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The photographs used in this report were provided by PQMD members and were taken at their program sites throughout the world.
Letter from the Chairman

Throughout 2005 and 2006, PQMD experienced numerous organizational “firsts.” The Board developed its first comprehensive strategic plan and launched its inaugural emergency committee. PQMD conducted its first roundtable convention of CEOs and senior leaders of humanitarian and international development agencies and healthcare companies, as well as sponsored its first education symposium outside the U.S.—a Transatlantic Dialogue in Europe. This special session was designed to convene front-line emergency and crisis responders—one of the first times ever these colleagues from across myriad agencies were able to meet without the backdrop of a chaotic, disaster situation. We piloted a research project utilizing GPS technology in Central America. We welcomed six members, expanding our membership by 28 percent. We witnessed unprecedented private sector response to disasters such as the South Asia earthquake and tsunami and Hurricane Katrina, situating PQMD and its members in the media as never before.

So, certainly, over my term I witnessed many “firsts” for the organization. But, that is only part of the PQMD story. These were also years of significant transition. The PQMD board members and staff conducted a thoughtful organizational assessment, making sure to include feedback from external policy makers, government officials, and others as we more tightly aligned our strategies and actions with a refined mission. An extensive search for a new executive director was initiated, culminating in the selection of Lori Warrens, who began her term of leadership with PQMD in February 2007. Jim Russo, our founding executive director, transitioned to an advisory role at year-end 2005, and our interim executive director, Elizabeth Scott, worked closely with the Board throughout 2006 and into the New Year. Together we continued to build the capacity of PQMD, leveraging the core competencies and networks of our members, and extending our outreach with the delivery of innovative educational programs.

It has been my privilege to serve PQMD as its Chairman over these last two years, honoring our past and preparing for our future. And, as exciting as the new initiatives and developments I’ve described here may be, I know our achievements have only been possible because PQMD acts in partnership—we are guided by our common commitment to improving global health and promoting standards in medical product donations programs, policies and practices. By working together, we extend our individual reach and collective abilities to supply healthcare workers around the world with life-saving medicines and medical supplies.

Anthoula Randopoulos
Vice President of Philanthropic Investment
Direct Relief International
Mission Statement and Guiding Values

Mission Statement

The Partnership for Quality Medical Donations (PQMD) and its members, in alliance with related organizations, is dedicated to the development, dissemination, and adherence to high standards in the delivery of medical products to underserved people and disaster victims around the world.

PQMD Guiding Values

PQMD seeks to be:

- **Member Focused.** Addressing the issues of the greatest importance and those that reflect the interests of our members as we extend and support their work on behalf of meeting unmet healthcare needs.

- **Collaborative.** Fostering opportunities among and between members, external agencies and organizations when appropriate to facilitate members’ abilities to address their needs and goals.

- **Participative.** Recognizing the diverse membership and the respective perspectives of each bring value to discussions on issues important to partnership and donation efforts.

- **Supportive of Continual Learning.** Ensuring opportunities for members to learn and share with each other, to educate others in the field, and create, disseminate and apply knowledge of best practices and the impact of donations and partnerships.

- **Global.** Ensuring its work is representative of the different regions of the developing world where donations and partnerships on behalf of advancing health are practiced.
2005–2006

PQMD Officers and Executive Board

Anthoula Randopoulos, Chairman, Direct Relief International

Heather Lauver, Vice-Chairman, Pfizer Inc.

Myron Aldrink, Treasurer-Secretary, International Aid

Ken Gustavsen, Assistant Treasurer-Secretary, Merck & Co., Inc.

