

# ACCESS TO NUTRITION INDEX

BMS ANNEX  
2016



ACCESS TO  
**NUTRITION**  
INDEX™

## BMS Background to the development of the 2016 Global Index pilot BMS methodology

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### 1. Rationale for developing a new approach to assessing BMS manufacturers

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ATNF has strengthened the approach taken in the 2016 Global Index to assess BMS manufacturers' compliance with the International Code of Marketing of Breast-milk Substitutes (The Code) and subsequent World Health Assembly (WHA) resolutions compared to that used for the 2013 Global Index. ATNF recognized that the previous approach did not assess companies' BMS policies, management systems and disclosure, and that a more extensive assessment of companies marketing within selected countries was needed to augment the desk-based analysis of their internal policies and procedures. Many stakeholders also took this view.

ATNF's principal objectives for developing the new approach were therefore:

- To produce a rigorous and objective methodology to analyze companies' BMS marketing policy commitments, management systems and disclosure, in line with the approach taken in the Global Index.
- To assess the effectiveness of these management systems in controlling actual marketing practices in key markets.
- To combine these two elements in order to generate a score and rating for BMS manufacturers, in line with ATNF's established approach to scoring and rating. This enabled the BMS score to be incorporated into food and beverage companies' overall scores for the Global Index.

The intention is to enable stakeholders to compare for the first time:

- 1 The alignment of several major companies' BMS marketing policies with The Code and subsequent WHA resolutions.
- 2 The markets and products to which companies apply their policies.
- 3 How robust their related management systems are and how consistently the companies apply them in different markets.
- 4 The completeness of companies' disclosure.
- 5 The effectiveness of policies and management systems in key markets in ensuring that companies' marketing of BMS products complies with their policies and/or The Code and local regulations.

### 2. Approach to developing the 2016 methodology

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ATNF aimed to learn from and to align, where possible, existing and emerging approaches to monitoring companies' BMS marketing practices including those of FTSE4Good, NetCode, IBFAN, Save the Children and UNICEF. During 2014 and 2015, ATNF did extensive research and consulted a wide range of BMS stakeholders on how best to evaluate companies' performance on BMS marketing.

Stakeholders consulted include:

- Alive & Thrive
- Bill & Melinda Gates Foundation
- Children's Investment Fund Foundation
- GAIN
- Helen Keller International
- IFPRI
- PAHO
- Save the Children
- USAID
- World Bank
- WHO
- UNICEF
- 1000 Days

ATNF also invited the major BMS producers included in the Global Index to provide their comments on the proposed approach, as well as FTSE4Good, PWC (a company that carries out audits for FTSE4Good), Bureau Veritas (a company that carries out audits for some BMS companies), JB Consultancy and the International Association of Formula Manufacturers (IFM) which developed the Rules of Responsible Conduct, a self-regulatory code, for its members. (See Box 27 at the end of the Annex for an analysis of the Rules using the ATNI BMS methodology).

ATNF then presented proposals to the ATNI Expert Group over several months, which helped to shape the final approach.

### 3. Final pilot methodology for the 2016 Global Index

The resulting approach comprises two elements:

TABLE 20 Resulting approach

Criterion	Scope	Basis of methodology	Conducted by
<b>BMS 1. Corporate Profile assessment</b>			
<ul style="list-style-type: none"> <li>▪ Analysis of alignment of language of companies' BMS marketing policies with The Code and relevant WHA resolutions.</li> <li>▪ Coverage of product types and markets (higher and lower-risk)</li> <li>▪ Extent to which companies commit to going beyond compliance in all markets or only complying with local regulation even where such regulation is weaker than The Code.</li> <li>▪ Assessment of the strength of companies' management systems that determine implementation of policy.</li> <li>▪ Assessment of companies' policies and management systems related to lobbying on BMS issues.</li> <li>▪ Assessment of companies' disclosure of these key documents, and key performance measures.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Code and relevant WHA resolutions.</li> <li>▪ Advice from a wide range of experts.</li> <li>▪ Experience and approach of FTSE4Good and others in assessing corporate policies and management systems.</li> </ul>	<ul style="list-style-type: none"> <li>▪ ATNF</li> </ul>	
<b>BMS 2. In-country assessments of marketing practices</b>			
<ul style="list-style-type: none"> <li>▪ Assessment of companies' compliance with The Code in two higher-risk countries.</li> </ul>	<ul style="list-style-type: none"> <li>▪ IGBM Protocol, adapted to align with local regulatory requirements</li> </ul>	<ul style="list-style-type: none"> <li>▪ Westat.</li> </ul>	

