

Brexit Would Put EU Drug Regulator's Headquarters in Play; The European Medicines Agency 's home in London cold be affected by U.K. referendum vote2

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Brexit Would Put EU Drug Regulator's Headquarters in Play; The European Medicines Agency's home in London could be affected by U.K. referendum vote

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As the referendum on the U.K.'s membership in the European Union draws closer, nations are jostling for a top prize should Britain opt to leave the bloc: playing host to the European pharmaceutical regulator.

Though they don't wish for the European Medicines Agency to be forced to leave its London headquarters, drug-industry figures in Sweden, Denmark and Italy have made the case for their respective nations to host to the EMA should the U.K. vote to leave the bloc.

In Sweden's favor is its already-outsize role in European medicines regulation. Its national medicines agency took the lead on 25 drug reviews for the EMA in 2015, more than any other member state, according to the regulator's annual report.

"It's about the prestige and the positive signal it sends to the life-science industry," said Anders Blanck, director-general of Sweden's pharmaceutical-industry association. The Swedish government is working hard to rebuild the country's life-science industry after two large homegrown pharmaceutical companies, Astra and Pharmacia, were sold off to foreign rivals in the late 1990s.

Denmark's relative heft in the pharmaceutical industry, with industry giants Novo Nordisk A/S and H. Lundbeck A/S based there, could give it an edge over its Nordic neighbor. Henrik Vestergaard, deputy chief executive of Denmark's pharmaceutical association, said Copenhagen is at the center of a life-science hub that also encompasses parts of southern Sweden, including Gothenburg, where AstraZeneca PLC has a large research-and-development site.

"Our life-science hub is not only national but attracts foreign companies," he said. "There are talents and competencies in this area that would make it a great destination."

Still, Denmark could struggle to convince Brussels that it is the best candidate to host the EMA amid worries it [could hold a copycat referendum](#) should the British vote to leave the bloc. The second-largest political party by share of votes, the opposition Danish People's Party, is pushing hard for an EU vote and an eventual exit but has failed to sway the government to its view. There is also increasing public support for a referendum: An online survey by pollster Epinion for the national broadcaster DR conducted in late May showed that 42% wanted to vote on continued EU membership, up from 37% in February.

Luca Pani, head of Italy's drug regulator and pricing authority, AIFA, said his country's lack of a homegrown pharmaceutical giant could count in its favor as it means no one company would have easier access to the agency. Italy is also a manufacturing base for many multinational drugmakers, making it the largest drug exporter per capita in the world, he said.

"We have an incredibly high quality of pharmaceuticals," Dr. Pani said. "Made in Italy is not just for Gucci and Prada."

Dr. Pani also cited Italy's sophisticated drug-pricing infrastructure. He said the nation links the price it pays for many drugs to their real-world results in patients.

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At any rate, a relocation of the EMA, which has been based in London since it was set up in 1995, would be "very messy," according to Richard Bergström, head of the European Federation of Pharmaceutical Industries and Associations. He said "huge numbers" of people with deep institutional knowledge might quit the agency if it moves, endangering the integrity of the regulatory system.

An EMA spokeswoman said there was "no point" speculating on the result of the referendum and its potential consequences, but she added that the political debate in the U.K. wouldn't deter the agency from performing its duties.

Further, several U.S. pharmaceutical giants, as well as Switzerland's Novartis AG and Roche Holding AG, use U.K.-based entities to hold their EU marketing authorizations. In the event of an exit, these likely would need to be transferred to an entity in a remaining member state.

Such an exit also would deal a blow to the U.K. drug industry. Rebecca Lumsden, head of science policy at the Association of the British Pharmaceutical Industry, said the EMA's London location gave the U.K. an opportunity to lead and to influence EU-wide drug regulation.

And while industry figures in Sweden, Denmark and Italy are ready to push their governments to bid for the agency, they hope such a contest will never materialize.

"We cannot think of something worse," said Italy's Dr. Pani. "It would really be a disaster."

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