

Brexit Barometer

Testing the opinion of the animal medicines industry

Summer 2017



Introduction

Welcome to our first Brexit Barometer report. The Barometer brings together expertise, insight and feedback from a diverse group of our member organisations and stakeholders on the opportunities and challenges that lie ahead as Britain's exit from the EU gathers momentum.

At the end of 2016, our Brexit taskforce set out the priorities we believe are needed to deliver a thriving animal health sector following the UK's exit from the EU. As the process unfolds, a climate of uncertainty reigns, but one thing is abundantly clear to us; that the UK must continue to be a vibrant and innovative animal health market, providing opportunities for animal medicines businesses to thrive.

As Cat Sayer, NOAH Brexit Taskforce Chair, puts it:

"We are in a strong position in the UK to be a global centre of excellence for animal medicines, supporting both innovative product developments and a regulatory model to benefit both local and international trade. We need to ensure that our industry's needs and priorities are included in discussions on how the UK exit develops."

We remain optimistic about the UK's future after our exit from the EU, but we must be clear that delivering on these priorities is a complex challenge. It requires all parts of our industry to come together to help address the challenges and to collectively harness the opportunities, while speaking up to Government about exactly what support is needed to achieve our goals and offering our help and expertise to enable them to deliver it.

And it requires a Government which is adequately resourced and appropriately skilled to negotiate the best position for the UK post-exit.



Our Brexit Barometer sets out the opportunities as we see them and highlights the industry's current mood around the most pertinent topics for the animal medicines sector. This helps us identify areas of concern and those areas where we need to continue to work together to ensure that the important details are recognised and worked through.

As always, we welcome feedback as we continue on this journey and look forward to sharing further updates with you through the year as we track and share industry insight and sentiment in future Barometers.

Dawn Howard
Chief Executive, NOAH

About NOAH

NOAH (the National Office of Animal Health) represents the UK animal medicines industry. Its aim is to promote the benefits of safe, effective, quality medicines for the health and welfare of all animals.

For further information, please visit:
www.noah.co.uk

Spotlight on the insights



Building 'Brand Britain'

Far from restricting the way we do business or curbing innovation, we have an opportunity to unlock and access a global market, building on the commercial, scientific and academic attributes for which we are known as well as the high levels of trust in Britishness as a 'brand'.



"We are recognised as a responsible player on the world market, some businesses have been strangled by unnecessary red tape, this is our opportunity to streamline and improve."

"Britain has always been a great nation of inventors. This opportunity offers us the world to choose our business partners from."

"British as a brand is important. It's trusted."

People first

Irrespective of topic, the industry is in agreement that people are paramount to protecting the industry's future during the transition. From safeguarding the existing skilled workers in the veterinary profession where a large proportion is drawn from non-UK EU countries, to championing the UK jobs market for British workers.

"As the tasks which were undertaken by Brussels staff move back to our domestic shores, more opportunities will develop for British professionals and the opportunity to update, simplify and improve our systems."

"Greater control over legislation combined with favourable taxation could increase the attractiveness of the UK for companies to conduct R&D, which will also help retain and attract highly skilled staff."



Setting standards

Across the board, the feedback is clear – we must protect current standards and regulation when it comes to animal health and welfare and we must improve them where we can with new standards set in a fair way. We must also ensure that we are clear on who will be the voice of these health and welfare standards and how these will be promoted.

"The UK is in a strong influencing position with our ability to trade on the basis of high welfare standards and require the same from bilateral trade partners as we set our own risk-based import controls."

"Higher standards of welfare and hygiene at slaughter and transport are an opportunity but we need assurance from Government that these hygiene and welfare standards do not decline as a result of Brexit."

"If high standards of health and welfare can be supported that would help to tackle antibiotic resistance."



Keeping access



Access and transparency were recurrent themes of the discussion – from protecting access to existing databases, resources and memberships to transparency and clarity on where future R&D funding will come from.