### Summary of the Corporate Profile methodology:

TABLE 21 Scoring system Corporate Profile methodology

Section	Topic	Criteria
1	OVERARCHING COMMITMENTS: Commitments regarding the introduction of The Code	Policy commitment indicators
2	ARTICLE 4: Information and education	Policy commitment indicators
		Management systems indicators
3	ARTICLE 5: The general public and mothers	Policy commitment indicators
		Management systems indicators
4	ARTICLE 6: Health care systems	Policy commitment indicators
		Management systems indicators
5	ARTICLE 7: Health workers	Policy commitment indicators
		Management systems indicators
6	ARTICLE 8: Persons employed by manufacturers and distributors	Policy commitment indicators
		Management systems indicators
7	ARTICLE 9: Labeling	Policy commitment indicators
		Management systems indicators
8	ARTICLE 10: Quality	Policy commitment indicators
		Management systems indicators
9	ARTICLE 11: Implementation and monitoring	Policy commitment indicators
		Management systems indicators
10	Lobbying and Influencing governments and policymakers	Policy commitment indicators
		Management systems indicators
11	Disclosure	

The scoring system used is explained in detail below.

#### 4. Scope of products assessed

To determine which products to assess, ATNF uses the original definition of products covered by The Code as well as the subsequent clarifying language set out in the WHO's statement 'Information concerning the use and marketing of follow-up formula' from 17 July 2013. See the BMS chapter in the Global Index Report for a detailed explanation of this guidance. The methodology assesses whether companies restrict marketing of the following products in line with the recommendations of The Code and relevant WHA resolutions:

- Complementary foods and beverages identified<sup>1</sup> as being suitable for consumption by infants up to six months of age.
- Any type of milk-based formula including infant formula identified as suitable for infants from birth to six months of age, follow-on (or follow-up) formula identified as suitable for infants from six months of age and growing-up milk (also called toddler milk) identified as suitable for infants from 12 months old to young children up to 24 months of age.
- Feeding bottles and teats (and any other products encompassed by country regulations, for the in-country assessments) and equipment and materials, as defined by The Code or local regulations.

## 5. How companies were selected for assessment

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The 2016 Global Index assesses 22 major food and beverage companies. Among these companies, only those that derived more than 5% of their FY2014 revenues from sales of baby foods<sup>2</sup> were assessed using the BMS methodology. In addition to the major BMS manufacturers that fall within the food and beverage sector classification, stakeholders recommended that ATNF also include major BMS manufacturers from the pharmaceutical sector as these companies are major players in this segment. The BMS analysis and sub-ranking includes the following six companies:

- Abbott Laboratories
- FrieslandCampina
- Danone
- Heinz
- Mead Johnson Nutrition
- Nestlé

For further information on their revenues and market shares, see the BMS chapter of this report.

Four other food and beverage companies included in the 2016 Global Index (Arla, Lactalis, PepsiCo and Tingyi) also produce BMS. However as they derive less than 5% of their global revenues from these products and account for a small share of the global BMS market they were not assessed on BMS.

## 6. How the Corporate Profile research was undertaken

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All six companies assessed were informed two months prior to the initiation of research of their inclusion on the BMS assessment. The assessed companies were invited to take part in an online briefing regarding the methodology and the research process. Two companies – Heinz and Mead Johnson – declined to engage in the research process. The Corporate Profile assessment of these companies therefore is based solely on the information available in the public domain.

The research process followed was:

- ATNF uploaded company information in the public domain onto the assessment platform, indicating in the comments section where information was inadequate or missing.
- Companies were given four weeks to upload further information and comments to the platform, under a non-disclosure agreement where requested.
- An ATNF staff member reviewed all the material and allocated provisional scores for each indicator. ATNF's Senior Advisor then reviewed this analysis. A list of questions was drawn up for each company to identify any additional information necessary to fully assess each indicator.
- Companies were given one week to provide the additional information requested. At this point, the platform was 'closed' and companies could no longer add information or view their records.
- ATNF reviewed the additional material and allocated final scores.
- Individual scores were calculated and the corporate profile section of the scorecards drafted, noting areas of compliance and non-compliance, and improvements needed.
- Companies were given the opportunity to identify any factual inaccuracies in this part of the research prior to launch, which were corrected.
- Final BMS scorecards were sent to the companies and published on ATNF's website.

