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Chapter 27

RUSSIA

Evgeny Alexandrov and Ilya Goryachev[1]

I INTRODUCTION

The Russian life sciences framework is primarily shaped by the Federal Law of 12 April 2010 No. 61-FZ on turnover of medicines (the Pharmaceutical Law) and the Federal Law of 21 November 2011 No. 323-FZ on principles of healthcare of citizens in the Russian Federation (the Healthcare Law) with the Ministry of Healthcare of the Russian Federation (MoH) being the primary regulatory body and its subsidiary, the Federal Service for Surveillance in Healthcare (Roszdravnadzor), as the enforcement authority.

More detailed aspects of life sciences regulation are provided in the by-laws of the government and the MoH (including the good practices).

IP-related aspects of the life sciences industry are codified in the Russian Civil Code.

General issues on state procurement contracts are subject to regulation by the Civil Code, while the detailed regulation on state tenders and procurement contracts (including aspects related to supply of pharmaceuticals) are provided for in the Federal Law of 5 April 2013 No. 44-FZ on contractual system in supply of goods, work and services for meeting state and municipal needs.

Advertising and competition issues are governed by the Federal Law of 13 March 2006 No. 38-FZ on advertising (the Advertising Law) and the Federal Law of 26 July 2006 No. 135-FZ on competition protection (the Competition Law), with the Federal Antitrust Authority being the regulator.

In addition, because of ongoing regional integration procedures between Russia and neighbouring states within the framework of the Eurasian Economic Community (EurAsEC), there are signs of creating unified life sciences legislation between the Member States.[2]

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1 Evgeny Alexandrov is a partner and Ilya Goryachev is a senior lawyer at Gorodissky & Partners Law Firm.

2 On 23 December 2014, the Member States of the EurAsEC (Belarus, Kazakhstan and Russia) signed the Agreement on unified principles and rules of turnover of medicines within the

II THE REGULATORY REGIME

i Classification

The Pharmaceutical Law[3] defines medicines as substances or their combinations that have the following classification features:

a capable of contact with the human or animal body, or penetrating into the organs and tissues of the human or animal body;

b applied for the prevention, diagnosis (except for substances that do not make contact with the human or animal body) and treatment of disease, rehabilitation, or preservation, prevention or interruption of pregnancy; and

c obtained from the blood, blood plasma, organs or tissues of a human being or animal, from plants, minerals using synthetic methods or using biological techniques.

Medicines fall into two categories:

a pharmaceutical substances – active ingredients of biological, biotechnological, mineral or chemical origin, with pharmaceutical activity, intended for the manufacturing and production of pharmaceutical medicines and determining their effectiveness; or

b pharmaceutical medicines – pharmaceutical products in dosage form, used for the prevention, diagnosis or treatment of disease, rehabilitation, or preservation, prevention or interruption of pregnancy.

Further classifications such as: original (referential), generic, biosimilar and interchangeable medicines; biological, immunobiological, biotechnological, gene-therapy medicines; botanical and homeopathic medicines, narcotic and psychoactive medicines, radiopharmaceutical drugs; and adulterated and counterfeit medicines, are also defined by the Pharmaceutical Law.

Medical devices have the following classification features:[4]

a They are instruments, apparatus, tools, equipment, materials and other products, applied for medical purposes, separately or in combination, as well as with other accessories, that are necessary for application, including special software.

b They are intended by the manufacturer for prevention, diagnosis, treatment and medical rehabilitation, health monitoring, medical research, recovery, substitution, change of anatomical structure or physiological functions of the body, or prevention or interruption of pregnancy.

c Their function is achieved not by pharmacological, immunobiological, genetic or metabolic influence.

Since 1 January 2017, the new Federal Law No. 180-FZ on biomedical cell products has been in effect (it was adopted on 23 June 2016). This Law regulates development, trials and other aspects of commercialisation of biomedical cell products for treating diseases, as well as citing various types of such products and the biological material necessary for the production of such products.

EurAsEC (Armenia and Kyrgyzstan have also acceded to this Agreement). The Agreement is not yet in force.

