

A woman with a joyful expression is shown from the chest up, wearing a black top and a grey and white striped headscarf. She is holding a large, light blue mosquito net. The background is a vast expanse of cracked, reddish-brown earth, suggesting an arid environment. The text 'PSI PROGRESS REPORT 2010' is overlaid on the left side of the image.

PSI PROGRESS REPORT 2010



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40 years

Delivering Healthy Lives and Measurable Results

psi values

- Making markets work for the poor
- Measuring impact
- Speed, efficiency and outcomes over process
- Decentralization and empowerment
- Long-term commitment to the people we serve



psi worldwide



PSI HAS OFFICES IN WASHINGTON, D.C., AND AMSTERDAM, AND A PRESENCE IN 67 COUNTRIES.

Angola	HIV	RH	MAL	CS
Belize	HIV	RH		
Benin	HIV	RH	MAL	CS
Botswana	HIV	RH		
Burkina Faso	HIV	RH		
Burundi	HIV	RH	MAL	CS
Cambodia	HIV	RH	MAL	CS
Cameroon	HIV	RH	MAL	CS
Central African Republic	HIV	RH		
China	HIV	RH	MAL	
Democratic Republic of Congo	HIV	RH	MAL	CS
Costa Rica	HIV	RH		
Côte d'Ivoire	HIV	RH	MAL	CS
Dominican Republic	HIV	RH		CS
El Salvador	HIV	RH		
Ethiopia	HIV	RH	MAL	CS
Guatemala	HIV	RH		
Guinea	HIV	RH		CS
Haiti	HIV	RH		CS
Honduras	HIV	RH		
India	HIV	RH		CS
Kazakhstan	HIV	RH		
Kenya	HIV	RH	MAL	CS
Kyrgyzstan	RH			
Laos	HIV	RH	MAL	
Lesotho	HIV	RH		
Liberia	HIV	RH		CS
Madagascar	HIV	RH	MAL	CS
Malawi	HIV	RH	MAL	CS
Mali	HIV	RH	MAL	CS
Mexico	HIV	RH		
Mozambique	HIV	RH	MAL	CS
Myanmar	HIV	RH	MAL	CS
Namibia	HIV	RH	MAL	
Nepal	RH			
Nicaragua	HIV	RH		
Nigeria	HIV	RH	MAL	CS
Pakistan	HIV	RH		CS
Panama	HIV	RH		
Papua New Guinea	HIV	RH		
Paraguay	HIV	RH		
Romania	HIV	RH		
Russia	HIV	RH		
Rwanda	HIV	RH	MAL	CS
Somaliland	RH			CS
South Africa	HIV	RH		
Sudan	HIV	RH	MAL	CS
Swaziland	HIV	RH		
Tajikistan	RH			
Tanzania	HIV	RH	MAL	CS
Thailand	HIV	RH		
Togo	HIV	RH	MAL	
Trinidad & Tobago/Caribbean	HIV	RH		
Uganda	HIV	RH	MAL	CS
Vietnam	HIV	RH		
Zambia	HIV	RH		CS
Zimbabwe	HIV	RH	MAL	CS



*Jamaica and Suriname are part of PSI/Caribbean's program.
*Icons indicate measurable impact by health area in 2010.

COUNTRY MANAGERS

NANA FRIMPONG
Angola

JULIA ROBERTS
Belize & Caribbean

LEGER FOYET
Benin

RICHARD HARRISON
Botswana

BOB CLARK
Burkina Faso

MARIE-LOUISE BALENG
Burundi

CHRIS JONES
Cambodia

NESTOR ANKIBA
Cameroon

LEILA KOUSHENOVA
Central Asia

RAKDAOW PRITCHARD
China

MARCELA CUBERO
Costa Rica

LALAH RAMBELOSON
Cote d'Ivoire

CHUCK SZYMANSKI
Dominican Republic

THERESA GRUBER-TAPSOBA
DRC

MARTY BELL
Ethiopia

MEG GALAS
El Salvador

SALIFOU COMPAORÉ
Guinea

PILAR SEBASTIÁN
Guatemala

ALISON MALMQVIST
Haiti

JULIO ZÚNIGA
Honduras

DANA WARD
India

DAUN FEST
Kenya

ROB GRAY
Laos

DENNIS WALTO
Lesotho

AXEL ADDY
Liberia

BRIAN MCKENNA
Madagascar

RICKI ORFORD
Malawi

RODIO DIALLO
Mali

PAMELA FAURA
Mexico

ARILD DRIVDAL
Mozambique

JOHN HETHERINGTON
Myanmar

ZACCH AKINYEMI
Namibia

ANDREW BONER
Nepal

NORBERT DE ANDA
Nicaragua

BRIGHT EKWEREMADU
Nigeria

CHRIS CONRAD
Pakistan

ETHEL GORDON
Panama

CYNDE ROBINSON
Papua New Guinea

SONIA MARCHEWKA
Paraguay

DAVID REENE
Romania

GALINA KARMANOVA
Russia

AUGUSTE KPOGNON
Rwanda

JEREMY HAND
Somiland

JULIE STEIGER
Sudan

KATIE SCHWARM
South Africa

IULIAN CIRCO
Swaziland

DANIEL CRAPPER
Tanzania

CARMEN CHAN
Thailand

KONTEVI KUASSI
Togo

SUSAN MUKASA
Uganda

YASMIN MADAN
Vietnam

MANNASSEH PHIRI
Zambia

LOUISA NORMAN
Zimbabwe



AFFILIATES



letter from president & ceo Karl Hofmann

PSI's progress over the last several years has been substantial, but far from enough. The challenges faced by our beneficiaries, the low-income and vulnerable populations in 67 countries around the globe, call us to work even harder at delivering cost-effective health impact at scale. For 40 years now, the people of PSI have answered that challenge.

The values that animate our work now are just as vivid and important to our efforts as they were four decades ago. We believe in measuring our impact and in being honest with ourselves, our funders and our customers about what we are achieving, and what we are not achieving. We believe in decentralization of our work – keeping decision-making as close to the customer as we can – and in empowering our colleagues to take advantage of that decentralization. We cherish speed, efficiency and a lack of bureaucracy; we will

always tilt our actions in favor of getting things done, now. At a time when markets have been tarnished around the world by the reckless behaviors of some and policy lapses of others, we still trust in markets to deliver for the poor. Markets can work for low-income and vulnerable people everywhere with the right environment and structures and over time, they are more powerful than any intervention we alone could muster.

Finally, we are committed to the people we serve, over the long term. We assume their needs will be great for as long as we can imagine. Our long-term impact is built on our long-term commitment.

PSI's values are the bedrock on which our employees, and our work, stand. They motivate our actions and orient our thinking. We count on our values to help us deliver success to our funders and partners, and lasting impact to our beneficiaries.