"We need to see Government compensate for loss of access to EU funds with a UK investment plan in research and support for science."

"We must maintain access to current veterinary medicines and ensure we do not lose access to future vet medicines."

We want to see better control of internet products with a risk-based approach to the cascade system giving access to a greater range of veterinary medicines in minor species/off label uses and to maintain the Exemption Scheme for Small Pet Animals.



The barometer

We asked our attendees to tell us how optimistic they were feeling about the key topic areas as well as how optimistic they feel about the overall future of the industry in light of Brexit.



Animal health and welfare and public health and food production elicited the most positive sentiment among the group



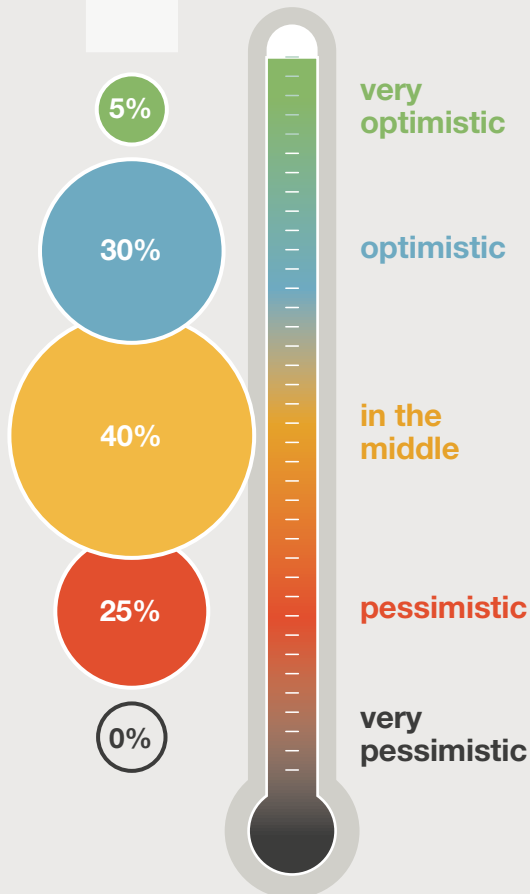
While bringing a product to market and trade and exports scored lowest.



When it comes to the overall mood, more than a third of those who attended told us they feel optimistic or very optimistic about the future.

In light of Brexit, how optimistic do you feel about...

The future of the overall industry right now



The opportunities

At NOAH's Brexit event in May, individuals drawn from across the animal medicines sector to farming and retail came together to share their full and frank views on the opportunities that Brexit could bring to our industry in the UK and the support that is needed from Government to deliver these.

They looked at the debate through six lenses – Animal health and welfare, Public health and food production, Trade and investment, R&D and innovation, Bringing new products to market and Post-licensing controls.



Here's what they found...

Animal health and welfare

The UK can be the benchmark for animal health and welfare on a global stage – setting progressive, flexible and innovative legislation for animal movement, live exports and slaughter and product registration.

➤ To realise this opportunity we need Government to:

- Maintain the current Animal Welfare Act and evolve it to secure the UK's position from 'Day 0'
- Ensure we are not disadvantaged by lack of product availability during the transition period and beyond, as new products come on the market
- Ensure that veterinary services are available in inner city and rural areas throughout the UK
- Ensure that a cross-border programme is in place to maintain cooperation between the UK and Europe
- Recognise that animal diseases do not respect borders and to co-operate with our European neighbours to ensure that appropriate measures are in place to prevent and control disease outbreaks
- Balance first-class welfare standards with creating a level playing field for UK farmers and ensuring that British product does not become uncompetitive.

Public health and food production

The UK can be the benchmark for standards of animal health and welfare around the world – championing British farming and produce and leading the way in tackling antibiotic resistance.

➤ To realise this opportunity we need Government to:

- Define what new production standards will look like
- Outline how labelling definitions and standards will change
- Be customer-focused and embrace technology
- Speed up product applications and authorisations so that benefits from new developments are realised earlier
- Collaborate with trusted authorities to educate the public on antibiotic resistance and consider how the UK can align with the EU on tackling this issue
- Review and increase the UK's participation in future Codex meetings.

