The Pharma Legal Handbook

Russia

Regulatory, Pricing and Reimbursement Overview · Preclinical and Clinical Trial Requirements · Marketing, Manufacturing, Packaging and Labeling Advertising · Traditional Medicines and OTC Products · Product Liability · Patents and Trademarks · Regulatory Reforms · Cannabinoid Drugs, Medicinal Cannabis and Opioid Drugs · Orphan Drugs and Rare Diseases · Localization · Biosimilars and Biologics

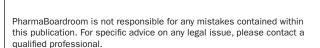


Russia

The Pharma Legal Handbook answers essential questions about this environment for pharmaceuticals in Russia.

It is a must have for any company operating in the country or looking to enter the market.

Prepared in association with Lidings, a leading Russian law firm, it should answer any questions linked to Regulation, Pricing, Clinical and Preclinical Trials, Marketing, Manufacturing, Trademarks and Patents.



Copyright: All rights reserved. No part of this publication maybe reproduced in any form or by any means, whether electronic, mechanical or otherwise including photocopying, recording or any information storage or retrieval system without prior written consent of PharmaBoardroom. While every attempt is made to ensure the accuracy of the information contained in this report, neither PharmaBoardroom nor the authors accept any liabilities for errors and omissions. Opinions expressed in this report are not necessarily those of the authors.

* THIS REPORT WAS ORIGINALLY PUBLISHED IN OCTOBER 2018 AND THE INFORMATION CONTAINED WITHIN IS SUBJECT TO CHANGE.

**LAST UPDATE: SEPTEMBER 2021



Leading the Way in Russian Law

Lidings - front ranked law firm in Russia advising local and multinational companies with different industrial background in Russia and CIS.

We have extensive experience in Life Sciences sector assisting large multinational and Russian life sciences companies across the entire scope of their needs.

The Life Sciences practice group comprised of qualified lawyers provides a full service to the industry – everything from IP and product liability support to highly specialised regulatory support to day-to-day corporate, commercial, tax and employment advice, or bankruptcy assistance.

www.lidings.com



THE AUTHORS



ANDREY ZELENIN

MANAGING PARTNER, HEAD OF THE PHARMACEUTICALS AND HEALTHCARE, ADVOCATE

Andrey has great experience in litigation in the Russian courts and international arbitration, particularly on intellectual-property contentious matters, in disputes involving financial institutions, companies from pharmaceutical, FMCG and energy sectors.

He is a prominent Russian expert in the field of international dispute resolution with a wide experience in conducting trials in accordance with the rules of ICC, Stockholm Chamber of Commerce, and ICAC with the Chamber of Commerce and Industry of the Russian Federation, as well as other Russian and international arbitration institutions. Under his supervision the firm has represented clients in a number of precedent-setting cases in Russia. Has significant experience in advising companies of the Asia-Pacific region and Europe, heads the firm's special division focused on providing legal support to Chinese companies – China Desk.

Andrey is ranked by major Russian and international legal ratings as a great Russian IP, arbitration and mediation specialist, recommended as the prominent expert in the sphere of Life Sciences. He is the author of multiple articles and legal updates, frequently acts as expert and speaker at key events of the professional legal community in Russia and abroad.



MALAKHOV

BORIS

PARTNER, ADVOCATE

Boris specializes on intellectual property disputes and has built up an expertise in proceedings involving manufacturing, FMCG, IT and Electronics, as well as pharmaceuticals and healthcare sector companies. The scope of Boris' particular professional interest covers data protection, IP infringements on the Internet and media law.

Boris is an advocate, author of multiple articles and legal reviews on a wide spectrum of issues dedicated to IP protection, frequently invited to act as expert and speaker at key events of the professional legal community in Russia and abroad.



POLINA VODOGREEVA

ASSOCIATE

Polina has extensive experience in advising Russian and international companies across a wide range of corporate and commercial issues, establishment of joint ventures, corporate reorganization, providing thorough legal support of investment projects in Russia. In addition she specializes on different migration law issues and employment aspects of business activity, including elaboration of HR-related documentation and structuring internal corporate policies to ensure compliance with Russian legislation.

In particular Polina's professional interest lies in advising pharmaceuticals and healthcare industry companies on all aspects of Russian law. Her experience includes providing complex legal support to pharmaceutical companies, interaction with state authorities, contractual work, monitoring activity of medical representatives, tax and customs regulation and compliance.



