

27 May 2014

To our clients and friends

INFORMATION LETTER
regarding amendments to the Republic of Kazakhstan legislation
in the sphere of advertising of medications,
medical products and medical equipment

The RK Law No. 203-V "On Introduction of Amendments into Certain Legislative Acts of the Republic of Kazakhstan on Permitting System Issues" dated 16 May 2014 (hereinafter, the "Law") introduces amendments into a number of the RK codes and laws allowing to orderly arrange the permitting system using unified principles and approaches.

The Law enters into force upon expiration of six (6) months of the date of its first official publication, i.e. starting 21 November 2014.

The Law provides for exclusion of paragraphs 4 and 5 of Article 18 of the RK Code "On People's Health and Healthcare System" (hereinafter, the "Health Code"), according to which *advertising of medications, medical products and medical equipment is carried out based on a permit of the authorized agency after preliminary expert examination of the advertising material by an expert authority specified by the authorized agency. Distribution and placement of advertising of services, medications, medical products and medical equipment is allowed in specialized medical periodicals, other mass media and healthcare organizations.*

According to the Law, paragraph 1 of Article 18 of the Health Code has been set forth as follows:

"Distribution and placement of advertising of healthcare services, methodologies and means for preventive treatment, diagnostics, treatment and medical rehabilitation, medications, medical products and medical equipment shall be carried out only in specialized medical periodicals and healthcare organizations.

Advertising of prescription medications, including those containing narcotic substances, psychotropic substances and precursors, may be carried out only in specialized print media meant for medical and pharmaceutical employees."

In view of the above, pharmaceutical companies may advertise medications, medical products and medical equipment in mass media on the basis of the permit previously obtained in accordance with the procedure established by the RK legislation until 21 November 2014. After 21 November 2014 it will be possible to advertise medications, medical products and medical equipment only in specialized medical periodicals and healthcare organizations.



Thus, according to the Law:

- a) provision on necessity to obtain advertising permit has been excluded;
- b) no advertising is allowed in mass media.

However, the Health Code preserved paragraph 6 of Article 18, according to which "*control over production, distribution and placement of advertising shall be carried out by the authorized agency and state authorities within the limits of their competence.*"

The Law does not regulate the issue of the term of validity of permit to advertise medications, medical products and medical equipment obtained before adoption of the Law.

According to oral information obtained by AEQUITAS lawyers from the employees of the Almaty Department of the Control Committee of Medical and Pharmaceutical Activities, correspondent amendments to other RK legislative acts regulating advertising of medications, medical products and medical equipment and determining the term of validity of the previously obtained permit to advertise medications, medical products and medical equipment are to be adopted soon (the amendments will be introduced *inter alia* into the Order No. 167 of the Minister of Health of the Republic of Kazakhstan "On Approval of the Rules for Issuing Permits to Advertise Medications, Medical Products and Medical Equipment in the Republic of Kazakhstan" dated 20 March 2013).

Other amendments to the Health Code relate to:

- a) regulation of the procedure for import and export of human organs (part of organs) and/or tissues, blood and its components in the RK;
- b) regulation of competence of the RK Ministry of Health and local public healthcare authorities of oblasts, city of national status and capital.

Should you have any additional questions, please do not hesitate to contact us. We would be happy to provide you with the required advice.

Best regards,
AEQUITAS Law Firm