## 7. How the two countries were selected for the in-country assessments

ATNF had sufficient funding to undertake two in-country assessments on a pilot basis for the 2016 Global Index. To be considered for selection, countries needed to meet two criteria:

- 1 Score as a higher-risk country on a risk rating system used by FTSE4Good, based on data from UNICEF and other organizations<sup>13</sup>.
- 2 All six of the BMS companies to be assessed on the BMS Index had to be present in the market. Only four countries satisfied these criteria: China, Vietnam, Russia and Indonesia.

With guidance from the Expert Group, ATNF selected Vietnam and Indonesia. Selection of these two countries was mainly because of positive initiatives to support breastfeeding in these countries and for logistical reasons. It was noted that ideally countries from two different continents would have been selected – particularly an African country. However, as there was no African country where all, or even most, of the BMS companies chosen for assessment were present, the inclusion of an African country was ruled out for this first pilot.

All companies selling BMS products, and other products within the scope of The Code (teats and bottle) or local regulations (e.g. pacifiers in Vietnam) were included in the research.

Tables 22 & 23 indicate the relative market shares and sales revenues of the major players in each market; the size of Indonesia's market for baby food in 2014 was \$2.3bn (with a population of 250m), while that of Vietnam was \$1.3bn (with a population of 90m).

**TABLE 22** Major baby food companies in Vietnam: FY2014

Companies in Vietnam	\$m	Market share %
Vietnam Dairy Products (Vinamilk)	357.50	27.3
Abbott Laboratories	230.50	17.6
FrieslandCampina	166.30	12.7
Mead Johnson	148.70	11.4
Nestlé	133.20	10.2
Danone	39.20	3.0
Nutifood Nutrition Food	129.80	9.9
Hipp	15.40	1.2
Meiji Holdings	15.00	1.1
Others	73.40	5.6
<b>Total</b>	<b>1,309.00</b>	<b>100</b>

TABLE 23 Major baby food companies in Indonesia: FY2014

Companies in Indonesia	\$m	Market share %
Danone	643.80	28.0
Nestlé	605.50	26.4
FrieslandCampina	310.70	13.5
Morinaga Milk Industry	277.80	12.1
Mead Johnson	130.00	5.7
Abbott Laboratories	118.40	5.2
Kalbe Farma	34.70	1.5
Fonterra	36.50	1.6
Indofood Sukses Makmur	28.30	1.2
Heinz	13.40	0.6
Others	97.50	4.2
<b>Total</b>	<b>2,296.60</b>	<b>100</b>

## 8. How the in-country assessments were undertaken

The in-country assessments were conducted on a pilot basis, to test the new approach, with a view to further improving it for future Indexes.

### Selection of research methodology

The consensus view of the BMS stakeholders consulted was that ATNF should use the IGBM Protocol to undertake the in-country assessments. The Interagency Group on Breastfeeding Monitoring (IGBM) was a UK-based coalition of international NGOs, churches, academic institutions and interested individuals which originally developed and tested the Protocol between 1998-2007. Its use is now controlled by UNICEF New York. Other pre-existing methodologies that ATNF considered were WHO's Common Review and Evaluation Framework, ActuateMe (a proprietary methodology developed by JB Consultancy), and those of FTSE4Good/PWC and IBFAN.

### Appointment of consultants and advisors

ATNF conducted a tender process in March 2015 by issuing a confidential Request for Proposals (RFP) entitled 'In-country assessments of BMS companies' compliance with the International Code of Marketing of BMS, and national regulation', covering assessments in two pre-selected countries, Vietnam and Indonesia. ATNF sent the RFP to three pre-identified companies with expertise in consulting health sector surveys or assessments similar to those required by ATNF.

Westat, an employee-owned health and social sciences research organization based in Rockville, Maryland was selected. Westat had identified an in-country partner in each country: the Institute of Social and Medical Studies (ISMS) in Vietnam and Polling Center in Indonesia. Westat began work in April 2015.

ATNF also hired a technical expert who had undertaken several similar assessments using the IGBM Protocol previously and she advised in the early stages of the project design.

Two full reports, one for each country, published on ATNF's website, explain in detail how this research was undertaken. The following is a summary of those reports.