THE AUTHORS



NADEZHDA FEDOTOVA



ANNA KUMINOVA



JULIA KORABLYOVA

ASSOCIATE

Nadezhda has extensive experience in advising Russian and international Life Sciences sector companies on day-to-day business activities in Russia, including analysis and elaboration of various agreements and HR-related documentation, structuring internal corporate policies to ensure compliance with Russian legislation.



Anna is an associates in the Lidings Intellectual Property practice. She advises on a wide range of matters relating to patents, designs, trademarks, copyright, as well as on the issues of protection from unlawful use of intellectual property occurring on the internet. Notably, Anna represents a number of the firm's clients in patent and trademark disputes in the pharmaceutical sector.

ASSOCIATE

Julia is an associate in the Lidings Corporate and M&A practice. She has extensive experience in advising Russian and international pharmaceutical and healthcare companies across a wide range of corporate, commercial and contract issues.

LIDINGS ALSO ACKNOWLEDGES ASSISTANCE OF MARIA VASILIEVA, ILYA KHODAKOV AND EKATERINA IVANKOVA IN PREPARATION OF THIS REPORT



Leading the Way in Russian Law

Lidings is a leading independent national law firm advising Russian and international companies with different industrial background on all legislative aspects of doing business in Russia and CIS

Specializing in all areas of the legal practice, we particularly focus on the regulatory issues important to the global pharmaceuticals and healthcare companies operating in Russia and CIS region

Leading Russian and international legal directories highlight **Lidings** as the TOP Russia law firm advising Life Sciences sector companies

K Leading legal adviser in dispute resolution, corporate and M&A, intellectual property and life sciences fields in Russia

Chambers and Partners Europe, 2021

Health Care Law and Life Sciences

Best Lawyers, 2021

Ranked for an outstanding industrial expertise in healthcare and pharmaceuticals (dispute resolution and medical and pharmacology)

Kommersant Newspaper, 2021

Life Sciences - Patent Litigation

Who is Who Legal, 2021

TOP legal advisor in arbitration, employment, corporate, intellectual property, TMT and pharmaceuticals and healthcare

Pravo.ru-300, 2020



CONTENTS

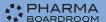
REGULATORY, PRICING, AND REIMBURSEMENT OVERVIEW	Page 7
PRECLINICAL AND CLINICAL TRIAL REQUIREMENTS	Page 18
MARKETING, MANUFACTURING, PACKAGING AND LABELING, ADVERTISING	Page 22
TRADITIONAL MEDICINES AND OVER-THE-COUNTER PRODUCTS	Page 33
05 PRODUCT LIABILITY	Page 38
06 PATENTS AND TRADEMARKS	Page 42
7 REGULATORY REFORMS	Page 48
CANNABINOID DRUGS, MEDICINAL CANNABIS AND OPIOID DRUGS	Page 51
O9 ORPHAN DRUGS AND RARE DISEASES	Page 58
10 LOCALIZATION	Page 64
BIOSIMILARS AND BIOLOGICS —	Page 69



REGULATORY, PRICING, AND REIMBURSEMENT OVERVIEW

- 1. What are the regulatory authorities with jurisdiction over drugs, biologicals, and medical devices in your country?
- 2. What is the regulatory framework for the authorization, pricing, and reimbursement of drugs, biologicals, and medical devices?
- 3. What are the steps to obtaining authorization to develop, test, and market a product?
- 4. What are the approximate fees for each authorization?
- 5. For how long are marketing authorizations/registrations valid? How are marketing authorizations/registrations renewed?
- 6. How does the authorization process differ between brand-name products and generic products? Are there differences for local manufacturers versus foreign-owned manufacturers?
- 7. How are combination products (drug + drug, drug + biologic, drug + device, biologic + device, drug + biologic + device) regulated?

- 8. How is compliance with regulation monitored and evaluated? Is the regulatory regime comparable with the U.S. Food and Drug Administration or the European Medicines Agency expectations and requirements?
- 9. What is the potential range of penalties for noncompliance?
- 10. Is there a national healthcare system? If so, how is it administered and funded?
- **11.** How does the government (or public) healthcare system function with private sector healthcare?
- 12. Are prices of drugs and devices regulated and, if so, how?
- 13. How are drugs and devices used by patients paid for? What roles do public and private payers play?
- **14.** Who dispenses drugs and devices to patients and how are those dispensers compensated?
- 15. What are the professional and legal responsibilities of those who dispense drugs and devices? What role do they play in providing patient care, information, and safety?



