Press release

Moscow
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The AEB and the FAS present

the Code of Good Practice in the Pharmaceutical Industry

On 19 April 2016 the Association of European Businesses (AEB) and the Federal Antimonopoly Service (FAS) held a joint press conference to present the Code of Good Practice in the Pharmaceutical Industry.

The proposal to produce a Code of Good Practice for pharmaceutical manufacturers was made by Mr. Igor Artemiev, Head of the Federal Antimonopoly Service (FAS), at his Briefing for AEB members in September 2014. The head of the Antimonopoly Service proposed the pharmaceutical community to develop a document similar to the code of conduct for automobile manufactures, which proved to be success.

As Russian legislation does not expressly regulate certain aspects of the relations between producers of drugs and different categories of buyers of medicines, and the existing pharmaceutical industry codes of practice govern only certain aspects of the production of medicines, pharmaceutical companies need a common set of rules. The initiative was supported by the AEB Health and Pharmaceuticals Committee.

The main objective of the Code is the self-regulation of the pharmaceutical industry in the Russian Federation, as well as the establishment of fair, open and honest rules of competition in the pharmaceutical industry.

The Code is a set of rules governing the acceptable behaviour of participants in the pharmaceutical market. It applies to participants of the medicines market. The Code includes provisions on contractual relationships between manufacturers of drugs and buyers, the liaison procedure with distributors, commercial terms and conditions for supplying to state sector customers, settlement of disputes between the parties to the Code, and much more.

CEO of the Association of European Businesses Dr. Frank Schauff:

"The Code of Good Practice in the Pharmaceutical Industry is an attempt to introduce the principle of self-regulation in the pharmaceutical industry and thus contribute to the development of the Russian pharmaceutical market. The code is aimed at increasing the transparency of business and uniformity of acceptable approaches for business. It is the result of a dialogue between business and the

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regulatory authorities and is intended to facilitate their mutual understanding and collaboration. Any pharmaceutical manufacturer can join the Code, regardless of membership in the AEB."

Yuri Litvishchenko, Chairman of the AEB Health and Pharmaceuticals Committee, CEO, Chiesi Pharmaceutical:

"The Code of Good Practice in the Pharmaceutical Industry was jointly drawn up by pharmaceutical companies, including both AEB members and non-members, and experts from the FAS, with the involvement of professional associations. It contains a number of progressive ideas, clarifying certain provisions of antitrust law, and is generally aimed at mitigating the risk of antitrust exposure."

Igor Artemiev, Head of the Federal Antimonopoly Service:

"We need to solve ongoing problems by giving businesses the opportunity to adopt rules of good behaviour, equivalent to the previously adopted and successful Code of Conduct for automobile manufacturers and car dealers. The Code of Good Practice in the Pharmaceutical Industry will enable the overpricing of drugs, groundless refusals to deliver, antitrust violations, and corruption to be avoided. The necessity to publish requirements and documents that contain the contractor selection procedure and respective terms and conditions of doing business will help to increase transparency and openness in this area."

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