3 Article 2 of the Pharmaceutical Law.

4 Article 38 of the Healthcare Law.

Occasionally, problems arise because of the distinction between medicines or medical devices and food products (including biological food additives) and cosmetics. In the event of a dispute it should be borne in mind that all these products have different regulatory regimes, and it is necessary that they be governed by the criteria stipulated in the related legislation. Apart from the specific regulatory issues, there may be different consequences in terms of import duties (e.g., some product may attract a higher rate of state customs duty), advertising requirements and terms of sale. Judicial practice has seen the customs authority, for example, refusing to classify silicone gel as a medical device (classified by the company as the type of 'bandage'), claiming that gel is cosmetic, and therefore subject to the increased rate of the import duty; however, in the subsequent litigation the company managed to prove that this gel was, in fact, a medical device, used during treatment of burns and scars in specialised institutions, which was also confirmed by the related marketing authorisation (MA) from the competent state authority and expert opinions. Cosmetic products pursuant to the effective legislation are used for rendering a more pleasant appearance to the skin. In this case, the courts agreed with the applicant and revoked the customs authority classification decision.[5]

ii Non-clinical studies

The plan for a pre-clinical trial should provide for the measures used to ensure the safety of animals participating in the study. In the course of trials, special records are kept to evidence the state of health of animals and the conditions under which they participate in the trial. Specific requirements are also set forth for the premises where animals are contained. The necessity for the plan to reference the legal and ethical provisions regarding the use of animals is also indicated as a part of the pre-clinical trial.[6]

It should be noted that in the case of generic medicines the applicant is allowed to use a review of scientific publications on results of pre-clinical trials of the original product.[7]

iii Clinical trials

A clinical trial is defined as the study of diagnostic, therapeutic, prophylactic and pharmacological features of the drug during its use on humans and animals, including the processes of absorption, distribution, excretion and changes by scientific methods to obtain evidence for the safety, quality and efficacy of the drug, data on adverse reactions in the human or animal body and the effect of its interactions with other drugs and food or feed.[8] The Pharmaceutical Law also encompasses multi-institutional, international multi-institutional and post-registration clinical trials.

Clinical trials are undertaken upon filing an application for drug registration and approval from the quality and ethics committee.[9] Compliance with the rules of clinical practice as approved by the MoH is obligatory.[10]

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5 *Meda Pharmaceuticals Switzerland GmbH v. the Russian Federal Customs Service* (Resolution of the Federal Commerical Court of the Moscow Region of 22 February 2013, Case No. 40-72336/12-145-16).

6 Order of the Russian MoH of 23 August 2010, No. 708n.

7 Section 10 Article 18 of the Pharmaceutical Law.

8 Section 41 Article 4 of the Pharmaceutical Law.

9 Article 39 of the Pharmaceutical Law.

10 Order of the Russian MoH of 19 June 2003, No. 266.

It should be noted that for generic drugs, full-scale clinical trials may not be undertaken – in this case the applicant is allowed to submit bioequivalence trial results.

The management of a clinical trial may be exercised by the sponsor itself, educational facilities or research institutions, but clinical trials as such should be undertaken in medical institutions duly accredited by the MoH in accordance with the requirements as approved by the Russian government.[11] Relations between the clinical trial authorisation (CTA) holder and the accredited medical institution are regulated by a private contract between them. Such a contract should contain essential features: the terms of the trial; the indication of the total costs, including remunerations to the researcher (co-researcher); and a description of the form of report for submission to the MoH.

The chief officer of the medical institution appoints the researcher (co-researcher) who selects patients for the clinical trials. Patients should participate in the trials on a voluntary basis.

The Pharmaceutical Law provides the outline of the requirements that are set out for patients.[12] Requirements are also set out for the information of which the patient should be informed in the written consent form:

a the details of the drug, its safety and risks;
b the terms of participation;
c what the the patient should do in the event of side effects;
d insurance conditions; and
e confidentiality guarantees.