Pat Bacuros, NGO-at-Large, Project HOPE

Claire Hitchcock, Corporate-at-Large, GlaxoSmithKline

Andre Butler, Strategic Communications Chair, Heart to Heart International

Conrad Person, Research and Policy Chair, Johnson & Johnson

Cindy Johnson, Membership and By-laws Co-Chair, Bristol-Myers Squibb

Paul Derstine, Membership and By-laws Co-Chair, Interchurch Medical Assistance

Jennifer Farrington, Education and Program Chair, BD

PQMD Staff

James B. Russo, Executive Director, 2005

Elizabeth Scott, Interim Executive Director, 2006
Organizational Overview

The collaboration between healthcare firms that donate medical products and the humanitarian agencies that deliver and distribute them plays a major role in meeting the healthcare needs of vulnerable populations. PQMD is the only international nonprofit membership association for pharmaceutical companies, medical device manufacturers and nongovernmental organizations that all share a commitment to responsible and effective medical donations. PQMD Donation Guidelines, education programs, research and partnerships are advancing quality medical donations worldwide.

PQMD is recognized as a leading authority on medical donations by the World Health Organization (WHO), and participated in a World Bank study on the efficacy of the WHO drug donation guidelines. PQMD is referenced as a model social investment action in a framework document published by the United Nations Development Program (UNDP) and the International Business Leaders Forum (IBLF) on how business can support the achievement of the Millennium Development Goals.1

A unique collaborative, PQMD:
• facilitates, measures and communicates best practices in the field of medical donations;
• commissions and supports research on relevant topics;
• convenes myriad stakeholders for dialogue and debate;
• encourages the private sector to engage in effective donation partnerships and programs;
• and documents the achievements and impacts of the donations community.

PQMD Announces Appointment of Lori Warrens as Executive Director

PQMD is proud to announce Ms. Lori Warrens' appointment as the new Executive Director of the Organization, beginning her post in February 2007. She succeeds James Russo, who retired from the position in December 2005, and Elizabeth Scott, who served as Interim Executive Director since January 2006. Ms. Warrens took the helm at the first PQMD convening in Central America where members gathered to examine the role of medical product donations and humanitarian aid. Ms. Warrens brings over 15 years of experience in nonprofit leadership, strategic planning and program development. “Lori Warrens brings tremendous energy and commitment to this organization at an important time,” said PQMD Board Chairman Heather Lauver, Assistant Director, International Philanthropy Programs, Pfizer Inc. in announcing the new appointment. “She is an accomplished, passionate and internationally recognized nonprofit leader who is well poised to lead PQMD, having demonstrated excellence in innovation and a commitment to communicating the importance of public/private sector partnerships in the global nonprofit community.”
Accomplishments

PQMD by the Numbers

PQMD medical product donations made in 2004 and 2005—just under $6 billion:

- 97.9% of the total products donated were pharmaceutical products
- 84% of donations supported development programs
- 16% of donations went to emergency needs
- 89.4% of donations were shipped abroad
- 10.6% of the products were used in the United States
- 150 countries benefited from PQMD member donations

*Average U.S. wholesale price

PQMD Educational Forums and Member Roundtable Discussions

Each year PQMD sponsors educational forums and member gatherings to address key issues, present new ideas and encourage dialog. These gatherings offer networking opportunities that create new alliances and partnerships. In 2005–2006, PQMD hosted three educational forums and three member roundtable discussions.

PQMD Educational Forums

Annual Education Forum 2005
“Global Medical Donations: Why and How We Do It”
Madison, New Jersey, USA
October 2005
Host: BD

In this forum, participants shared and compared proven practices in program design, product distribution and evaluation techniques; debated the most effective ways to leverage product donations for impact; learned more about emerging trends in product protection; networked across private, public and civic sectors; and were challenged to reflect further on how best to engage with each other to improve healthcare for those underserved through policy dialogue and advocacy, social investments, and public/private partnerships. This session was preceded by; “Gold Standards in Medical Donations” and “Innovations in the Practice of Medical Product Donations.”

“PQMD is an innovative collaborative between industry and non-governmental organizations, which has effectively worked with WHO and the World Bank, among others. Sponsoring this educational seminar is an expression of its commitment to improve the integrity, effectiveness and relevance of material medical donations.”