REGULATORY, PRICING, AND REIMBURSEMENT OVERVIEW

1. What are the regulatory authorities with jurisdiction over drugs, biologicals, and medical devices in your country?

The authorities responsible for applying and enforcing the regulatory framework shall be:

- concerning drugs and biologicals the Ministry of Healthcare of the Russian Federation (the "Minzdrav") and the Federal Service for Surveillance in Healthcare (the "RZN");
- concerning medical devices RZN.

2. What is the regulatory framework for the authorization, pricing, and reimbursement of drugs, biologicals, and medical devices?

The regulatory framework for pricing and reimbursement of drugs and biologicals includes Federal Law dd 21.11.2011 No. 323-FZ "On Fundamental Healthcare Principles in the Russian Federation" (the "Law on Fundamental Healthcare Principles"), Federal Law dd 12.04.2010 No. 61-FZ "On Circulation of Drugs" (the "Law on Circulation of Drugs"), which provisions are supplemented with the regulations, adopted by the Government of the Russian Federation and Minzdrav.

Russia, being the member state of the Eurasian Economic Union (the "EAEU"), complies with the EAEU provisions regarding the formation of the Common Market of medicines and medical devices under Art. 30 and Art. 31 of the Eurasian Economic Union Treaty dd 29.05.2014. Starting from 2021, authorization (i.e. registration) of new medical drugs in Russia is performed under the regulations of the EAEU that include the Rules of registration and examination of medical drugs approved by the decision of the Council of the Eurasian Economic Commission dd 03.11.2016 No. 78 (the "EAEU Rules") and other applicable regulations of the EAEU.

The are no specific requirements for the pricing of drugs in the private sector, except common antitrust regulations that shall be considered. As well there is no reimbursement in the private sector. As for the public sector and the drugs included in the list of vital essential and necessary drugs, please, refer to **Question 12 of this Chapter**.

The regulatory framework for authorization, pricing and reimbursement of medical devices includes the Law on Fundamental Healthcare Principles, the provisions of which are supplemented with the regulations, adopted by the Government of the Russian Federation and Minzdrav. Starting from 2022, registration of new medical devices is to be performed under the applicable EAEU regulations. Before that registration of new medical devices can be performed under national laws.

Cl. 2 Art. 38 of the Law on Fundamental Healthcare Principles provides for the segregation of medical devices for classes, depending on the degree of the potential risk of use of medical devices, and types, depending on the



nomenclature classification of medical devices (i.e. the purpose of their use), that is set forth by Decree of Minzdrav dd 06.06.2012 No. 4н. The class of the medical device affects its registration, i.e. procedure for obtaining marketing authorization (please, refer to **Question 4 of this Chapter**), and post-registration control.

The classes of the medical devices include the following:

- class 1 medical devices with a low degree of risk (for instance, medical gauze);
- class 2b medical devices with an increased degree of risk (for instance, solution for lens);
- class 2a medical devices with an average degree of risk (for instance, X-ray apparatus);
- class 3 medical devices with a high degree of risk (for instance, coronary stent).

The are no specific requirements for the pricing of medical devices in the private sector, except common antitrust regulations that shall be considered. As well there is no reimbursement in the private sector. As for the public sector, please, refer to **Question 12 of this Chapter**.

3. What are the steps to obtaining authorization to develop, test, and market a product?

The manufacturers or their authorized representatives in Russia shall obtain marketing authorization from Minzdrav for drugs and biologicals and from RZN – for medical devices. The registration procedures are outlined in Administrative regulations of Minzdrav on the provision of state services for the state registration of medical drugs intended for circulation in the EAEU common market of medical drugs under the EAEU Rules in respect of drugs, and by the Law on Fundamental Healthcare Principles and supplementary regulations of the Government of the Russian Federation and Minzdrav – in respect of medical devices.

3.A. DRUGS

The EAEU Rules provide for 2 different registration procedures:

- A. Mutual recognition procedure
- B. Decentralized procedure

A. Mutual recognition registration procedure

Within this procedure, the applicant chooses one of the EAEU member states as a reference state that will be responsible for a full-fledged cycle of procedures, including tests and inspections, resulting in an expert report. In other chosen member states (recognition states) only examination of the expert report from the reference state and particular modules of the registration dossier takes place. Registration in the reference state is first completed and then recognition in other EAEU member states (recognition states) follows. The applicant independently chooses the reference state and recognition state(s) between the EAEU member states.