Informed consent is obligatory, which is confirmed by the patient's signature (or the signature of his or her duly authorised representative) on an information list for the patient. The patients have the right to terminate their participation in the trial at any time.

Minors may act as patients only with the written consent of their parents and on condition that such a trial is specifically focused on the aspects of using the drug on minors.

Persons with mental afflictions may participate in clinical trials for drugs intended for treatment of mental afflictions on condition of the written consent of their representatives.

Certain categories of patients cannot participate in the clinical trials, such as:

a law enforcement officers;
b military officers (except for drugs developed specifically for use in warfare, emergency situations or other similar circumstances);
c pregnant women (except for drugs intended only for pregnant women);
d orphaned children; and
e imprisoned persons.

The CTA holder is obliged to insure the patients, the insurable events being the death of the patient (insurance claims of approximately US$25,000) or disability (insurance claims ranging from approximately US$5,000 to US$20,000 depending on the degree of impairment to health) as result of the clinical trial. Patients cannot participate in trials should the CTA holder fail to obtain such insurance.[13]

11 Regulation of the Russian Government of 3 September 2010, No. 683.

12 Article 43 of the Pharmaceutical Law.

13 Article 44 of the Pharmaceutical Law.

Clinical trials results must be recorded and safety reporting is obligatory. Should the trial be terminated, the CTA holder must inform the MoH of the reasons for such termination.

iv Named-patient and compassionate use procedures

In Russia, the general rule is that an MA is required for administering medicine, although the following exceptions exist when an MA is not required:[14]

a drugs produced by pharmacies according to the prescriptions and requirements of medicinal institutions;

b drugs purchased by individuals abroad and intended for personal use;

c drugs imported to Russia for providing medical help owing to the life-saving necessity of the patient based on the regulator's decision;

d drugs imported to Russia based on the regulator's permission for holding clinical trials or for holding examination for state registration;

e pharmaceutical susbtances;

f radiopharmaceutical drugs produced directly by medical institutions as per the established regulations; or

g drugs manufactured for export.

v Pre-market clearance

Marketing of a drug is allowed only in the event that the MA is approved (except for those circumstances described in Section II.iv, *supra*). The stages of the pre-marketing procedure in Russia are as follows:

a Development stage: the search for new pharmaceutically active ingredients, their subsequent examination, pre-clinical trials and development of manufacturing technologies. It is not possible to determine the specific timing of this stage, as it depends on the activity of the sponsor.

b State registration: the application for CTAs (if necessary) and examination of the quality, efficacy and safety of the drug. The general timing for original drugs is approximately 160 business days (excluding the time for clinical trials) and 80 days for medicines under the fast-track examination procedure. The following stages may be discerned:

- the applicant files an application with the MoH, and the registration dossier is prepared;
- the registration dossier is reviewed by the specialised institution by the MoH, considering whether the CTA may be issued – an ethics committee also participates at this point;
- based on the results of this examination and ethics committee review, a decision on the issuance of the CTA by the MoH;
- the CTA holder launches clinical trials (by entering into an agreement with the accredited medical institution, arranging insurance for the patients, etc.);
- the results of the clinical trials are submitted to the MoH;

14 Article 13 of the Pharmaceutical Law.

- the examination of the drug's quality, efficacy and safety, as well as a risk-benefit analysis is undertaken by the specialised institution approved by the MoH; and
- based on the results of the examination, the MoH issues the MA, requests a re-examination, or refuses to issue the MA.

Similar stages exist for registration of the medical devices depending on their class.[15]

Special procedures

An expedited (fast-track) procedure is applicable to the following types of drugs:

a orphan medicines;
b the first three medicinal products for registration in Russia as generic products; and
c medicines to be used exclusively by minors.

The fast-track procedure does not apply to:

a bio-similar medicines;
b original medicines (except for orphan medicines);
c generic medicines, except for:
  - the first three medicinal products for registration in Russia as generic products; and
  - medicines subject for use exclusively by minors;

d new combinations of previously registered medicines; and
e medicines, registered previously, but manufactured in other pharmaceutical dosage forms in accordance with the list of pharmaceutical dosage forms and in the new dosage.