—Keynote Speaker, Jane Nelson, Director of the Corporate Social Responsibility Initiative at the Center for Business and Government, Kennedy School of Government, Harvard University
A Transatlantic Dialogue
“Strengthening Global Health Partnerships”
Brentford, England
June 2006
Host: GlaxoSmithKline

With over 80 delegates from North America and Europe, PQMD’s inaugural Transatlantic Dialogue attracted not only PQMD members but also leaders from international organizations, industry, nongovernmental organizations, nonprofit organizations and government. Designed to encourage lively debate and intimate discussions, the session focused on the evolution of corporate social responsibility (CSR) on both sides of the Atlantic, as well as the role of product donations in international health, and the benefits, challenges and complexities of global health partnerships.

Annual Education Forum 2006
“Special Session on Emergencies”
Kansas City, Kansas, USA
October 2006
Host: Heart to Heart International

Over 100 crisis and emergency personnel, corporate leaders, representatives from the UN, and academics gathered to focus on improving lives by discussing best practices in emergency preparedness, response, rehabilitation, recovery and prevention. Participants were immersed in role-playing disaster scenarios, gaining insight into the challenges and tensions of their respective organizations in times of crisis while gaining knowledge of a variety of topics:

• an overview of complex emergencies, conflict situations and natural disasters; humanitarian assistance as “news;”
• the role of the UN Clusters and Collaboration;
• perspectives from the U.S. military on humanitarian aid and security;
• private sector resource constraints and opportunities;
• findings from a recent study, “Barriers to INGO Disaster Relief;” and
• messaging to bridge the public’s episodic interest in relief to sustained concern for international development.

Member Roundtable Discussions

PQMD fosters dialogue, information exchange and collaborative action in myriad ways because it recognizes the value of bringing together the collective knowledge, resources and insights of PQMD members, their partners from the public and private sectors, and others from the donations community.

“Moving from Relief to Development”

In June 2005, AmeriCares hosted the PQMD Board meeting, where roundtable discussions were dominated by a description of innovative responses to the tsunami and the importance of building a bridge to guide public interest beyond relief to long-term international development. Humanitarian aid workers and their on-the-ground partners joined PQMD members in this dialogue.

“2005—A Year of Unprecedented Emergencies”

In February 2006, the roundtable discussion continued on issues arising from the previous year of unprecedented emergencies. Topics debated and discussed included ethical considerations regarding donor intent, the potential of collaborating on pre-positioning of supplies, and best practices in the advancement of transparency in operations and field actions. The discussion was facilitated by Thomas Tighe, Direct Relief International, and introduced with comments by panelists including Mr. Tighe’s colleague, Brett Williams; Randy Weiss from AmeriCares; and Myron Aldrink of International Aid.

“A Conversation with Dr. Hans Hoogerzeil, World Health Organization (WHO)”

In April 2006, a roundtable discussion was convened in New York City at Pfizer Inc. headquarters to update Dr. Hoogerzeil, Director of the Medicines Policy and Standards at WHO, on PQMD research and education initiatives and to discuss ways to promote awareness of and compliance with the WHO Inter-agency Guidelines on Drug Donations. Dr. Hoogerzeil apprised members of recent peer research on faith-based organizations operating in Africa, and key personnel changes within his Division.
Sharing Leadership and Expertise beyond PQMD and its Members

Over the past two years PQMD members have shared their expertise and leadership on various issues and strategies. For example:

• **Education.** PQMD members were interviewed for and contributed to the development of a video, titled *Mission Possible*, produced by Pfizer that documents basic medical inventory management practices needed to succeed in poorly resourced settings. The video was released in June 2007.

• **Collaboration.** Representatives from PQMD participated in week-long discussions with executives of nonprofit groups and pharmaceutical companies at the “Quality Healthcare in Developing Countries: Sustainability, The New Imperative,” a conference organized by the University of Notre Dame’s Center for Ethics and Religious Values in Business. The conference promoted collaboration by examining the interplay between health, poverty, and trade issues when confronting global healthcare issues.

