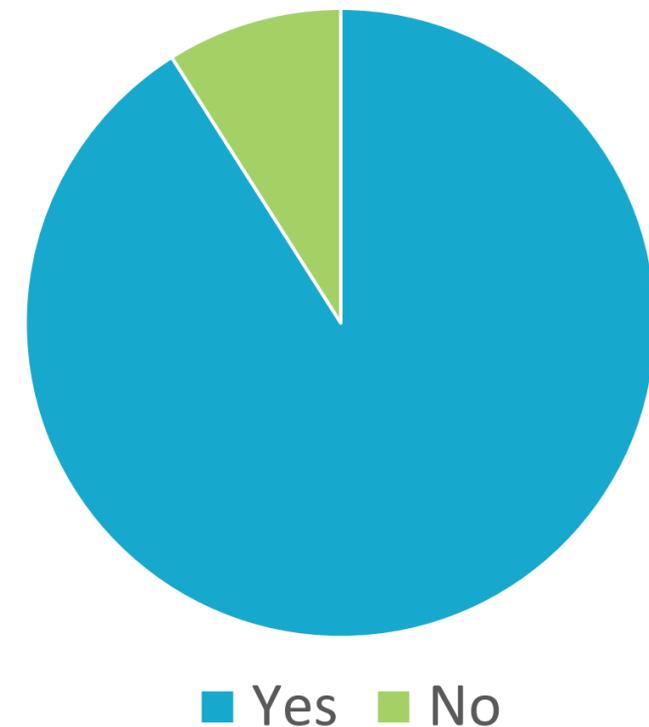
## Question 6

Has your company experienced increased costs associated with import and export, due to changes since January 1st, 2021?

**Yes: 91%**

**No: 9%**

91% of companies have experienced increased costs associated with import and export due to changes since January 1st of this year. This increased costs are on top of the additional costs associated with compliance with crucial Covid-19 safety measures that have been introduced in the last year. The processing costs associated with the online declaration of goods (in the UK) is a significant new cost, that the industry has had to absorb. Transport costs remain fluid across the sector, however increased sea capacity and airfreight options have helped to ensure a minimal impact on patient care in Ireland.

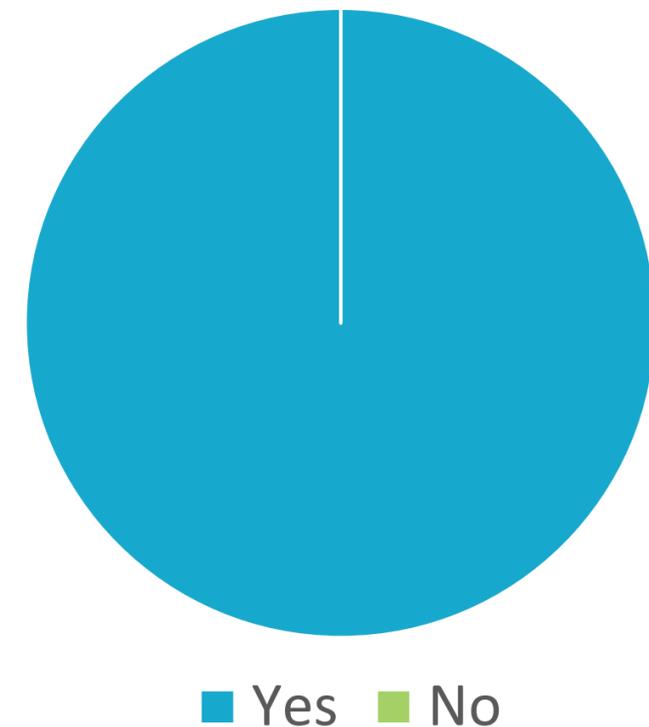


## Question 7

Do you envisage increased pressure on the supply chain as a result of Brexit and Covid-19 measures?

**Yes: 100%**  
**No: 0%**

There is unanimous agreement from respondents who believe that there will be increased pressure on the supply chain as a result of Brexit and Covid-19. The combination of medicines stockpiles being depleted during the Covid-19 pandemic, regulatory changes due to Brexit and the disruption to transport routes as a result of the post Brexit transition period means the potential remains for further shocks to the supply chain. As the suppliers of the majority of medicines in Ireland, the health and safety of Irish patients and their families is our number one priority, and therefore as an organisation MFI will continue to engage directly with policy makers to ensure that the impact from these pressures are minimised.



## Question 8



How would you rate the support and effectiveness of the following state agencies and bodies in supporting the supply of medicines into Ireland?

Agency	Poor	Fair	Good	Excellent
Revenue Commissioners	0%	20%	30%	50%
HPRA	0%	10%	80%	10%
Department of Transport	10%	40%	50%	0%
Department of Health	0%	30%	70%	0%

Medicines for Ireland (MFI) has worked pro-actively with Government and key policy makers on aspects of policy to ensure round the clock continuity of supply of medicines in Ireland. These results clearly demonstrate the performance of the Revenue Commissioners, who in working directly with companies were able to assist so that delays relating to the importation of medicines were kept to a minimum. MFI member companies are communicating on a weekly basis with the Department of Health and the Health Products Regulatory Authority (HPRA) to ensure a solution focused approach is taken to secure a stable supply of medicines to the Irish Market.



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Medicines for Ireland

Company Registration Number: IE602169

Company Directors: David Delaney (Chairperson); Padraic O'Brien (Vice-Chair); Natasha Doyle; Regina Joyce; Deirdre Kelly; Paul Neill; Jeffrey Walsh

