

Moving times

Continuity and stability are vital when it comes to the EMA's relocation when it leaves London

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Following Brexit, Britain must pay to relocate the European Medicines Agency from London to a city within the EU and 19 European countries are placing their bids to be the next host. Indeed the EMA is favoured as being the most valuable of the Brexit spoils; its nature as one of the most prestigious European agencies bears both economic and political advantage for London's successor. Not only will it prove incredibly valuable for the victor of the fierce bidding war, its loss will be felt the British pharma industry.

Employing around 900 highly-skilled staff, the EMA has historically attracted around 36,000 experts per year to London, while also making the city an attractive location for pharmaceutical companies wishing to be positioned near the regulator while also having access to the EU market. Access to the EU market has always been a significant factor in a company's decision to invest and operate in Britain. It is likely then, that some of these workers, their families, the experts and the companies will move with the agency to whichever European city is selected or, with respect to the companies, move to an EU country (or move at least a substantial part of their employees to that country). This will contribute to the estimated €1bn economic uplift the EMA could generate for the new host.

There is the risk, then, that the British pharmaceutical industry may be negatively affected by the EMA relocation. Indeed, London may appear less attractive to international companies following the loss of the regulator; they might now prefer continental options. Similarly local London restaurants and hotels that have long benefited from EMA visitors could lose business.

In addition, many have noted that the relocation represents a double blow; indeed Britain will have to foot the bill for displacing the regulator. Furthermore, the agency's failure to

negotiate a break clause in the lease for the Canary Wharf offices means that the move will now cost at least twice as much - up to around £520m pounds - as the agency is tied into a rental contract with the London offices until June 2039.

There are also fears that British patients may be confronted with drug shortages or delays due to the relocation. Drugs that are currently accessed by British patients as soon as they are registered for the EU market, as well as new treatments, will in future take longer to reach them; the UK may no longer be the centre of pharmaceutical innovation. It is critical therefore that, following Brexit, the UK pharmaceutical sector establishes itself in such a way that it does not find itself at the back of the queue regarding submissions for new medicines.

So what are the criteria for the relocation and where is it likely to move to? The principle question is one of business continuity; there are serious concerns that business may be disrupted, which could pose a significant threat to public health. Already there have been fewer applications for the EMA training programme, and the agency has provisionally suspended some work as it focuses on the transition plan. From a practical perspective, the new location will have to prove that it has sufficient IT capabilities, that will be up and running in time for the move, so as not to further hinder EMA performance.

A further key issue concerns the displacement of EMA staff and their families. A recent survey of agency staff (see page 6) highlighted that anywhere from 19% to 94% of employees said they would quit, depending on how unpopular the destination was regarded. This would significantly impact business continuity. The most popular locations included Amsterdam, Barcelona and Vienna, although following more recent, and violent, developments in Catalonia and the uncertainty of its European future, it is possible that Barcelona may be slip in the eyes of EMA staff.

Similarly, cultural considerations must also play a large role in the decision-making process. At the end of August, a group of LGBT EMA employees wrote an open letter to Guido Rasi (executive director of the EMA), Donald Tusk, Jean-Claude Juncker and Antonio Tajani expressing their anxieties: 'we are... concerned that our rights and freedoms, as legally guaranteed in the current hosting Member State and as enshrined in Union law, may be directly and adversely affected by the EMA relocation.' Naturally the letter does not cite any specific countries although is likely aimed at certain CEE countries that have not yet recognised same-sex marriages or registered partnerships.

It is vital that the EMA does not lose too many staff during the relocation process; so concerns regarding policies on gay rights in some of the 19 candidate countries must be taken into serious consideration. From this it is clear that the decision is as much political as economic - the cultural divide between Western and Eastern Europe in the battle to win the EMA has not gone unnoticed.

Writing as Dutch nationals, we certainly understand why Amsterdam would be appealing to EMA staff. Indeed geographically, the city represents less of an 'uprooting', and it is believed that over 90% of the Dutch population speaks English. Employees relocating from Britain will likely find attractive international opportunities, facilities and support. The Dutch bid to host the new regulator concentrates on the four Cs: 'commitment, continuity, connectivity and community', to highlight its position as a strong candidate in the bidding war. Furthermore, the video included in its proposal pushes for a smooth transition and jokingly underlines the important similarities between London and Amsterdam: 'We also

have a very stylish queen and we enjoy fish and chips.’ However, monarchy and diet aside, the significant point was made that the Dutch boast a ‘first-class’ medicines regulatory agency that will allow for a seamless transition and will assume the work currently undertaken by the MHRA.

The European Commission will come to a decision in November, and so far the 19 European cities have all demonstrated their most sophisticated campaign capabilities as part of their EMA bid. However, whichever city is successful in their bid, the European Commission must disregard both economic and political motivations when settling upon an appropriate candidate.

To echo the words of Edith Schippers, the resigning Dutch health minister, the fundamental goal of the relocation is to provide European citizens with safe and efficient medicines. Continuity and stability is vital here. It is paramount that the successful city (Amsterdam or another) is one that can best continue London’s excellent work in this space.

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