Thank you for all your support. ■

— Karl Hofmann
President and CEO



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PSI is the largest distributor of insecticide-treated nets in the world.

africa

PSI IN AFRICA

PSI works in 30 countries across West, Central, East and Southern Africa to prevent HIV, promote reproductive health and family planning, control malaria, and improve maternal and child health.

In 2009, PSI:

- averted 140,000 cases of HIV
- averted 34 million cases of malaria
- averted 2 million unintended pregnancies
- averted 7.4 million cases of diarrhea and treated 17 billion liters of water
- performed 20,000 male circumcisions in Swaziland, Zimbabwe and Zambia

DONORS INCLUDE:

- ALDO
- The Bill & Melinda Gates Foundation
- The German Development Bank (KfW)
- The Global Fund to Fight AIDS, Tuberculosis and Malaria
- The Government of the Netherlands
- Johnson & Johnson
- The U.K. Department for International Development
- The United Nations
- The U.S. Agency for International Development
- The U.S. Centers for Disease Control & Prevention
- The William and Flora Hewlett Foundation

PSI PROGRAMS

Angola
Benin
Botswana
Burkina Faso
Burundi
Cameroon
Central African Republic
Democratic Republic of Congo
Côte d'Ivoire
Ethiopia
Guinea
Kenya
Lesotho
Liberia
Madagascar
Malawi
Mali
Mozambique
Namibia
Nigeria
Rwanda
Somaliland
South Africa
Sudan
Swaziland
Tanzania
Togo
Uganda
Zambia
Zimbabwe

nasra

safe water champion

Known in her community simply as “Mama Nasra,” 40-year-old Irene Phillip lost her identity as Irene 11 years ago when she gave birth to her oldest daughter, Nasra. It’s a role she plays proudly in a small village just outside Dar es Salaam, Tanzania.

In the tiny concrete home they share with two other families, Mama Nasra and her family of four are healthy and happy. Nasra and her younger sister attend a nearby public school. After school, they help their mother finish the daily chores, including hauling water from the spigot across the street from their home. The spigot is always most crowded in the evening. It is the community’s only source of water, but it is not a clean one.

Thanks to Nasra, the water that she and her family consume is safe. Three years ago, Nasra joined a health and environment club at her primary school, led by a set of capable teachers trained by PSI/Tanzania. She and her friends learned about a variety of health issues, from water and sanitation to malaria protection and nutrition. As a dedicated club member, Nasra has become an advocate for *WaterGuard*, a water purification solution manufactured locally and distributed by PSI.

For less than 25 cents, Nasra’s family can purchase a 150 ml bottle of *WaterGuard* from a kiosk in their neighborhood that will purify their water supply for about one month. PSI/Tanzania has distributed 1.5 million bottles of *WaterGuard* since 2002. *WaterGuard* tablets were introduced to the market in 2005; together the two products have treated more than 2.3 billion liters of safe drinking water.



Household water treatment is a critical complement to water source improvement. PSI works with players across the sector to enable all people to have access to safe drinking water.

Mama Nasra got over her initial skepticism about water purification after she tried *WaterGuard* for a few days. Nasra, having had a taste of what promoting good health means, hopes to become a doctor one day. She is off to a good start. ■

2.3
billion

PSI treated 2.3 billion liters of water with *WaterGuard* solution and tablets from 2002-2009.

Mlungisi's choice

male circumcision in swaziland

NEAL PIPER

What soccer match should I watch?
What classes should I take? Where should I
meet my friends?

Like many of his peers, 23-year-old Mlungisi Dlamini spends much of his time pondering life's routine choices. But recently, Mlungisi made a choice that could change his life for the better. He went to a clinic to get circumcised.

"I decided to get circumcised after I saw a newspaper article about how male circumcision could help prevent HIV," says Mlungisi, a peer educator at the University of Swaziland.

"When there is something good to be done by young people, I want to be the first to do it."

Male circumcision (MC) is not common in Swaziland, but HIV is widespread. More than 26 percent of adults are estimated to be infected with the virus, and by the time Swazi men reach their 30s, nearly half are living with HIV. MC began to make headlines in Swaziland after clinical trials in Kenya, Uganda and South Africa demonstrated that MC can reduce a man's risk of acquiring HIV from a female sexual partner by up to 60 percent.

Mlungisi went to PSI/Swaziland's new *Litsembe Letfu* (Our Hope) Men's Clinic for his procedure. *Litsembe Letfu* provides an important healthcare entry point for Swazi men who have often been overlooked by existing HIV service providers. Within one year of opening its doors in June 2009, nearly 6,000 men were circumcised at *Litsembe Letfu* and

an additional 2,000 were circumcised through its mobile outreach services.

Co-funded by the Bill & Melinda Gates Foundation and the U.S. President's Emergency Plan for AIDS Relief, as part of the Male Circumcision Partnership with Jhpiego, Marie Stopes International and Population Council, *Litsembe Letfu* is just one step towards achieving the national goal of circumcising more than 150,000 men aged 13-29 in Swaziland.

8,000

Within 1 year of opening, 8,000 men were circumcised at *Litsembe Letfu* clinic and through mobile outreach services.

At the clinic, Mlungisi met with a counselor who answered his questions and explained the procedure, the postoperative care and the necessity of practicing safe sex after MC. Mlungisi was ready. "I felt the opposite of nervous. I was just excited to feel like a new man."

In the recovery room, Mlungisi remembers feeling proud. "I felt good that I did it," he says. "And now I tell other Swazi guys that circumcision is a must-do." Mlungisi has delivered on his pledge to encourage his friends to learn more about MC. He convinced 10 of his friends to get circumcised within a month of his procedure. ■



PLEASE VISIT WWW.PSI.ORG TO VIEW A FILM OF MLUNGISI'S STORY.

model integration

MANDY MCANALLY

FAMILY PLANNING ALONGSIDE CHILD IMMUNIZATION SERVICES

Aminata, a 41-year-old woman from Bamako, Mali, has been pregnant 11 times. She miscarried twice and several of her nine children did not live past infancy. Unable to properly plan her pregnancies, she lived in fear of losing another child.

When she brought her newborn to a local clinic for immunizations, Aminata found a PSI/Mali midwife was also counseling women about contraceptive methods including long-acting and reversible contraception. Aminata knew little about modern contraceptive methods when she met the PSI/Mali midwife. But that afternoon, after learning about her family planning options, Aminata decided to have an intrauterine device (IUD) inserted.

Over the past five years, family planning has received limited donor support and government attention in Mali. Like Aminata, many women of reproductive age are unaware of their family planning options and the related health benefits. As a result, Mali's modern contraceptive prevalence rate of 6 percent is among the lowest in the world, and has stagnated since 2001.

In early 2009, with support from the Dutch government through the Strategic Alliances with International Nongovernmental Organisations (SALIN) program, PSI/Mali initiated the integration of family planning and immunization services in five of the 53 private clinics that comprise the franchised ProFam network in Bamako.

Given that Mali's unmet need for family planning is highest (79 percent) among women just after childbirth, this is an important target population. Clinics offering immunization services are a logical avenue to reach women.