For generic drugs, reference to a review of scientific publications on results of pre-clinical trials of the original product (instead of pre-clinical trials of a generic drug) and bioequivalence trials (instead of clinical trials) is allowed.[16]

All the aforementioned tests (quality, safety, etc.) are undertaken during the expedited procedure except for clinical trials and the requirements during the examinations are the same as in the general procedure.

Fees

The specific fees depending on the type of the CTA or depending on the medicine at issue are provided in the Russian Tax Code.[17] The following are examples of applied fees: 110,000 roubles for examination to issue the CTA; and 325,000 roubles for risk-benefit examination to issue the MA.

For medical devices, the fees for examination, depending on the class, may range from 45,000 to 115,000 roubles. The fee to issue an MA is 7,000 roubles.[18]

15 Regulation of the Russian government of 27 December 2012, No. 1416.

16 Articles 18 and 26 of the Pharamaceutical Law.

17 Article 333.32.1 of the Russian Tax Code.

18 Article 333.32.2 of the Russian Tax Code.

vi Regulatory incentives

Patent protection

Pharmaceutical products may be protected by a substance patent, a process patent or a use patent.[19] Patent protection is effective for 20 years starting from the priority date. Regular renewals are required to keep the patent in force.

The patentee has the exclusive right to import the patented product into Russia, manufacture, use, offer for sale, sell or otherwise commercialise the product; this matches up with the patentee's right to forbid other person from infringing that exclusive right.

The list of activities that fall under the scope of a patent is non-exhaustive. The following types of activity are specifically mentioned:

a importation into Russia, manufacturing, working, offer for sale, sale or other commercialisation or storage of the product according to the purpose for which the subject of the patent is used;

b the same actions in (a) in respect of a product, manufactured directly from the patented process;

c the same actions in (b) in respect of:
- a device, if such a device automatically functions using the patented process; and
- a product working in accordance with the purposes indicated in the manufacturer's claims; and

d implementation of a process in which the invention is used, including by means of using the process.

Research on a product or process in which the patent is used or experimentation on it is not a patent infringement, but if the defendant's activities extend beyond the scope of research or experimentation (e.g., the defendant starts commercialisation), its activities may be considered an infringement.

Judicial practice has formed a principle under which submission of a drug for obtaining an MA before expiration of a patent does not constitute infringement of a patent, but further commercialisation of a drug before such patent expiration is viewed as an infringement.[20]

If the court adjudicates that the commercialisation of a specific drug is a breach of the patent legislation, the MoH is obliged to revoke the MA.[21]

Extension of patent protection

Extension of a pharmaceutical patent is possible for no more than five years if more than five years elapses between the filing date and the date when the MA is issued.[22]

Data exclusivity

It is not permitted to use (without consent), for commercial purpose, the information on results of pre-clinical trials and clinical trials, submitted by an applicant for the original

19 Article 1350 of the Russian Civil Code.

20 Resolution of the Presidium of the Supreme Commercial Court of the Russian Federation of 16 June 2009, No. 2578/09, Case No. A40-65668/08-27-569.

21 Article 32 of the Pharmaceutical Law.

22 Article 1363 of the Russian Civil Code.

product within six years from the registration of the original medicine in Russia. It is permitted to file for the MA after four years have expired (three years for biosimilars) from the registration of the original product.[23]

vii Post-approval controls

The MoH and Roszdravnadzor are competent for monitoring the safety of drugs.[24] There are specific rules on monitoring safety, as well as guidelines introduced by the Roszdravnadzor with regard to in-house monitoring of drugs safety.[25]

As part of pharmacovigilance, the MA holder and other entities involved in product commercialisation are obliged to report any side effects not listed in the instructions for use of the drug, serious adverse reactions, unexpected adverse reactions in the application of drugs, and the peculiarities of drug interactions with other drugs that have been identified in clinical trials. The MoH is entitled to suspend commercialisation of a product in the event that such information appears.

