



# Charity asks Beijing to probe baby milk allegations

By William Lewis in London

Save the Children, the UK's largest international children's charity, has asked the Chinese government to investigate allegations that Nestlé, the world's biggest food processing group, has broken the World Health Organisation's code covering the sale of breast milk substitutes.

The charity alleges Nestlé's activities in Yunnan province, south-west China, have included "sending large quantities of free samples" of baby milk to local hospitals. This "led to the hospitals gradually adopting a new policy to use 'the free formula'". Nestlé denies Save the Children's claims.

Save the Children, whose president is the Princess Royal, alleges that Nestlé now charges the hospitals for Lactogen, a baby milk formula, but less than the retail price.

"In some hospitals staff are insisting new mothers use Lactogen," the charity alleges. "Mothers who planned to breast feed their children are finding on their return from hospital that their babies have developed a preference for formula." Every mother, Save the Children claims, is given one package of Lactogen to take home. Save the Children states: "Nestlé are currently aiding and abetting the wholesale breach of the international code by inappropriate selling and distribution policies."

The charity's allegations are based on a detailed investigation into breast-feeding practice at seven hospitals in Kunming, capital of Yunnan, details of which were sent to Nestlé by Save the Children a year ago and have been seen by the Financial Times.

Nestlé, in its response to the allegations, cites the results of an independent investigation which it claims exonerates the company. Nestlé says some of Save the Children's allegations "could not be confirmed".

Save the Children, a member of the International Save the Children Alliance, says that its public move against Nestlé is the first time it has directly targeted one company during its involvement in the long-running baby milk issue.

Mr Michael Aaronson, the charity's director general, said last week that the charity had been in private correspondence with Nestlé for a year over the Kunming allegations.

The charity has now decided to release details of its dispute with Nestlé.

Save the Children has for several years helped to fund an international pressure group which has sought to alter the way in which Nestlé, and other international consumer companies, market baby food. It argues that mothers, particularly in developing countries, who feed their babies with artificial milk could be endangering their children's health.

A spokesman for the World Health Organisation said that it was up to national governments to ensure that its code was observed. In October the Chinese government introduced its own national code governing the sale of baby milk, which experts say is tougher than the WHO code.

Following completion of the Kunming report, in July 1995 Mr Aaronson wrote to Nestlé stating that as a result of the company's marketing activities in Kunming "the use of formula in hospitals is now widespread. There has been a decrease in the incidence of breast feeding and a large increase in the consumption of Lactogen".

His letter concluded that "some of Nestlé's practices have been and still are in violation" of the World Health Organisation's International Code of Marketing of Breast milk substitutes.

Nestlé strongly denies Save the Children's allegations. On receiving details of the charity's allegations in July 1995, Mr Helmut Maucher, chairman of Nestlé, informed Save the Children that he had "ordered a full and independent investigation of the facts".

The investigators' report refutes most of Save the Children's allegations, but does state that "some hospitals certainly do not appear to be conducive to the promotion and protection of breast feeding".

In response to the Nestlé report, Save the Children submitted a seven-page letter to the company which stated that "far from resolving the misgivings", the report had added to the charity's original concerns.

In particular, Save the Children called into question the independence of Nestlé's team of investigators.

At the end of last month Nestlé responded to Save the Children, describing the charity's campaign as a "barren pursuit".

FINANCIAL TIMES MONDAY JULY 8 1996

## Save the Children v. Nestlé

The following passages are taken from a summary sheet prepared by Save the Children as background to the China story:

"Nestlé has faced international campaigns to boycott its products because of allegations that it has jeopardised the health of children by inappropriate marketing. The company has responded to these campaigns by repeatedly stating that it is company policy to respect and abide by the Code.

Based on the campaigners' evidence, Save the Children has consistently supported the boycott of Nestlé products. However, the Kunming case is the first time that Save the Children itself has gathered evidence directly of company malpractice.

Save the Children took the allegations directly to the worldwide chairman of Nestlé and maintained a private correspondence with the company for almost a year in an attempt to get it to behave responsibly.

We do not believe Nestlé has responded with sufficient seriousness, nor has it accepted any responsibility for its actions in Kunming.

The Kunming case has created serious doubt in our mind that Nestlé has any credibility when it claims to abide by the Code. Thus we believe it is important that the company's actions in this case are widely known and understood.

In particular we think it extremely important that paediatric associations and other groups of health professionals or charities should be aware of Nestlé's behaviour in light of the company's policy of engaging with them in funding research, education and other projects."