The pilot project uses "clinic event days" – a strategy in

which PSI staff work with the host clinic to create demand for family planning and support during contraception service delivery. During the event days, a PSI midwife conducts an interactive presentation about the benefits of family planning to the women waiting with their children to be immunized. Women who opt for a long-acting and reversible contraceptive method receive it immediately, on-site and at a subsidized cost.

Through a partnership with the Mali Ministry of Health to expand services to the public sector, PSI trained 50 public sector midwives. PSI/Mali provided 6,700 implant and 630 IUD insertions at clinic event days.

Encouraged by this initial success, PSI/Mali plans to continue exploring innovative family planning models to address this and other issues to ensure women like Aminata have access to the services they need in order to wisely plan the births of their children. ■

35,800

Between January 2009 and April 2010, PSI/Mali reached 35,800 women with family planning messages through event days; 20% of women reached opted for a long-acting and reversible contraceptive method.

the target essay



TREVOR SNAPP

PSI ACHIEVES MAXIMUM HEALTH IMPACT THROUGH FLEXIBLE NET DISTRIBUTION STRATEGY

As the Roll Back Malaria Partnership moves towards the 2010 Abuja target deadline, PSI is proud to be the largest distributor of insecticide-treated mosquito nets in the world. PSI will deliver its 100 millionth net in 2010 – the total number of nets since it began distribution 12 years ago. Only through a strong commitment to reaching scale and a flexible and pragmatic approach to delivery can these goals be achieved.



TREVOR SNAPP

PSI now delivers nets in 30 countries, and a key driver of growth has been the recent push to distribute long-lasting insecticide-treated nets (LLINs) – to “scale up for impact.” In 2010 alone, PSI will deliver more than 30 million LLINs through campaigns and routine delivery, often in extremely difficult conditions. In November 2009, PSI was a key partner in Guinea’s successful national distribution of 3.5 million LLINs despite social and political instability, lack of funds and limited preparation time. Similarly, in southern Sudan, PSI worked with the Ministry of Health to distribute 1.9 million nets despite the inhospitable terrain and post-conflict insecurity.

A reputation for effective procurement and delivery has led to PSI being selected as the procurement agent for the Voluntary Pooled Procurement (VPP) mechanism created by the Global Fund to Fight AIDS, Tuberculosis and Malaria. The VPP will procure more than 60 million LLINs by the end of 2010, 30 million for Nigeria alone. In Uganda, the 2010 LLIN

campaign would not have moved forward without PSI/VPP support and that of PACE, the local PSI affiliate. PACE will support the Ministry of Health to deliver 7.3 million LLINs to regional distribution points throughout Uganda, with PACE delivering 4.2 million of those directly to the beneficiaries. VPP and PSI will also work together to directly distribute 8.9 million LLINs in Côte d’Ivoire by the end of 2010.

Looking to the future, current levels of malaria funding are less secure as donors focus on more systemic solutions to health problems in the push for the 2015 Millennium Development Goals. As a result, PSI will likely see a shift towards routine LLIN distribution, an area where PSI has unparalleled experience. In Kenya, on behalf of the Ministry of Health, PSI delivers LLINs directly to pregnant women and young children for free through antenatal clinics and at highly subsidized prices through rural shops. One of the platform’s primary programs, funded by the U.K. Department for International Development, has delivered 17.4 million LLINs since it launched in 2002 – 2.6 million nets in 2009 alone. This program is one of many examples of the long-term future of sustainable LLIN delivery.

PSI also distributes LLINs nationwide through public and private channels on behalf of, and in conjunction with, Ministries of Health in Malawi, Rwanda and Zambia. In addition, PSI is working towards ensuring that free nets are available in all public health facilities for pregnant women and children under five in all relevant malaria endemic areas.

As the malaria funding environment changes, PSI will remain flexible in its LLIN distribution approach to ensure that all available channels are appropriately utilized to maximize health impact under local epidemiological, policy and funding conditions. ■

Angus Spiers is Deputy Director for Malaria Control and Child Survival.

latin america & the caribbean

PSI IN LATIN AMERICA AND THE CARIBBEAN

PSI works in 22 countries across the Caribbean, and North, Central and South America to prevent HIV, promote reproductive health and family planning, and improve maternal and child health.

In 2009, PSI:

- averted 16,000 cases of malaria in the region
- averted 100,000 unintended pregnancies
- averted 40,000 cases of diarrhea in Haiti and the Dominican Republic
- distributed nearly 46 million condoms

DONORS INCLUDE:

- The Canadian International Development Agency
- The German Development Bank (KfW)
- The Global Fund to Fight AIDS, Tuberculosis and Malaria
- The Government of the Netherlands
- H&M
- The Summit Foundation
- The U.S. Agency for International Development
- The U.S. Department of Defense

PSI PROGRAMS

Belize
Caribbean
 Antigua and Barbuda
 Barbados
 Dominica
 Grenada
 Jamaica
 St. Kitts and Nevis
 St. Lucia
 St. Maarten
 St. Vincent and the Grenadines
 Suriname
 Trinidad and Tobago
Costa Rica
Dominican Republic
El Salvador
Guatemala
Haiti
Honduras
Mexico
Nicaragua
Panama
Paraguay



1/2

Half of all pregnancies in Latin America and the Caribbean are unintended.*

*Source: *Facts on Investing in Family Planning and Maternal and Newborn Health in Latin America and the Caribbean*, Guttmacher Institute, 2009.



haiti's recovery

On January 12, 2010, a 7.0 earthquake jolted Haiti, reducing homes and offices to rubble in a matter of seconds. An estimated 230,000 people lost their lives and 1 million people were made homeless. No one was left untouched.

Present in Haiti since 1989, PSI's work took on new meaning after the earthquake. It meant adjusting activities to tackle immediate needs of internally displaced people while continuing to address objectives of long-term projects funded by the U.S. Agency for International Development, German Development Bank (KfW), the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Government of the Netherlands and others.

Since the earthquake, PSI/Haiti has prioritized communications and outreach to displaced populations living in and around camps to complement the free distribution of health products and services. As Jennifer Pope, special program manager to Haiti, noted, "What has been so inspirational in this effort is PSI/Haiti staff members helping their fellow Haitians even though many of them lost their homes and family members."

With funding from KfW, PSI scaled up maternal and child health work, specifically for malaria and hygiene activities in and around displacement camps. Additional funding from *Un Kilo de Ayuda* provides support for diarrheal prevention and treatment activities while net manufacturer Sumitomo donated long-lasting insecticide-treated nets. Online donations as well as contributions from PSI staff across the globe have enabled various activities, such as mosquito net distribution, counseling and testing and diarrheal disease prevention education.

The demanding circumstances have also created partnerships and strengthened the cross-border relationship with PSI's office in the Dominican Republic. PSI has worked closely with the Direction for Preventive Health and partners to develop an integrated communications strategy with messages on maternal and child health, water and sanitation, child survival, family planning, sexual violence against women, and HIV/AIDS and other sexually transmitted infection prevention.