Furthermore, as of 1 January 2016, the MA holder is obliged to report to the regulator the results of pharmacovigilance on a regular basis.[26]

The MA may be revoked in the following cases:[27]

a if, as result of the state safety monitoring, it is evident that a risk to health exists;
b a voluntary revocation application is filed;
c if an MA was issued for five years, but upon expiration of that term no confirmation of state registration exists;
d in the event that the registration dossier needs to be amended, but the MA holder fails to respond to the related request within 30 days;
e if an MA is issued for a trade name that has already been registered for another drug with different combination of active ingredients;
f if the one and the same drug has been registered under various trade names;
g if a court renders a decision on infringement of IP rights during commercialisation;
h if the drug is not commercialised within three years;
i when there has been failure to comply with pharmacovigilance obligations; or
j if there has been a refusal to amend an instruction for use if the risk of taking the drug exceeds the effect of using the drug.

Any amendments or changes regarding the MA holder should be notified to and approved by the MoH.

viii Manufacturing controls

The manufacturing of a drug is allowed once the appropriate licence is obtained by the manufacturer in Russia; licence control is exercised on regular basis.[28]

23 Article 18 of the Pharmaceutical Law.
24 Articles 5, 9 and 64 of the Pharmaceutical Law.
25 Order of the MoH of 26 August 2010 No. 757n, Guidelines approved by Roszdravnadzor on 5 October 2009.
26 Article 18 of the Pharmaceutical Law.
27 Article 32 of the Pharmaceutical Law.
28 Article 45 of the Pharmaceutical Law.

The manufacturing procedure should comply with the rules approved by the Ministry of Industry and Commerce,[29] which set out specific technical requirements depending on the type of the pharmaceutical product.

The manufacturer is obliged to develop internal regulations that include a list of the pharmaceutical substances and auxiliary ingredients, the data on the equipment used in manufacturing, and a description of the technological process and control methods for each stage of manufacturing.

ix Advertising and promotion

Advertising and promotion of drugs (and the following points (c) to (j) also relating to medical equipment) is subject to general advertising and competition rules (such as restrictions on unfair advertising and unfair completion, including incorrect comparisons)[30] and specific restrictions and prohibitions,[31] under which it should not:

a be addressed to minors;
b cite specific cases of cure or improvement of health (not applied to advertising intended only for medical professionals in specialist publications or events);
c use expressions of gratitude by specific individuals (not applied to advertising intended only for medical professionals in specialist publications or events);
d invoke the results of obligatory clinical trials or examinations as evidence of any advantages of the drug;
e contain the assertion that consumers have certain diseases or health problems;
f give the impression that a healthy person should use the drug (not applied to advertising of preventive drugs);
g give the impression that by using the drug, it is not necessary to consult a doctor;
h guarantee favourable effects of the drug, its safety and effectiveness, and the absence of side effects;
i imply that the drug is a biologically active additive or food supplement or any other product that is not a medicine; and
j imply that safety or effectiveness of the drug is explained by its natural origin.

The description of the features and characteristics of the drug should not go beyond the scope of the instructions for use. A special notice is also required instructing the user to read the instructions for use and of the need to consult a doctor (except for advertising aimed at medical professionals).

The advertising of prescription medicines or medical devices for use where special knowledge is required is allowed only if such advertising is aimed at professionals (i.e., only at the related conferences or in specialist publications). Promotional events at which drug samples are distributed containing narcotic and psychotropic ingredients are forbidden.

29 Order of the Russian Ministry of Industry and Commerce of 14 June 2013, No. 916.

30 Article 5 of the Advertising Law; Chapter 2.1 of the Competition Law.

31 Article 24 of the Advertising Law.

Special rules on promotional communications between representatives of pharmaceutical companies and hospital or pharmacy employees are also established to prevent conflicts of interest (such as a restriction on the distribution of promotional merchandise among doctors).[32]

x Distributors and wholesalers

The initial distribution of drugs and medical devices is exercised by the holders of the MA and the related licences (to manufacture drugs and medical devices). Wholesale and retail sales of drugs are subject to licensing (while sales of medical devices are not licensed).[33]

In the sale of drugs, it is possible to apply for both wholesale and retail licences.