• **Public Policy.** PQMD expanded its advocacy efforts to include contacting Ambassadors Portman and Schwab (U.S. Trade Representatives) in support of efforts to abolish tariffs and other economic barriers to trade in medicines and medical products in international commerce. PQMD particularly noted how tariffs, VATs, port fees and demurrage charges often translate to excessive expenses and needless delays in delivering donated medical products and medicines.

• **Media and Communications.** In 2005–2006, the leaders of numerous PQMD humanitarian agency members were interviewed on programs ranging from CNN to Nightline in response to the tsunami and Hurricanes Katrina and Stan. Each referenced PQMD and its role in promoting standards around appropriate medical product donations, stressing the need to focus on getting the right medicines and medical equipment to the right place at the right time.

• The PQMD Website continues to serve as a key resource on medical product donations for individuals and organizations worldwide. After experiencing an increase in Website traffic after the tsunami, PQMD invested in building its capacity to respond to queries from the public, and to issue advisories related to emergencies. [www.pqmd.org](http://www.pqmd.org).

• **Emergency Action.** A series of other emergencies plagued the world in 2005–2006, particularly in the poorest and most underserved areas, including earthquakes in Pakistan, mudslides in Bolivia, famine in the Sudan, and the devastation of Hurricane Katrina, to name a few. Recognizing that the problem of inappropriate donations of medical products may increase during emergency situations, PQMD issued advisories and promoted guidelines on responsible product donation practices both in preparation for and in response to a range of emergencies.

• **Emergency Committee Established.** This new committee uses teleconferences to share early on-the-ground intelligence, encourage collaborative and cooperative responses, help extend resources, share transportation and safety information, and ensure non-duplication of efforts. Calls provide real-time situational analysis reports from the field and have mitigated duplication of efforts while identifying opportunities to leverage resources. As an outcome, the Emergency Committee calls improved the coordination of humanitarian support to the victims of the South Asian tsunami, hurricanes Stan and Katrina, earthquakes in Pakistan and Indonesia, the humanitarian crisis in Lebanon, floods in Jakarta and Bolivia, and mudslides in the Philippines.
Research Initiatives

PQMD participates in and commissions unique and groundbreaking research that informs policy discussions and the general public, assists in health planning, and provides valuable information to the field of medical donations professionals.

Beyond Dollar Value, Preliminary Efforts to Design Metrics Capturing Impact—PQMD and Johns Hopkins Bloomberg School of Public Health

Each year PQMD conducts an annual survey of its members, gathering in a standardized manner the value of members’ product donations, the number of countries where PQMD members are present and a breakdown of the most requested medications and products.

In 2006, PQMD members began a project to enhance its data by identifying metrics that capture the impact of donations programs beyond dollar valuations and geography. Partnering with Johns Hopkins Bloomberg School of Public Health, the first goal was to determine the number of treatments that the members’ donations provide. Standardizing the valuation process and developing templates that reflect varying characterizations of value will be the focus of continued efforts. It is hoped that in the long term, these research results will inform future efforts to articulate donations’ effects on population health and social budgeting.

PQMD Mapping Initiative: An Ambitious Partnership between PQMD and Loma Linda University’s School of Public Health

In 2005, PQMD began working closely with Assistant Professor Seth Wiafe from the Loma Linda University Geoinformatics department of the School of Public Health to demonstrate how a Geographic Information System (GIS) can be used to capture and manage information through a combination of GPS mapping of health facilities and on-site collection of information including: medical donations used at the facility, population served and other related program data. The process, referred to as mapping, was identified as a tool to improve the sharing of information between PQMD members and facilitate coordination of efforts.

The PQMD Mapping Initiative, led by volunteer Lori Brower from International Aid, focused on three objectives; improvement of resource management, identifying unmet medical product needs in order to determine most appropriate response, and to provide common donation program understanding and practice.

In addition, it is projected that a detailed mapping of health facilities that receive donations would serve as a tool to inform the public, Ministries of Health, international organizations, and policymakers. As well as to visually depict the important role donations play in delivering healthcare to underserved populations in developing countries.