From February to March 2010, PSI reached an estimated 65,000 people living in displacement camps and settlements with messages about safe water, hygiene, sanitation, HIV and prevention of sexually transmitted infections, and family planning through interpersonal outreach, mobile film projections and sound truck events. PSI/Haiti is also playing a coordinating role in the Vector-Borne Diseases Working Group for net distribution.

In Haiti, there are still countless people with basic health needs that aren't being met. PSI will continue to be on the ground for years to come as recovery turns into rebuilding and a new era. ■

THANK YOU

PSI would like to thank its corporate partners, including Condé Nast Traveler, H&M and Procter & Gamble, and individual donors for supporting PSI/Haiti programs.

service innovation reduces barriers to family planning use

For Dr. Heidi Lisbeth Caceres Menjivar, the best part of her job as an OB/GYN is helping during birth. “[Childbirth] is an amazing experience, especially if both the mother and child are healthy.”

But Dr. Caceres also serves as a trainer in postpartum intrauterine device (IUD) insertion for PASMO, PSI’s affiliate in El Salvador. She works in one of the country’s largest public maternity hospitals, providing family planning counseling and services.

IUDs, a highly effective and easily reversible method of contraception, protect women from unintended pregnancy for up to 12 years. IUD users do not have to return to a clinic for refills, removal is easy, return to fertility is immediate, and an IUD is safe to use while breastfeeding.

Yet most women in El Salvador aren’t using IUDs. In 2008, less than 1 percent of women used an IUD. One reason is the lack of trained providers. “I graduated in gynecology from the country’s principal maternity hospital,” Dr. Caceres says. “However, family planning was nonexistent in my training, despite the fact that it is fundamental in the clinical practice.”

Providing IUDs immediately following a delivery is a service innovation that helps reduce barriers to their use, offering several advantages for providers, patients, and public health officials. For the client, the availability of postpartum IUD insertion means that she can leave the hospital with a safe, highly effective method of family planning that will last up to 12 years.

Reaching women in the immediate postpartum period can also lower health costs overall by reducing demand for more expensive insertion services in outpatient clinic settings. It is also an opportunity to reach women who might not otherwise access health services.

Prior to 2009, postpartum IUD insertion services were unavailable in the public sector in El Salvador. In early 2009, Dr. Caceres and another PASMO-trained provider were seconded to the two largest public maternity hospitals in the country, which cover more than 30 percent of all births. That year, PASMO’s postpartum IUD program reached more than 800 women.

Due to the success of this program as well as PASMO’s advocacy efforts within the Ministry of Health, the maternity hospital directors agreed to begin a residency training



ISTOCKPHOTO.COM

program in 2010. PASMO providers will train and oversee 15 residents in counseling and postpartum IUD insertion.

Already, Dr. Caceres has seen the attitudes toward IUDs changing among the medical personnel and nurses, who have begun to offer routine family planning services to postpartum women and regular patients. “Previously, the majority of women lacked the information and empowerment to decide to use the IUD as a family planning method, but now, after receiving counseling and accurate information they do choose the method.”

In 2009, PASMO inserted 6,300 IUDs in El Salvador, a 300 percent increase in nationwide IUD insertions from 2008; 13 percent were postpartum IUD insertions.

PSI hopes to replicate that success elsewhere. It will implement postpartum IUD programs in Guatemala and Nicaragua in 2010, and is currently implementing successful postpartum IUD programs in sub-Saharan Africa and Asia. In 2009, PSI delivered 618,000 IUDs in 22 countries. ■

300%

PASMO inserted 6,300 IUDs in El Salvador in 2009, a 300% increase from 2008.



1997

PASMO is established in Guatemala as an affiliate of PSI.



1998

PSI socially markets first safe water solution product in Bolivia.

Safe water solution allows families to treat water at home, making it safe for drinking.

1999

PSI begins first voluntary HIV counseling and testing program, in Zimbabwe.

With knowledge about their HIV status, whether negative or positive, people are more likely to practice safe sex.



2006

In concert with the government of Rwanda and other partners, PSI participates in a countrywide program that provides free vaccinations to children and mosquito nets to their parents.



2008

PSI launched its first safe abortion programs in four countries where abortion is legal yet unsafe abortion practices persist.

2007

PSI adopts DALYs (disability-adjusted life years) averted to measure health impact.



2009

PSI averts an estimated 15 million DALYs.



2010

PSI is selected as the procurement agent for the Global Fund's Voluntary Pooled Procurement (VPP) mechanism. PSI is now the largest distributor of mosquito nets in the world.

2000

World leaders commit to achieve the Millennium Development Goals (MDGs) by 2015. The MDGs call for reducing income poverty, hunger, disease, lack of adequate shelter and exclusion — while promoting gender equality, health, education and environmental sustainability.

2003

U.S. President George W. Bush announces the President's Emergency Plan for AIDS Relief. PEPFAR has become the largest effort by any nation to combat a single disease.

2010

Global Health Initiative
U.S. President Barack Obama announces a 6-year, \$63 billion effort to improve and expand access to health services globally, focusing on maternal, newborn and child health.

2002



The Global Fund to Fight AIDS, Tuberculosis and Malaria begins operations. As of June 2010, the Global Fund estimates that its programs have saved 5.7 million lives worldwide.

essay lasting solutions

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More than 10 years ago, PSI distanced itself from the almost exclusive focus on financial sustainability of health solutions used by other social marketing organizations. Instead, PSI emphasized producing health and quality of life benefits at scale for vulnerable and poor populations in low-income countries with equity, increasing cost-effectiveness, minimizing financial subsidies, reducing the financial vulnerability of our social marketing partners in the developing world, and building unique competencies needed to address the public health challenges of today and tomorrow.

PSI applies three general strategies to achieve sustainability:

- 1 **PSI MAXIMIZES HEALTH IMPACT.** Our work is based on the burden of disease in a country, measured in disability-adjusted life years (DALYs) and the unmet need for family planning. Maximizing the impact also involves finding ways to reduce the population's dependency on public subsidies, since achieving scale and equity is expensive.
- 2 **PSI MINIMIZES FINANCIAL VULNERABILITY THROUGH SOCIAL MARKETING.** This is often misconstrued as a strategy of selling products and services based on the conviction that consumers value them more when they pay for them. But social marketing is in fact about using marketing techniques to influence behavior; sales only make sense if they help reach priority audiences. PSI aims to reduce dependency on subsidy where possible and as quickly as possible, and we maintain a cost of less than \$50 per DALY averted; interventions below this level are commonly considered highly cost-effective.

- 3 **PSI STRENGTHENS INSTITUTIONAL CAPACITY.** We have created a decentralized organization and local decision-making authority so that we can respond to national priorities and approaches, motivate local staff and partners to perform better, and develop business models that do not require donor support. Approximately 8,000 host country nationals work for PSI. Leaders are groomed actively, knowledge is shared globally, and selected services are centralized at regional hubs and at headquarters.

