

Local Knowledge for Global Business

Medical Advertising in Mongolia

- 1. General Medicinal Product and its advertising
- 1.1 What law and legislation governs advertising of medicines in your jurisdiction?

The Law on Advertising (2002) and Law on Medicines and Medical Devices (2010) are main laws to regulate advertising of medicines in Mongolia.

1.2 What is the definition of an 'advertisement'?

Pursuant to Article 3.1.1 of the Law on Advertising, advertisement means information distributed through public media or in other ways by individual, business entity or organisation in order to increase market demands of goods, works, services, project or operation (hereinafter – the 'Products') and to attract attentions of potential customers.

1.3 Are there any legal or legislative requirements for companies to have specific standard operating procedures (SOPs) governing advertising activities or to employ personnel with a specific role? If so, what aspects should those SOPs cover and what are the requirements regarding specific personnel?

There is no statutory requirements for companies in respect of advertising activities.

1.4 If the authorities consider that an advertisement, which has been issued, is in breach of the law and/or code of practice, do they have powers to stop further publications of that advertisement? Can they insist on the issue of a corrective statement? Are there any rights of appeal?

The state Authority for Fair Competition and Customers' Protection is a regulatory authority that monitors the application of advertising laws in Mongolia. They do have powers to cease further publication of the advertisement, if it breaches the law. They can insist to undertake corrective action in respect of the unlawful advertisements. Local and foreign companies may file an appeal with the court against actions of the authority.

1.5 What are the penalties for failing to comply with the rules governing the advertising of medicines? Who has responsibility of enforcement and how strictly are the rules enforced?

If a medicine is advertised in a form prohibited by the law, there is a fine for individuals in the amount of MNT300,000 (USD125), and for legal entities - MNT3,000,000MNT (USD1,252).

In case of subscription, production and distribution of a prohibited advertisement, there is a fine for individuals in the amount of MNT500,000 (USD209), and for legal entities - MNT5,000,000MNT (USD2,087).

The advertising materials and copies thereof shall be kept for 6 months after their last distribution. In failure to comply with this procedure, there is a fine for individuals in the amount of MNT500,000 (USD209), and for legal entities - MNT5,000,000MNT (USD2,087).

In case of engaging children in advertising without permission of their parents, guardians and custodian, there is a fine for individuals in the amount of MNT100,000 (USD42), and for legal entities - MNT1,000,000MNT (USD417).

Any individual can monitor the advertisement law application and submit his/her complaint to the Authority for Fair



Competition and Customers' Protection in case of any law breach detected. The State Inspector of the Authority for Fair Competition and Customers' Protection has a power to impose the above penalties to the respective individuals and legal entities.

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Bolormaa Volodya

Partner



+976 990 850 31

+976 701 550 31

bvolodya@gratanet.com