When gathering data on this scale and scope can be fully implemented between and among a network of development agencies and corporations as envisioned, the result will be an unprecedented database that can be accessed to ensure resources are leveraged, and efficiencies maximized both in regard to long-term development and emergency efforts.
PQMD Global Presence—2005

PQMD Members
Abbott Laboratories Fund
AmeriCares
BD
Bristol-Myers Squibb Co.
Catholic Medical Mission Board
Direct Relief International
El Llif
Ganymeds
GlaxoSmithKline
Heart in Heart International
Hospita, Inc.
Interchurch Medical Assistance, Inc.
International Aid, Inc.
Johnson & Johnson
MAP International
Merck & Co., Inc.
Mercy Ships
National Cancer Coalition
Northwest Medical Teams
Pfizer, Inc.
Project HOPE
SCHERING-PLUGH CORPORATION
U.S. Fund for UNICEF
World Vision
Wyeth Pharmaceuticals

Membership Count
- 1–2
- 3–4
- 5–6
- 7–9
- 10–12
- No data
Further illustrating the value of using geoinformatics to inform decisions and powerfully “tell a story,” Assistant Professor Wiafe and his graduate students standardized data entry from existing records of PQMD to produce a map that globally depicts the presence of PQMD members’ projects and programs.

Mapping Pilot

Honduras was selected for the mapping pilot because the data showed a high concentration of PQMD members present and working with in-country agencies and healthcare institutions, and the Honduran government declared its health system in a state of emergency in early 2006 due to lack of medicines and medical supplies.

Survey instruments were created and refined in close consultation with the PQMD membership and Assistant Professor Wiafe, and were subsequently revised as field tests indicated. Many members have supported the pilot with field visits in-country including Catholic Medical Mission Board and Johnson & Johnson (Phase 1); Direct Relief International, Pfizer Inc., and MAP International (Phase 2); and International Aid, Project HOPE, and Abbott Laboratories (Phase 3). Loma Linda University graduate student and expert on the GPS technology, Danny Handysides, participated in the Phase 2 and 3 visits as well.

Since the Mapping Project was launched in late 2004, much has been accomplished. Seth Wiafe and his team of graduate students were tapped to work with Environmental System Research Institute (ESRI) in the development of the maps. Lori Brower of International Aid volunteered her time to serve as mapping lead in the facilitation of the project between PQMD members and Loma Linda University. Multiple IT trainings generated excitement for the initiative and yielded an integrated data delivery system that allowed for the incorporation of cleaner data. The work completed by the Mapping Committee and the donation of the GPS handheld units by Pfizer allowed for the fast tracking of a series of field learning opportunities in Honduras.

In April, 2006 two teams went to Honduras to test out the GPS handheld units (that include an electronic survey tool) to collect data from the remote locations of a cross section of NGO and
pharmaceutical member supported programs. While this trip and others were not without obstacles, the teams had several successes:

• Mapped a variety of facilities from the largest public hospital in the nation to the smallest field clinic.
• Mapped a mix of PQMD partner’s facilities.
• Evaluated and improved the performance of the electronic survey.
• Assessed the potential of the mapping project and its viability.

As a result of the pilot phase, PQMD members saw the value of a fully integrated project and committed to exploring strategies that would bring the project to a global scale.

PQMD and Loma Linda University Partner to offer Fellowships for Ghanaian Students

PQMD received a grant from Johnson and Johnson to design and coordinate, in partnership with Loma Linda University, a fellowship opportunity for students at Kwame Nkrumah University of Science and Technology and Valley View University in Ghana. The fellowship goal is to develop a quality medical donation model for Ghana with the following objectives:

• Examine and evaluate the existing practices in managing medical products donation involving pharmaceuticals, equipment, consumables, single disease initiatives, and others.
• Identify new approaches and suggest recommendations that would enhance quality medical products donation. These recommendations should have practical implications for both Ghana and the donor nations.

The Fellows will use the PQMD mapping technology and tools to gather, organize and evaluate healthcare facilities information as part of their study.
## Financials

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