PSI believes that by pursuing these three sustainability strategies, vulnerability to the primary contributors to the burden of disease can be significantly and equitably reduced through behavior change. We believe that we can do this in a way that results over time in lower levels of subsidy, primarily through the development of markets that work for the poor. We believe that our nonprofit social marketing partners can be built in a manner that will drive this process today, and that will allow them to evolve over time to meet the public health challenges of tomorrow. ■

Steven Chapman is Chief Technical Officer.

1976
1
country

1990
18
countries

1994
28
countries

40 years



PSI

1970

PSI founded.



1976

PSI begins social marketing of condoms and oral contraceptives in Bangladesh.



1985

The Society for Family Health is established in Nigeria as an affiliate of PSI.

1988

PSI begins first HIV prevention program in the Democratic Republic of Congo.

Many countries still refuse to acknowledge the existence of HIV.

1990

PSI begins social marketing of oral rehydration salts for the treatment of dehydration from diarrhea in Bangladesh and Morocco.

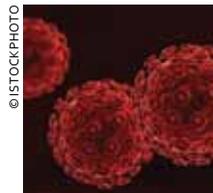
Worldwide, almost 2 million children per year die from diarrheal disease.

greenstar
Social Marketing

1991

Greenstar Social Marketing is established in Pakistan as an affiliate of PSI.

DELIVERING HEALTHY LIVES AND MEASURABLE RESULTS



1984

HIV identified as the cause of AIDS.

1990

The World Health Organization declares first World AIDS Day.





JOHN RAE PHOTOGRAPHY

asia & eastern europe

PSI: 40 YEARS OF DELIVERING HEALTHY LIVES AND MEASURABLE RESULTS

PSI IN ASIA AND EASTERN EUROPE

PSI works in 15 countries across Asia and Eastern Europe to prevent HIV, treat tuberculosis, control malaria and promote reproductive health and family planning, including the prevention of unsafe abortion.

In 2009, PSI:

- averted 7,000 cases of HIV in Asia and Eastern Europe
- averted 145,000 cases of malaria in Asia
- averted 1 million unintended pregnancies in Asia and Eastern Europe
- delivered 447,800 intrauterine devices in Asia
- distributed 361 million male condoms in Asia and Eastern Europe

DONORS INCLUDE:

- The Asian Development Bank
- The Bill & Melinda Gates Foundation
- The David and Lucile Packard Foundation
- The German Development Bank (KfW)
- The Global Fund to Fight Aids, Tuberculosis and Malaria
- H&M
- The United Nations
- The U.S. Agency for International Development

PSI PROGRAMS

- Cambodia
- China
- India
- Kazakhstan
- Kyrgyzstan
- Laos
- Myanmar
- Nepal
- Pakistan
- Papua New Guinea
- Romania
- Russia
- Tajikistan
- Thailand
- Vietnam



The World Health Organization estimates that almost 1 in 8 maternal deaths in Asia results from unsafe abortion.*

*Source: Guttmacher Institute, October 2009.

IN HIS OWN WORDS ...

MY NAME IS P'BOY. I'm a peer educator at PSI's O-zone Drop-in Center in Bangkok, Thailand. I'm also a recovering

injecting drug user. Growing up, I always hung out with the wrong group of friends. They used drugs, and they persuaded me to try. I was 16 when I tried heroin and continued using for 15 years. The needles I used were normally kept in the fold under a roof or somewhere near a pile of garbage. At the time, I didn't know unsterile needles could harm me, so when I used them, they gave me an infection.

One day, my good friend persuaded me to go with him to PSI's O-zone Center, and I soon became a member of their support group. The O-zone Centers are part of a program supported by the Royal Thai Government and the Global Fund to Fight AIDS, Tuberculosis and Malaria to scale up comprehensive HIV prevention services for injecting drug users. O-zone Centers serve more than 800 injecting drug users in the country. When I applied to work for O-zone, my life changed completely. They offered me the job and gave me the knowledge and tools to help other people.

Every day I go to the streets to distribute sterile injecting equipment and to talk to fellow drug users about the risk of HIV infection. I provide referrals to the O-zone Center and for HIV counseling and testing. On an average day, I meet with 50 current and recovering injecting drug users. My work is not easy – you need to develop rapport and friendship, and you need to organize discussion to build understanding. It takes time and requires attentiveness. Given that I am a recovering injecting drug user, I'm happier working with fellow drug users. It gives me peace of mind because I can help other people, and I have a chance to train myself.

One night several years ago I called in to a radio show to share information about HIV; I frequently did this as part of my job. A woman named Jib called into the show. We became friends and five years later, we married.

I used to have another lifestyle. But I was able to change all these things because I had a chance to help other people. I learned to change myself, I found love, and I started a family. ■



Outside sub-Saharan Africa, 1 in 3 new cases of HIV results from injecting drug use.* PSI operates programs to reduce drug and sex-related harm among drug users in nine countries: China, India, Russia, Vietnam, Thailand, Kazakhstan, Tajikistan, Kyrgyzstan and Mexico.

*Source: UNAIDS (2002)
Report of the Global HIV/AIDS Epidemic



ghulam mustafa

IN HIS OWN WORDS...

MY NAME IS GHULAM MUSTAFA. I'm 45 years old, and I live in Karachi.

Recently, I began experiencing night sweats, weakness, a painful cough, fever and weight loss. My symptoms worsened day by day until I saw a doctor, who put me on medication. But it didn't help. Other doctors failed to cure my illness as well.

One day, I attended a Good Life tuberculosis orientation organized by Greenstar Social Marketing where I realized that my symptoms matched those of TB. After the meeting, I told the community health organizer, Yasmeen, about my condition. At that moment, I was hopeless and depressed because of the suspected deadly disease. It was difficult for me to accept that I could be another victim of TB.

But Yasmeen listened very carefully and counseled me. She allayed the worst of my fears and assured me that if I did indeed have TB, it would be best to be diagnosed and begin treatment right away. She referred me to the Greenstar Good Life TB provider's clinic, where a sputum test and chest x-ray confirmed I had TB.

When I learned the results, I worried about the cost of treatment. How could my family, with me as the sole breadwinner, afford it? At the same time, how could my family afford my being too sick to work? Yasmeen had the answer: the Greenstar Good Life TB team would provide free TB medication at my house until my TB was cured.

During one of the Good Life team's visits to my home, they identified the same symptoms in my two daughters and my wife and referred them for diagnosis. They all had TB. This news was terrifying – I can't see, hear, touch, smell or taste TB, but here it was, infecting me and my family.

But Yasmeen and the Good Life team again gave me reason for hope. They explained how my family would be cured and how we would be protected from spreading TB to others. I am so thankful to them for helping me and my family in a very dark time in our lives. I hope others can benefit from their advice and counseling. ■

In Pakistan, there are approximately 1.5 million people living with TB.*

PSI launched a TB social franchising project through its affiliate Greenstar Social Marketing in 2005 with support from the Global Fund to Fight AIDS, Tuberculosis and Malaria.

