



## HEALTH HARMS OF NO DEAL BREXIT

# Brexit and medicine shortages: evidence from trade data

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As van Schalkwyk and colleagues note, we have little information about the government's planning to avoid medicine shortages in the United Kingdom after Brexit.<sup>1</sup> The press is already reporting shortages, which some think result from exports to single market partners by distributors profiting from a falling pound.<sup>2,3</sup>

HM Revenue and Customs provides data on trade in medical products (<https://www.uktradeinfo.com>). Figure 1 shows the latest available data for monthly imports and exports of pharmaceutical products between the UK and other EU members, as well global partners, from six months before the referendum on EU membership until June 2019.<sup>4</sup> The data (commodity codes 3004 and 3002) cover measured/retail doses of medicines, including biological products but excluding bulk pharmaceutical ingredients.

Volumes have remained remarkably steady, with imports far exceeding exports. Since January 2016 the UK has recorded net imports of close to 400 million tonnes of finished medicines. Net imports from the EU total 42 million tonnes. Thus, there has been no apparent "drain" of medicines from the UK market. Since the Brexit vote, UK-EU trade in medicines totalled £76bn (€86bn; \$93bn). The benefit of exports goes largely to manufacturers and distributors. The latter, in particular, will lose out if Brexit ends parallel trade. But the cost of imports to the UK is borne largely by the NHS. Year on year import

volume fell just 0.43% to the end of June 2019. But imports rose 9.6% by value, broadly reflecting costs to the NHS. The rise has been steepest in the 60% of imports that come from outside the EU (17.7% versus 6.8% for EU imports). This bodes badly if sterling continues to slide.

Overall trade volumes mask the dynamics driving shortages in particular products, but with volumes so steady, reports of shortages are surprising. Could distributors be withholding medicines, hoping for windfall prices after a no deal Brexit? Cynical, perhaps. But the absence of clear information about preparatory measures from the government favours such speculative responses.

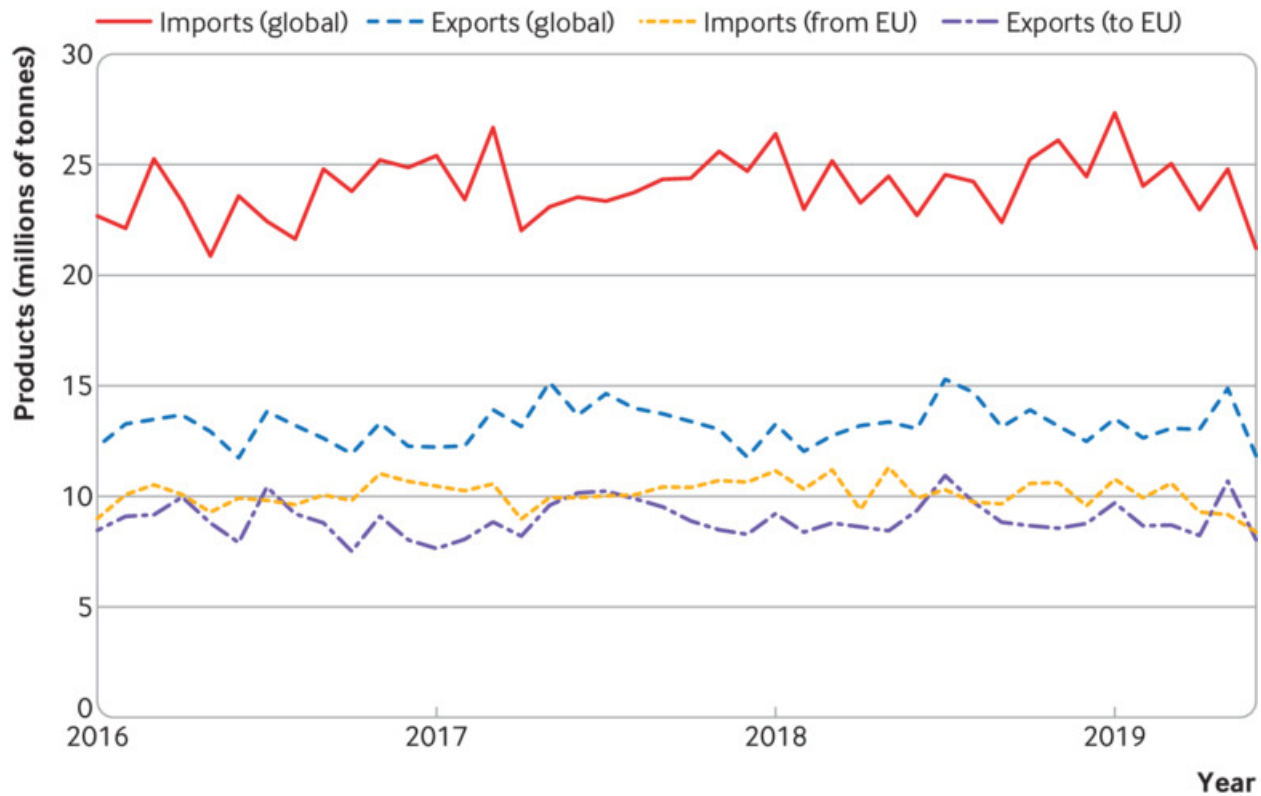
Competing interests: None declared.

Full response at: <https://www.bmj.com/content/366/bmj.l5300/rr-5>.

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- 2 Rimmer A, Iacobucci G, Mahase E. No-deal Brexit may worsen drug shortages, pharmacists warn. *BMJ* 2019;366:l5226. 10.1136/bmj.l5226 31431426
- 3 O'Carroll L. Brexit "already causing medicine shortages" at pharmacies in England. *Guardian* 2019 Apr 9 <https://www.theguardian.com/politics/2019/apr/09/brexit-medicine-shortages-pharmacies-england>
- 4 Pisani E. Supporting data for "Brexit and medicine shortages: evidence from trade data." Harvard Dataverse, V1. 2019. <https://dataverse.harvard.edu/dataset.xhtml?persistentId=doi:10.7910/DVN/X6IDWE>

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Figure



**Fig 1** Monthly volume of medicines (excluding active ingredients) traded by the UK from January 2016 to June 2019. Values are finished pharmaceutical and blood products (millions of tonnes).<sup>4</sup>

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