R&D and innovation

The UK can be a well-funded global centre for research and development and innovation supported by talent from around the world.

➤ To realise this opportunity we need Government to:

- Provide guidance on securing continued collaboration and funding for the future through EU framework programmes
- Provide clarity over future funding for scientific research to avoid erosion of the UK veterinary science base
- Explore opportunities to access new collaboration and funding, both nationally and globally
- Explore opportunities to collaborate with other partners beyond the EU
- Consider funding availability for UK-based scientists to ensure the UK retains its world-leading status in veterinary science research
- Set out a clear single system for attracting talent from around the world
- Define the role of the animal health and welfare industry and promote cross-industry collaboration
- Reduce administrative burdens and improve the protection of companies' intellectual property and technical documentation.

Bringing new products to market

The UK can provide the most streamlined and simplified route to market for product manufacturers – introducing an innovative licensing system, removing unnecessary administrative burden and working with industry to develop a regulatory model which encourages innovation

➤ To realise this opportunity we need Government to:

- Promote the UK as a place to do business
- Update UK regulations to reflect the benefits offered by the new European regulation of veterinary medicines, enabling us to achieve continued innovation and positioning within the market
- Avoid regulatory divergence in technical data requirements for product registrations
- Secure a seat for the UK at the VICH*
- Provide stability, certainty, openness and transparency throughout the exit process
- Secure the status of EU nationals to retain expertise in the UK
- To ensure that access to new medicines is not delayed for British animals
- To ensure an environment that encourages companies to remain in or move to the UK
- To develop a form of 'mutual recognition' which permits a UK registered product access to the 'EU region' animal population
- To safeguard regulatory efficiencies and retain access to current EU marketing authorisation systems as well as electronic submission portals and databases
- Recognise that the VMD has the expertise and flexibility to manage the evaluation of innovation medicines.

Post-licensing controls for the overall market

The UK can control its imports and supply chain – drawing on the VMD as a resource for pharmaceutical inspection, providing improved education (for example about improvements to pain management, vaccination or better ways to manage antibiotic use) and managing the potential for counterfeit products.

➤ To realise this opportunity we need Government to:

- Recognise the important role of the animal health industry during the exit process
- Provide continuity with existing and future EU legislation
- Provide assurance that the UK does not lose its position as a market of first choice
- During the UK's exit timeline, maintain its level of influence around policy within the EU
- Minimise costs and admin burden for post-licensing controls
- Support multi-national members in retaining access to the UK market through a possible regulatory model which may be a new UK/EU bilateral treaty with the UK recognising the EU veterinary medicines legislation and continuing technical input from the UK offering expertise and capacity to the EU
- Develop a new process for the small number of animal health products currently regulated by the European Food Safety Authority (EFSA)
- To ensure the continued ability to import actives and medicines and ensure that additional tariffs on these do not affect prices.

Trade and investment

The innovative UK market can successfully trade with the rest of the world in the animal health, including medicines, sector, and support a successful UK agriculture plc. The VMD can become a centre of regulatory excellence, exporting its services.

➤ To realise this opportunity we need Government to:

- Ensure animal health is high on the political agenda
- Maintain open communication via the VMD
- Ensure a fair and level playing field for UK businesses to trade
- Ensure that the supply of produce and medicines remains the same as it is now or better.

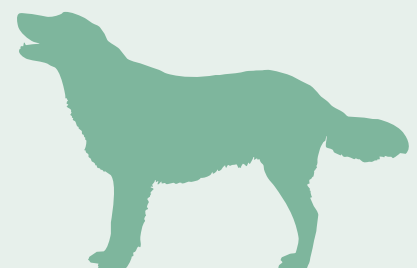
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* International Cooperation on Harmonisation of Technical Requirements for Registration of Veterinary Medicinal Products