Since then, Greenstar has trained and supports more than 1,000 private general practitioners to provide high-quality TB services in five of Pakistan's major cities. Greenstar has identified and trained about 50 private laboratories to provide sputum smear microscopy and has linked these labs with the National TB Control Programme's quality assurance systems and trainings. About 36,000 community-based treatment supporters have been trained to support and monitor patients throughout their Directly Observed Treatment, Short-course (DOTS). More than 40,000 TB patients have been registered with a treatment success rate of 91 percent under Greenstar's TB program, contributing to about 39 percent of the case detection rate nationally.

**Pakistan National TB Control Programme*

23,200

PSI treated 23,200 people for tuberculosis in Myanmar and Pakistan in 2009.

yingzi

SISTERHOOD FOR IMPROVED HEALTH

YINGZI LEFT HOME AT 13 with a hope of making money for her farming family in rural Jinping County, Yunnan

Province, China. Her friends told her she should go to a big city to find work. So when she had the opportunity, Yingzi moved to Mengzi City.

When she first arrived, Yingzi took jobs in restaurants and clothing shops and also worked as a nanny. But with her salary of 400 or 500 yuan a month (about US\$60-70), she couldn't afford to eat well and support her family. When she was 16, she decided to get a job at a karaoke bar, or KTV as they're commonly known. Karaoke bars in China are at the heart of the country's sex industry. Customers are usually groups of men who want to sing and drink in the company of young women. Yingzi explains, "In the beginning, I didn't do sex work. But later, for economic reasons and because my family was poor, I started to."

Yingzi soon realized the health risks associated with sex work. She saw girls as young as 15 years old with reproductive health problems. Some would have severe abdominal pain. Like Yingzi, they had no family who could take them to the hospital. "Seeing these women's health conditions made me realize how hard life can be."

In 2009, Yingzi got acquainted with PSI/China through the Mengzi Sisterhood Health Home (SHH), a drop-in center for female sex workers that was launched in August 2005 as a focal site for PSI's sex worker outreach program. In December 2009, Yingzi became a part-time staff member for PSI/China.

Yingzi does health outreach work in brothels and KTVs. She also works at SHH as a peer educator. The program, funded by the U.S. Agency for International Development, reaches this highly vulnerable population in Mengzi through high-quality outreach and interpersonal communication methods. SHH provides free check-ups for sexually transmitted infections by a local doctor, who can also make referrals for other testing and/or treatments at the local maternal and child health hospital.

Working as a peer educator for PSI/China, Yingzi has learned how to protect her own health and is actively engaged in helping her peers do the same.

"I've learned a lot from working at PSI/China. Now I know about women's health, reproductive health and how to protect myself. Take condoms as an example: Before, I didn't know how condoms could protect me. But I've learned a lot here, especially as a girl from a rural village. I think PSI/China is a good place." ■

From October 1, 2009, to March 31, 2010, SHH provided STI screening and treatment to approximately 100 female sex workers in Mengzi. During the same period, PSI's peer educators reached 380 street-based sex workers through outreach activities.

37
million

In China, the number of male clients of female sex workers may be as high as 37 million.*

social franchising ^{essay}

REACHING THE POOR WITH INTEGRATED HEALTH SERVICES

In Myanmar, as in many developing countries, public health expenditure is very low, forcing the poor to turn to the private sector for most of their healthcare. Unfortunately, private sector diagnosis and treatment in Myanmar traditionally has been too expensive for the poor or has lacked providers trained in international standards and practices.

This problem can be solved with social franchising.

The technique is simple. Locate healthcare providers whose clients are primarily poor. Invite them to attend a free training in exchange for access to regularly supplied, internationally procured, highly subsidized drugs, as well as regular quality control visits from the trainers. Because this takes place in the private sector, permissions or access issues that can arise when working through the government are mitigated.

PSI/Myanmar's program of social franchising, called "Sun Quality Health," has a presence in more than 170 townships,

cultivation of trust with the public sector, which sees the program as complementary, rather than competitive.

Moving beyond urban centers where Sun Quality Health providers are concentrated, PSI/Myanmar has begun to make linkages at the rural village level through a new paramedic channel, called "Sun Primary Health." In this program, a similar system of training, follow-up and subsequent access to high-quality drugs is completed by village health workers who are trained to refer patients to viable government services or Sun Quality Health doctors. There are already more than 1,000 villages covered through the first phase of this project, and we hope to add 500 more per year.

Sun Quality Health's services are set to bring cervical cancer screening with cryotherapy for positive cases, at the clinic, for less than a dollar a patient. PSI/Myanmar is also researching how it can bring high-quality HIV treatment at scale to patients through the network. In a country where only 20,000 of the estimated 75,000 people who need HIV treatment are receiving it, this has the potential for significant impact. It could mean basic HIV diagnosis and treatment in a person's neighborhood at an affordable price by a trusted doctor.

The social franchising network of Sun Quality Health is a growing success story. The program has reached national scale and works through the private sector to reach the poor with proven, high-quality treatment. Cost-effectiveness continually increases as new services are added. Finally, the program's success in achieving a positive health impact in Myanmar's challenging environment shows that similar success is possible in other challenging locales. ■

John Hetherington is Country Representative for Myanmar.

42
networks

PSI has 30 branded and 12 unbranded social franchise clinic networks worldwide.

with more than 1,000 private general practitioners (primary care physicians) serving hundreds of thousands of people every year with life-saving diagnoses and treatment for the major diseases of poverty in Myanmar.

Today the Sun Quality Health network sees approximately 1 million women per year for reproductive health services. This accounts for roughly a quarter of all modern family planning services in the country. Poor women can get quality counseling and access to affordable pills, injectable contraceptives, condoms and intrauterine devices through this network. This in itself is powerful, but the true potential of social franchising emerges when additional services – like malaria treatment, sexually transmitted infection management and tuberculosis treatment – are integrated into the initial program at a much lower cost than initiating a stand-alone program.

The integration of services is possible because product delivery systems, supervision visits, and training and follow-up of the healthcare providers are all handled by the same knowledgeable, efficient team. The economies of scale are tremendous. That PSI can reach hundreds of thousands of poor people with needed healthcare, where they live, in a way that does not tread into political waters is noteworthy. The private sector achieves these goals alongside the careful

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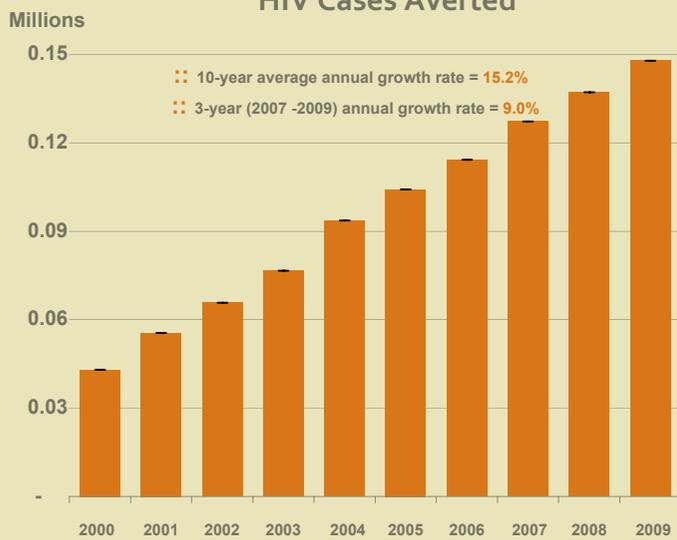


health impact

PSI gauges its health impact using a variety of measures. The graphs below show the number of cases PSI programs averted in each health area from 2000-2009.

