RESOLUTION OF THE STATE GREAT KHURAL OF MONGOLIA

11 October 2002 No: 68 Ulaanbaatar

Adoption of the Government Policy on Drugs

The State Great Khural of Mongolia RESOLVES:

1. To approve the Government Policy on Drugs as stated in the enclosed appendix.
2. To instruct the Cabinet /N.Enkhbayar/ to reflect the Government Policy on Drugs in the Main Directions of the socio-economic development of Mongolia and the Annual Budget.

Vice Speaker of the State Great Khural Ts.Byambadorj

The copy is authentic: The first Secretary of the SGH Secretariat

J.Narantuya
The Government Policy on Drugs

The main purpose of the Government Policy on Drugs is to ensure the use of drugs and bio-preparations (hereinafter referred to as “drugs”) that are of high treatment efficacy, safe and guaranteed quality, to continuously, equally and adequately supply medical facilities, veterinary services and individuals with essential drugs and to ensure rational use of drugs.

One. Management and legislation

1. The legislation of the Government Policy on Drugs shall consist of relevant Mongolian laws and other legislative acts.

2. State Central Administrative Body in charge of health and agriculture issues shall monitor and evaluate the implementation of the Government Policy on Drugs, drug supply, drug production and rational use of drugs; whereas, the State Central Administrative Body in charge of trade and industry shall regulate drug import and export issues.

3. Management and coordination related tasks of the Government Policy on Drugs shall be executed by the pharmaceutical professionals of the State Central Administrative Body in charge of health and agriculture issues.

4. The State Professional Inspectorate shall monitor the drug treatment efficacy, its safety and quality assurances.

5. Undergraduate and postgraduate training for pharmaceutical professionals shall be coordinated with the Government Policy on Education, and efforts shall be made to bring the professionals’ knowledge and skills to international standards.

6. Priority areas of scientific researches that are dedicated to implement the goals of the Government Policy on Drugs shall be identified, cooperation with foreign research institutions shall be broadened and initiations and new ideas shall be encouraged.

Two. Drug supply, production and financing

1. Selection of drugs:
   I/ the State Central Administrative Body in charge of health issues shall, on the basis of the World Health Organization’s essential drug concept and in accordance with special needs of the country, select the essential drugs that are required for diagnosis, treatment and prevention of diseases at all levels of health care;
2/ the State Central Administrative Body in charge of health and agriculture issues shall develop a list of essential drugs for medical and veterinary services, which shall be followed, and renewed every four years.

3/ medical institutions and veterinary facilities shall, at first hand, use the essential drugs for treatment and services.

4/ traditional drugs will be accepted at the norms established by the WHO, and acceptable drugs will be promoted for uses and services in medical facilities and veterinary services.

2. Financing of drugs

1/ expenses related to equitable and continuous supply of essential drugs to state-owned hospitals shall be disbursed from the state budget;

2/ some of essential drugs shall be sold to citizens, who are registered with the health insurance scheme, at concession rates;

3/ price of essential drugs shall be fixed in accordance with the internationally acceptable rates;

4/ expenses related to state reserve drugs and drugs for free health care services shall be financed by the state budget;

5/ cost of drugs required for treatment of and prevention from livestock and animal parasitic diseases shall be borne by the state budget.

3. Drug supply

1/ state owned and private organizations engaged in drug supply shall give priority to supplying essential drugs to medical facilities, veterinary services and individuals;

2/ the Government shall extend every possible encouragement for equitable and adequate supply of essential drugs to local communities;

3/ drug supply shall be exercised by the pharmacies and organizations that are issued license to provide drug supply services;

4/ the WHO requirements for donation and assistance drugs and bio-preparations shall be followed at times of foreign donations and aid.
4. National pharmaceutical industry

1/ internal and external investment shall be promoted for introduction of new technology and to improve production, technology and product quality of national pharmaceutical industry;

2/ all appropriate support will be extended to national pharmaceutical industries to increase the manufacturing of essential drugs;

3/ phased activities aimed at developing the national pharmaceutical industry to comply with the ‘Good Manufacturing Practice” (GMP) shall be carried out;

4/ necessary supports shall be rendered to exporting of drugs manufactured in national pharmaceutical industries;

5/ import and local production of patented drugs shall be regulated by the Agreement on Trade Related aspects of Intellectual Property Rights and the 2001 Doha Declaration on public health issues;

Three. Drug control

1. The Government shall extend adequate support to drug laboratories, drug quality assurances and strengthening of the inspection agencies.

2. Appropriate conditions for import of drugs meeting international quality standards will be ensured and drug importers shall be provided opportunities to act as contracted dealers of overseas pharmaceutical manufacturers, who meet the aforementioned standards.

3. Requirements for drug treatment efficacy; its safety and quality assurances shall be enhanced through improvement of the state drug registration system.

4. In accordance with currently effective State Standards of Mongolia, a national Pharmacopoeia shall be developed and applied to.

5. Production, import, trade and consumption of narcotic and psychotropic drugs as well as their constituents shall be controlled in accordance with relevant legal acts.

Four. Rational use of drugs

1. Issues related to delivering of drugs to the community by prescription will be ensured within the related legal acts.

2. Use of generic name (INN) drugs shall be encouraged.

3. List of essential drugs, drug reference and standards for the treatment and diagnosis of commonly occurring diseases shall be developed.
4. Medical personnel shall attend continuous trainings on rational use of drugs that will comply with WHO concept on drugs.

5. The Government shall extend support to activities related to delivering of objective information on drugs to the public and creating of awareness among population on rational use of drugs.

6. Facilitation of trainings and researches to prevent from drug side effects and poisonings shall be further strengthened.

7. Conditions to conduct drug advertisement and promotional activities on drugs within the relevant legal acts as well as internationally accepted norms and standards will be ensured.

Five. Other issues

1. The Government shall extend all possible support related to intersectoral coordination and facilitation as well as improvement of operational conditions and interlinkages during the course of the implementation of the Government Policy on Drugs.

2. Effective cooperation attempts of both governmental and non-governmental organizations, state, local and private drug supplying agencies with foreign and international agencies on implementation of Government Policy on Drugs shall be encouraged.

3. The Government Policy on Drugs shall be incorporated with tasks and responsibilities of the Government of Mongolia, State Central Administrative Body and local authorities, and will be implemented through their operations.

4. The Government Policy on Drugs shall be regarded as a document, which defines the strategy of Mongolia’s drug supply for the next 10 years.