As part of the government incentive to have an increased level of localised manufacturing, restrictions on state procurement of foreign pharmaceuticals were imposed at the end of 2015.[34]

Furthermore, wholesale and retail of medicines will be also regulated by good distribution practices and good pharmacy practices, and compliance with these practices will be subject to state control.[35]

xi Classification of products

A distinction is made between drugs that may not be sold to end consumers without a prescription from a doctor (prescription drugs) and drugs that may be sold over the counter. The MoH regulates the procedure of doctors issuing prescriptions.[36] There is also a limit on the total number of medicines that may be covered by one prescription.[37] Classification of the drug as a prescription drug affects its advertising in that it is only allowed if aimed at professionals.

xii Imports and exports

The import of drugs into Russia is regulated in detail by the government[38] within the framework provided by the Pharmaceutical Law.[39]

The precondition of importation is that there should be a certificate from the manufacturer confirming the compliance of the imported drugs with the requirements of the pharmacopoeia monograph or – in its absence – with the regulatory documents.

There are specific categories of entities that may import drugs (such as sponsors, wholesale companies and medical institutions). Importation for personal need by individuals is also allowed.

32 Articles 74 and 75 of the Healthcare Law.

33 Article 12 of the Federal Law of 4 May 2011, No. 99-FZ on licensing of certain activities.

34 Resolution No. 1289 of the Russian Government of 30 November 2015.

35 Article 5 of the Pharmaceutical Law.

36 Order of the Russian MoH of 20 December 2012, No. 1175.

37 Regulation of the Russian MoH of 12 February 2007, No. 110.

38 Regulation of the Russian Government of 29 September 2010, No. 771.

39 Article 47 of the Pharmaceutical Law.

As a general rule, there should be a Russian MA for imported drugs, but exceptions are made for clinical trials and their import by individuals for personal use or also cases when there is a decision of the regulator to allow use of the specific medicine for a specific individual. A permit to import, issued by the MoH, is generally required.

Various decisions of the Eurasian Commission lists medicines to which restrictions to import apply.[40]

The export of drugs from Russia may be exercised without restriction. A special procedure is provided for their export for use in humanitarian aid or emergency situations.[41]

xiii Controlled substances

Narcotics and psychotropic drugs are subject to detailed control over commercialisation (manufacturing and storage) and use. Every aspect of their commercialisation is subject to specific requirements as set out in the Pharmaceutical Law. The list of substances to which this applies is provided by the government.[42]

xiv Enforcement

While the MoH is the main regulatory authority, enforcement as such is mainly undertaken by Roszdravnadzor. Monitoring is exercised and compliance with licence requirements is observed. Penalties may range from administrative fines to criminal punishments. Revocation or suspension of product commercialisation may also take place.

III PRICING AND REIMBURSEMENT

State regulation of prices for essential drugs is undertaken by the government[43] and the list of such drugs is approved on an annual basis. The prices for such drugs are subject to state registration.[44]

The executive authorities of the constituent parts of the Russian Federation are entitled to regulate flat wholesale and retail benefits with regard to the actual prices for end users.[45]

IV ADMINISTRATIVE AND JUDICIAL REMEDIES

Decisions of the regulatory authorities may be challenged in the commercial courts, and such cases are heard by judges specialising in administrative cases. The procedure is general, as it is used for other such cases when decisions of a state authority are challenged.[46] The limitation term for filing such action is the three months after the decision is issued by the relevant regulatory authority.