Cases averted can be converted into Disability-Adjusted Life Years (DALYs) - an international standard metric for burden of disease showing years saved that would otherwise have been lost to illness or death. In 2009, PSI averted 15.1 million DALYs.

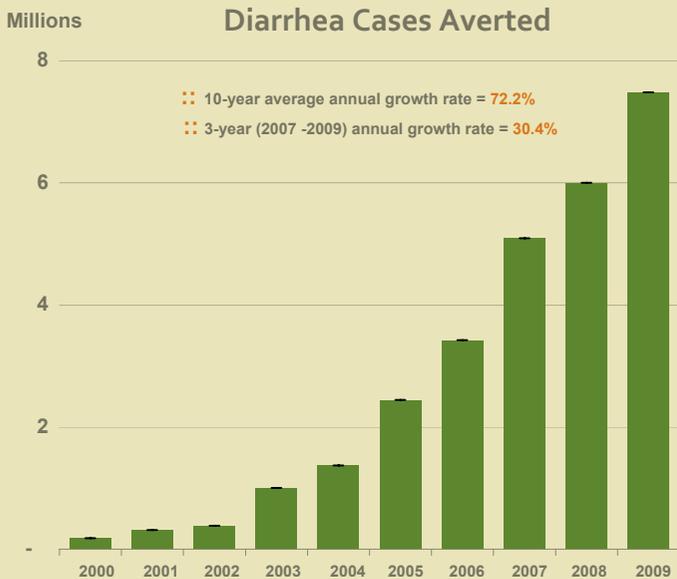
HIV Cases Averted



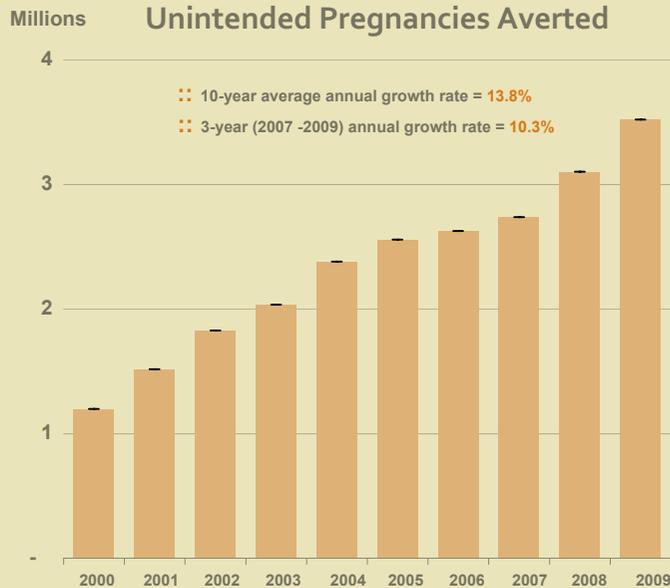
Malaria Cases Averted



Diarrhea Cases Averted



Unintended Pregnancies Averted



research to action

PSI believes that effective social marketing must be grounded in research. For this reason, PSI's programs typically include formative research and a comprehensive monitoring and evaluation component, which rely on established and innovative research methodologies developed by PSI and others to target, design, measure, and improve program effectiveness.

The example below, from PSI/Vietnam, illustrates how formative research, health messaging, and evaluation fit together to maximize the effectiveness and efficiency of social marketing interventions. PSI/Vietnam's HIV program targets male clients of sex workers by using a combination of mass media and interpersonal communication activities to promote awareness of risk, consistent condom use, and the use of HIV counseling and testing services.

GROUP SOLIDARITY GUIDES DECISION-MAKING

"If the whole group goes out to eat and drink together and there is one person who has a different idea [about visiting sex workers], the others will lose their joyfulness, and it will become uncomfortable."

— 29-year-old male client from Hanoi

➤ FORMATIVE RESEARCH

PSI's qualitative research uses narrative approaches to develop rich target audience portraits and generate insights for program design.

In Vietnam, 24 male clients of sex workers were interviewed in Hanoi and Ho Chi Minh City, exploring their decision-making around sex and condom use with sex workers.

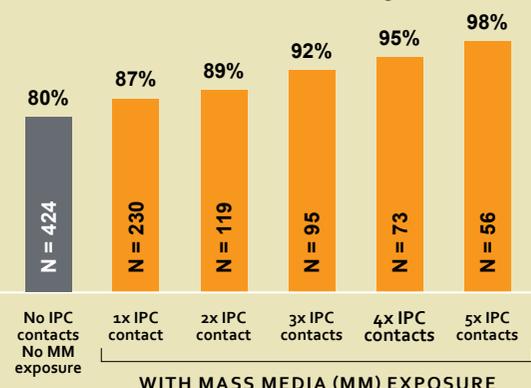
The research showed that it is necessary to speak to male clients in their social groups rather than one-on-one. Sexual decision-making is collective and peer pressure means that addressing male clients individually is unlikely to be an effective strategy for changing social norms about sex and increasing condom use.



➤ HEALTH MESSAGING

PSI/Vietnam's interpersonal communication teams work in entertainment establishments to target male clients of sex workers to promote safer sexual behaviors, including consistent condom use and HIV counseling and testing services. This is done by focusing on increasing personal risk perception and promoting social support for condom use among male clients.

% OF MEN REPORTING CONSISTENT CONDOM USE WITH SEX WORKERS IN THE PAST 3 MONTHS*



* Significant at $p < .05$ for each number of IPC contacts when compared with no IPC contacts and no mass media exposure.

➤ EVALUATION

Survey evidence from 2009 showed that a combination of exposure to the mass media campaign and interpersonal communication (IPC) activities was associated with higher rates of consistent condom use with sex workers among male clients. In addition to this, increased frequency of IPC contacts led to further increases in consistent condom use.

Use of HIV counseling and testing services was also positively associated with exposure to PSI's mass media activities and IPC activities. Testing in the last year was nearly twice as high among male clients who reported having seen the mass media campaign compared with those who had not (7% vs. 4%; $p < .05$). Testing was even higher among those who had also participated in IPC activities (12% vs. 4%; $p < .05$).



