



Financial Support 101 – How the Code Shapes Company Decisions



Support provided by the pharmaceutical industry should always have the purpose of supporting the quality use of medicines.

Pharmaceutical companies can support patient organisations in different ways - mostly through financial support, but also with in-kind help such as training, resources, or capacity building. This support recognises the important role patient groups play in healthcare and in improving the safe use of medicines in Australia.

This support usually falls within two streams: **events** and **grants**. Some examples of these are listed below:

Events 	Grants 
<ul style="list-style-type: none"> • Educational events (can be directed to doctors, nurses, patients, other key stakeholders, or a mix) • Roundtables • Independent conferences • Educational webinars • Sponsoring representatives to attend a conference (registration fees, accommodation) • Some fundraising events (where there are clear links to education, training, or quality use of medicines). 	<ul style="list-style-type: none"> • Campaigns to raise awareness of a condition • Professional development programs • Developing educational resources for healthcare professionals • Telephone-based intervention programs for patients • Developing policy reports • Research initiatives, such as surveys that identify unmet needs in a specific patient population.

What's the difference between event-sponsorship and grants-for-activities?

The Code sets clear rules for companies that sponsor events. In short, events must:

- Be **educational** in nature or have clear links to educational outcomes. (e.g. not 'Christmas Drinks').
- Support the **quality use of medicines** (e.g. not general skills training like public speaking).
- Be **modest** in terms of hospitality, accommodation and travel (e.g. not paying for extra holiday nights).
- Be transparent by publishing details of the events they support (available on [Medicines Australia's website](#)).

Grants are different from sponsorship because they are not about supporting a specific event. Instead, they provide funding or services freely to support an activity that is being organised independently by a patient organisation - with **no obligation** for the recipient to give anything back. Decisions on grants may vary between companies, but all follow these general principles:

- The activity must relate to the **quality use of medicines** (e.g. supporting healthcare, scientific research, or disease education).
- Companies **cannot** cover everyday running costs or the general business operations of an organisation (e.g. paying a staff member's regular salary).
- They must be **transparent** and publish details of the initiatives they support (available on Medicines Australia's website).



When companies provide support, they make sure the money is used only for the agreed activity, often confirmed in a **letter of agreement** or similar. If funding is unclear, it could appear like an attempt to influence a patient community. That's why companies make sure that all support can withstand **public scrutiny**. Companies are also **transparent** about the support they give, and they carefully check requests before deciding — which can mean asking many questions or sometimes saying no.

What pharmaceutical companies may check before sponsoring an event

Event & venue

- **Location:** must be practical and appropriate for attendees, not just desirable.
- **Content:** must be educational and related to the field of medicine.
- **Venue suitability:** chosen for business needs, not leisure or luxury.
- **Privacy:** most events should not be visible or accessible to the general public.
- **No entertainment:** such as associations with sport, theatre, concerts, or similar. It also means no hired entertainment, such as singers or other acts.
- **Avoid leisure/luxury venues:** Casinos, resorts, vineyards, golf clubs, top tier fine-dining restaurants are generally inappropriate.
- **No leisure activities included:** focus is on the education not holiday-style activities.
- **Moderate hospitality:** food and drinks must be reasonable, not extravagant.
- **No gifts:** not allowed (except certain educational items, under strict rules).

Program & audience

- **Educational value:** must be relevant and genuinely educational.
- **Relevance to therapy area:** should relate to areas where the company is active.
- **Audience:** prescription medicines can only be promoted to healthcare professionals – not patients or the public.

Cost & transparency

- **Reasonable costs:** sponsorship must be proportionate and itemised.
- **Acknowledgement:** organisers must recognise their sponsorship.
- **Transparency:** companies will publish sponsorship details, so organisers need to be aware of and agree to this. This applies to all organisers - whether non-profit or for-profit - as the reporting requirements are the same.

Tips for event organisers seeking sponsorship

If you're seeking sponsorship, be clear about these points:

- Purpose and key objectives of the event.
- Outcomes or learning objectives you want to achieve.
- Audience (who will attend, how many).
- Number of sponsors sought (one or multiple).
- Sponsorship amount requested and what it covers. Some organisers may provide different levels of sponsorship packages for companies to choose from.
- Event dates, location, and draft agenda that clearly outlines the hours of education and topics covered, if available.
- Who will be speaking at the event (to stay independent, companies usually will not select speakers).
- A cost breakdown showing how the sponsorship amount is calculated and who will receive the funds.
- Who is being paid for the sponsorship (e.g. the requesting organisation, the events company, or directly to the venue).

A strong proposal upfront gives companies the information they need to make an informed decision. Additional questions may follow depending on each company.

Why companies may differ in their approach

The Code sets high standards through clear principles but does not prescribe step-by-step rules. The standards are clear, as outlined in this fact sheet, yet companies still make their own decisions within these ethical boundaries. This means one company's view of what has sufficient 'educational value' may differ from another's — so a request approved by one company may be declined by another.

Other factors, such as internal policies, global rules, and budgets, also shape decisions. Approval processes vary too — some companies may ask for basic details, while others require extensive documents and multiple approvals.

Despite these differences, the core principle remains the same: pharmaceutical support is for genuine activities that improve the quality use of medicines.