40 Decision of the Board of the Eurasian Economic Commission of 16 August 2012, No. 134.

41 Article 47 of the Pharmaceutical Law.

42 Regulation of the Russian Government of 30 June 1998, No. 681.

43 Article 60 of the Pharmaceutical Law.

44 Articles 61 and 62 of the Pharmaceutical Law.

45 Article 63 of the Pharmaceutical Law.

46 Chapter 24 of the Russian Commercial Procedure Code.

V FINANCIAL RELATIONSHIPS WITH PRESCRIBERS AND PAYERS

The following restrictions and prohibitions are imposed on prescribers in their relations with medical representatives:[47]

a gifts and money cannot be received from manufacturers, MA holders and other entities participating in the commercialisation drugs (except for remunerations as result of the clinical trials, scientific and educations activity);

b no undertakings to provide recommendations should be made;

c samples of products cannot be accepted for patients' use (except for in clinical trials);

d it is forbidden to provide incorrect or misleading information concerning alternatives to prescribed drugs;

e it is forbidden to entertain medical and pharmaceutical representatives (except in connection with clinical trials or except for conferences undertaken by the administration of the hospital); and

f doctors should not write prescriptions for drugs for patients upon the advertising materials of specific drugs or on printed materials bearing the trade names of specific drugs.

With regard to payers, the main aspects are in the field of advertising and prohibition of passing off, as well as the requirement for package marking.

VI SPECIAL LIABILITY OR COMPENSATION SYSTEMS

In the event that damage results from the use of drugs, the manufacturer is liable should either of two conditions be present:

a the drug was used according to its purpose as provided in the instructions for use and the damage was caused because the drug was substandard; or

b the damage was caused when the usage instructions contained incorrect information.

Wholesalers and retailers may be also held liable if damage resulted from a breach of the requirements for sale.[48]

In addition, commercialisation of substandard (off-grade) medicines may give rise to criminal liability.[49]

VII TRANSACTIONAL AND COMPETITION ISSUES

i Competition law

Patent-related agreements are as such exempted from antitrust control,[50] but this does not preclude risk estimation in the event of the patent-related agreements containing provisions going beyond the scope of the patent transaction.

47 Article 74 of the Healthcare Law.

48 Article 69 of the Pharmaceutical Law.

49 Article 238.1 of the Russian Criminal Code.

50 Section 4 Articles 10 and 11 of the Competition Law.

Further, a patentee holding the dominant position who unduly refuses to enter into a share-purchase agreement with another company, indicating its exclusive right to a patent or a trademark used with regard to the drug, risks facing liability.[51]

ii Transactional issues

Corporate transactions, including merger and acquisitions and strategic partnerships, are subject to general antitrust control based on the economic criteria.[52]

VIII CURRENT DEVELOPMENTS

Following the ongoing reform of the national life sciences legislation, newly developed drafts of good practices are expected, along with the planned unification of the pharmaceutical markets between the members of EurAsEC. Regulatory and legislative trends aimed at increasing the level of localisation regarding manufacture of pharmaceuticals in Russia have also gained attention.

Ongoing discussions are taking place regarding initiatives aimed at introducing antitrust control over certain aspects of using IP rights.

51 Resolution of the 9th Commercial Appellate Court of 6 October 2014 No. 09AP-34696/2014; Case No. A40-42997/2014.

52 Chapter 8 of the Competition Law.

Appendix 1

ABOUT THE AUTHORS

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Evgeny Alexandrov graduated from the Russian State Academy of Intellectual Property (Moscow) as a lawyer, and in 2005 received his PhD degree in law. He joined Gorodissky & Partners in 2005.

He advises clients on IP issues, including copyright and neighbouring rights, patent, trademark and other IP-related matters. He is one of the most experienced litigators in the firm and represents clients before the commercial courts and courts of general jurisdiction, as well as administrative and law enforcement bodies. Mr Alexandrov often participates in IP conferences as a speaker on IP issues and regularly publishes articles in Russian and foreign magazines and internet portals. He is a member of AIPPI, INTA, and speaks English.

ILYA GORYACHEV

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Ilya Goryachev graduated from Moscow State Linguistic University in 2012 as an international lawyer. He focuses on providing legal support on intellectual property and general commercial matters, including: trademarks, patents and copyright enforcement; unfair competition; domain disputes; licensing, assignments, franchising and other IP-related transactions; advertising and marketing regulations; launching joint ventures; IP issues in M&A transactions; IP due diligence; personal data protection; and industry-related regulatory affairs, including advising life-science companies.

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