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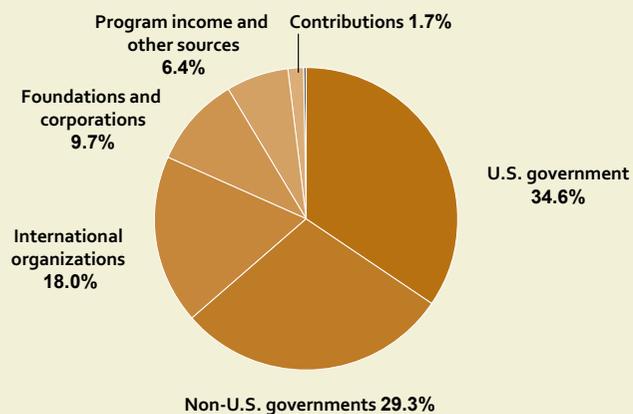
Director, Social Marketing

MIGUEL ZAVALETA

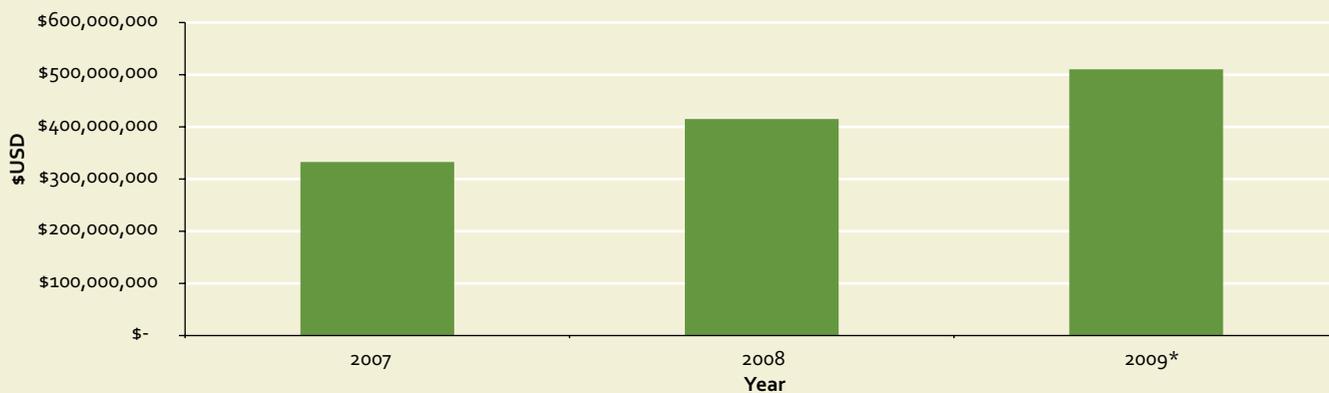
Controller & Chief Accounting
Officer

financials

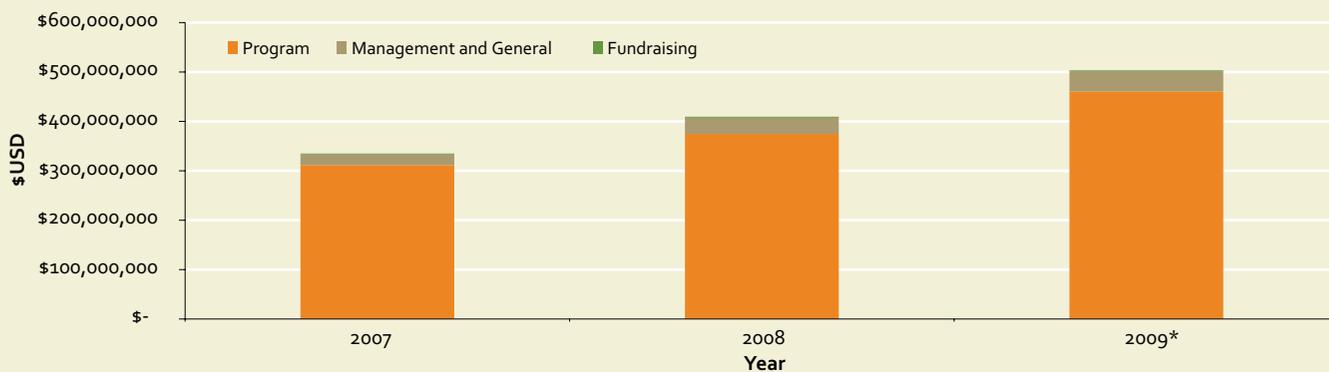
2008 SOURCES OF SUPPORT \$415 MILLION TOTAL



REVENUE BY YEAR



EXPENSES BY YEAR



*provisional numbers for 2009

The 2007 and 2008 figures above have been excerpted from statements and schedules issued by PSI's external auditors. Copies of our audited statements are available upon request from PSI in Washington, DC.

message from board chairman Frank Loy



This year, PSI turns 40. We launched as a small organization in Bangladesh in 1970 to improve reproductive health, using commercial marketing strategies to sell high-quality contraceptives at a very low cost (made possible by subsidies) – i.e., social marketing. Back then, we were essentially a staff of two entrepreneurs operating out of the back of a truck in rural communities. We spent our first 15 years focused on family planning, which remains central to our mission.

But 40 years later, our name has taken on a new meaning. We've become an organization that serves the most vulnerable populations in a variety of health areas, still using the private sector and commercial marketing strategies, but also embracing the public sector's approaches when the needs of our beneficiaries demanded it. And we have coupled our social marketing of products with social franchising of health service facilities, as well as free distribution of high-cost products such as insecticide-treated mosquito nets.

Our private sector approaches deliver products and services quickly and efficiently to people in hard-to-reach areas. And we hire locally and often manufacture locally.

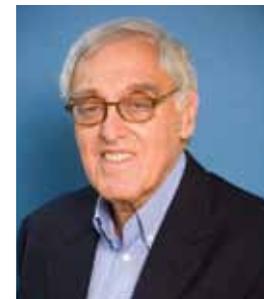
In 1988, we launched our first HIV prevention project – which promoted abstinence, fidelity and condoms – and eventually became the largest distributor of condoms worldwide. In 1990, we started promoting oral rehydration therapy for children under five to prevent death from diarrhea and other waterborne illnesses. We added malaria prevention (and later treatment) as well as safe water to our portfolio in

the 1990s, and we expanded our treatment work to tuberculosis in the 2000s.

Meanwhile, we gained ground in terms of geography. We now work in 67 countries and employ 8,000 staff.

Importantly, throughout this growth, PSI has remained focused, almost obsessed, on measuring results – the health impact of what we do.

That impact is considerable. In 2009 alone, PSI helped women avoid 3.5 million unintended and often dangerous pregnancies, prevented 34 million cases of malaria (in part by distributing 20 million nets), and reduced the burden of HIV by preventing 148,000 new infections. The marriage of public health goals with private sector methods produces gratifying results. ■



– Frank Loy
Chairman of the Board



Healthy lives. Measurable results.

U.S.

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