



**Independent assurance of Nestlé  
India's compliance with the World  
Health Organisation (WHO)  
International Code of Marketing of  
Breast Milk Substitutes (1981) and  
subsequent World Health Assembly  
(WHA) resolutions**

December 2010



## Independent Assurance Statement by Bureau Veritas

### Introduction

Bureau Veritas has been commissioned by Nestlé S.A. to provide independent assurance of Nestlé India's compliance with the World Health Organisation (WHO) International Code of Marketing of Breast Milk Substitutes (1981) and subsequent World Health Assembly (WHA) resolutions (herein known as the WHO Code) and India's 'The Infant Milk Substitutes, Feeding Bottles and Infant Foods (Regulation of Production, Supply and Distribution) Act, 1992' and subsequent revision 2003 (herein known as the IMS Act). This follows similar work previously conducted by Bureau Veritas for Nestlé SA in other global operations.

### Scope of Work and Methodology

The assurance was conducted in India between 18 and 29 October 2010 by two assessors from Bureau Veritas UK Limited. The team has extensive experience of undertaking WHO Code compliance related work and was supported by a representative of Bureau Veritas' Kolkata office.

Preceding the assurance activities in India, Bureau Veritas conducted the following activities:

- completed a Gap Analysis of the WHO Code and IMS Act to consider where the scope of IMS Act differed from the WHO Code;
- requested a list of Nestlé India employees, hospitals and healthcare professionals, and distributors from Nestlé India;
- identified other external stakeholders (through the Bureau Veritas representative in India) and local NGOs concerned with the protection, promotion and support of breastfeeding; and
- independently determined a schedule of interviews to take place in India between 18 and 29 October 2010.

During the assurance Bureau Veritas:

- undertook 54 interviews with a comprehensive range of key external stakeholders (Government, multilateral organisations, NGOs, distributors, healthcare professionals). Nestlé was not disclosed as the client in order to avoid bias during interviews, neither was Nestlé India informed in advance of who would be interviewed (except where stated);
- selected and visited 26 healthcare facilities, 2 orphanages and 41 retail locations to visually assess compliance with the WHO Code and IMS Act, with reference to articles relating to labelling and promotion of products; and
- selected Nestlé India staff and records for respective interview and review, as part of its evaluation of Nestlé India's internal processes for managing compliance with the WHO Code and IMS Act within India.

### Findings

The following is a summary of findings from interviews and document review undertaken with a range of key stakeholders.

#### *Nestlé India*

All employees interviewed demonstrated an adequate understanding of the WHO Code, Nestlé Instructions and IMS Act and the requirements it places upon their roles and responsibilities. Bureau Veritas is satisfied that the internal Policy Manual has been implemented across Nestlé India operations, and that employees are operating in line with the IMS Act, Nestlé India's procedures, and Nestlé SA's overall global approach to management of WHO Code compliance.

No employee interviewed indicated that they were aware of any breaches of the WHO Code, and the Ombudsman confirmed that no incidences of non-compliance regarding the WHO Code or IMS Act had occurred during the course of his tenure.

Bureau Veritas identified some areas of improvement in relation to internal management procedures and documentation that have been provided to Nestlé India in a separate management report.

#### *Distributors*

Representatives of the distributors interviewed demonstrated a good understanding of the requirements for marketing Infant Formula and Infant Food products within India and the requirements it places upon their role and responsibilities.

#### *Government*

During the audit, it was not possible to engage with the Women and Child Ministry, the government department with overall responsibility for the IMS Act and its application across India. Nor was it possible to engage with the BPNI (Breastfeeding Promotion Network of India) the government body responsible for monitoring the compliance of IMS manufacturers against the requirements of the IMS Act.

Bureau Veritas interviewed one government representative from the National Institution of Nutrition which does interact with the Women and Child Ministry. The NIN feeds in to policy making through its research activities that have an interest in adherence of the industry to the IMS Act. The representative stated that Nestlé India was seen to be the most responsible IMS manufacturer, understood to be due to general marketing conduct and also its commitment to nutrition research and development

#### *Multilateral organisations/NGOs*

One organisation with an interest in the WHO Code was interviewed during the assessment period. The Delhi Council for Child Welfare had the opinion that Nestlé India were aggressive in meetings with HCPs and would promote product information if asked to provide educational seminars. Note that this view was not replicated from any of the 41 HCPs visited across India.

#### *Healthcare facilities and professionals*

Evidence through interviews with HCPs and observations by Bureau Veritas within healthcare facilities indicate that Nestlé India and other BMS manufacturers are operating in compliance with the WHO Code and IMS Act. No examples of any promotional material relating to designated products were observed in consulting rooms or in public waiting areas.

The IMS Act prohibits manufacturers from distributing Infant Formula and Infant Food samples in healthcare facilities. A small proportion of HCPs stated that they had received a sample of Infant formula/food from a manufacturer in the past 2 years. However, these statements were anecdotal and not supported by objective evidence, Bureau Veritas did not observe any Nestlé samples during the audit. On this basis Bureau Veritas does not consider any of these claims to constitute a breach of the WHO Code or IMS Act.

#### *Retailers*

Visual observations across a range of retail establishments indicate that there is no intentional promotion of any Nestlé infant formula or infant food brands within India through in-store advertisements, coupon redemption schemes, promotional pricing or any other promotional devices. Consistent pricing was evident at all retailers visited, with some retailers offering a small discount of 5-10 Rupees if asked by customers.

#### **Bureau Veritas opinion**

From our assurance activities, evidence or observations, nothing of significance came to our attention to indicate that Nestlé India is systematically or intentionally operating in contravention to the WHO Code or IMS Act.

#### **Bureau Veritas recommendations**

Detailed findings and recommendations from our assurance activities have been provided to Nestlé S.A. as part of an internal Management Report.

As a priority, Bureau Veritas suggests that Nestlé S.A. should:

- Ensure that Nestlé India implements the recommendations made in the report concerning the application and adherence to its internal management system for WHO Code compliance.

#### **Limitations**

- Stakeholder interviews were limited to Delhi, Gurgaon, Kolkata, Shantiniketan and Sainthia.
- No interviews were conducted with mothers or their families.
- All external stakeholders interviews, with the exception of the four distributors and the National Institution of Nutrition, were arranged by Bureau Veritas.

This limited assurance is not intended to provide a definitive opinion as to whether or not Nestlé India complies with the WHO Code or IMS Act within India. Consequently, neither the limited assurance conducted by Bureau Veritas nor this statement constitutes a guarantee or assurance by Bureau Veritas that infringements against the WHO Code or IMS Act, 1992 have not taken place.

#### **Statement of independence, impartiality and competence**

Bureau Veritas is an independent professional services company that specialises in quality, health, safety, social and environmental management advice and compliance with 180 years of history in providing independent assurance services.



Bureau Veritas has implemented a Code of Ethics across its businesses which ensures that all our staff maintains high standards in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest. This assurance assignment did not raise any conflicts of interest.



**Bureau Veritas UK Ltd**  
**London**  
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