

### **The APEC Mexico City Principles Section Fifteen: Company Donations for Charitable Purposes**

#### **What the APEC Principles say:**

- A. As a demonstration of good corporate citizenship, Companies recognize their responsibility to support worthwhile activities both within and outside our communities.
1. Donations including donations in kind, may be provided to organizations and institutions involved in promoting activities such as artistic, charitable, cultural, community, educational, humanitarian, health, philanthropic, and sporting activities in accordance with applicable laws and regulations.
  2. Companies should ensure that such support is not undertaken solely for product promotional reasons, and is not directed solely for product promotion purposes.
  3. Funding and donations in-kind should be directed to organizations and documented in a manner that outlines the nature of the donation provided.
  4. Acknowledgement by the recipient organization of such support should be restricted to appropriate recognition of support.
  5. Companies should ensure that there are no incentives to prescribe, recommend, purchase, supply or administer a product based on financial support and that nothing should be offered or provided which would interfere with the independence of a healthcare professional's prescribing or dispensing practices.

#### **What this means:**

**For Companies:** Ensure that there is no obligation, overt or implied, on a recipient organization to encourage use of or to promote the donor companies' products.

**For Organizations that receive Financial or Other Support:** Acknowledge a donation in an appropriate manner, in the interest of openness and transparency about interactions between companies and other organizations and institutions. Be aware of companies' ethical obligations in relation to their interactions with healthcare professionals including through independent organizations.

**For Healthcare Professionals:** Maintain independence from real or perceived influence from biopharmaceutical companies, including when acting as a representative of an organization that receives charitable donations from biopharmaceutical companies.

#### **In practice, this means:**

- Companies should have internal criteria, guidelines or policies to help determine the types of activities or projects for which it is appropriate to provide a donation to a charitable organization.
- When providing a donation to support an artistic, cultural, sporting or similar activity that may be regarded as a form of entertainment to participants in the activity, companies and recipient organizations should also be aware of the obligation on companies to not provide entertainment to healthcare professionals. A company donation to support a golf day, bike ride or fun run that is a fund raising event for a healthcare or community organization may be acceptable. However, sponsoring an individual healthcare professional to participate in the event could be regarded as providing a form of entertainment to that individual.
- When providing a donation to an organization or institution, there should be an exchange of letters or an agreement between the company and the organization. This agreement should document the nature and purpose of the donation and the obligations on each party, such as how the donated funds will be used and how the donation should be publicly acknowledged by the recipient organization.
- A donation should not be made to an individual as a representative of an organization, because it could be seen as providing a benefit to the individual rather than to the independent charitable organization.
- When representing an organization that requests and/or receives donations for charitable purposes, a healthcare professional should ensure, to the extent that is practical and achievable, that their role as the organization's representative is kept distinct from their role as a healthcare professional caring for patients. This will help ensure that there is no actual or perception of a charitable donation being made in order to influence prescribing or dispensing choices.