## Research methodology

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The IGBM Protocol (the Protocol) required several types of research be undertaken in order to assess companies' compliance with five Articles of The Code (Articles 4,5,6,7 and 9). Required research includes interviews with pregnant women and mothers of infants in health facilities, interviews with healthcare workers in health facilities, identification of informational materials produced by BMS manufacturers available in health facilities and retail stores, identification of sales promotions by BMS manufacturers in retail stores, analysis of product labels and inserts of all available products on the local market, and monitoring of media advertising.

## Preparations and approvals for the research

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ATNF visited Vietnam and Indonesia in order to hold meetings with key stakeholders and gain their input and advice on how to undertake the assessments.

ATNF also met with officials from the Ministry of Health in Vietnam and the Department of Health in Indonesia to explain the proposed studies and request formal permission to undertake them. Permission was granted in each case and the letters of approval are available in an Annex to each of Westat's two country reports.

The companies assessed were not given prior warning of the research, either in terms of the countries or the timelines. They were only informed once research was completed to avoid the risk that they might withdraw materials that had been circulated to clinics or promotions in retail stores, for example.

## Research process

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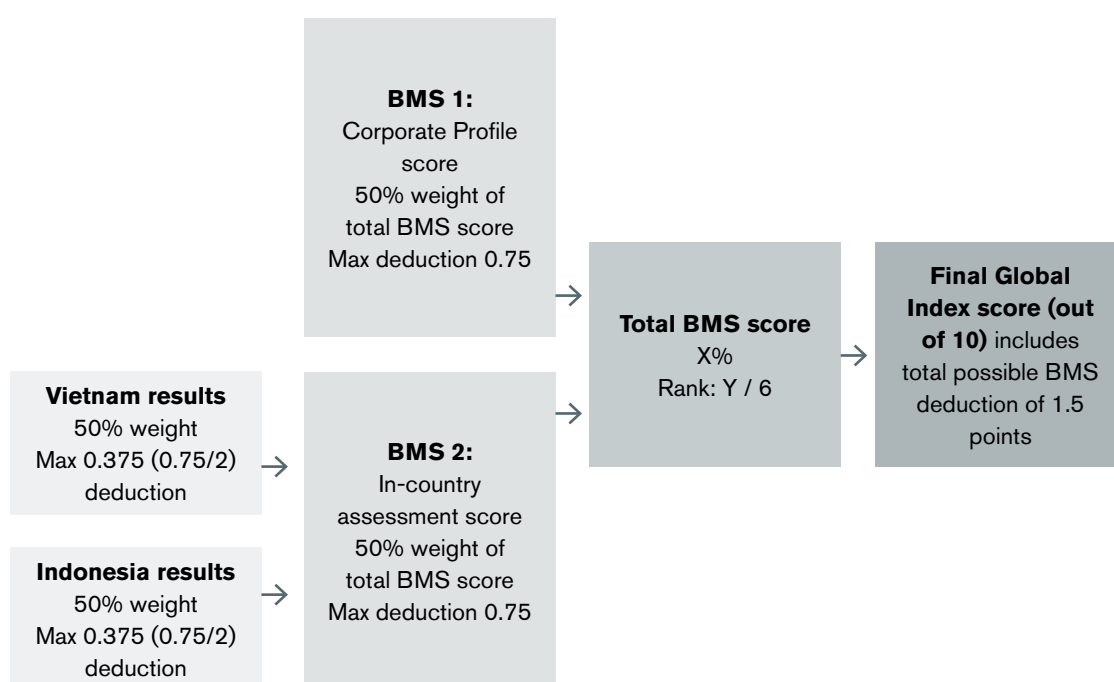
The research process is outlined in detail in Westat's reports. In summary, Westat and its local partners, with the guidance of ATNF and its Technical Advisor:

- 1** Identified the cities in which the research would be undertaken (Hanoi and Jakarta) and gathered information from the appropriate sources and authorities on the location, type and size of health facilities in those cities. These were then sampled in accordance with the Protocol guidance.
- 2** Undertook a comparative analysis of The Code and applicable national regulations governing BMS marketing in each country to identify any differences. Where the national regulations were stronger than The Code, changes needed to each of the model data collection forms provided in the Protocol were identified.
- 3** Adapted the six data collection forms provided in the Protocol, for each country, to ensure that data could be collected by product type, company and in relation to Article 5 for new media as well as traditional media.
- 4** Bought as many products as possible from a range of retailers available in each city and classified those products according to age range and manufacturer.



- 5 Made arrangements in each country for data collection, review and entry. Data was entered into Epi Info (software package) using double data entry methods to ensure quality control.
- 6 Ran one-week training programs for data collectors and supervisors. Pre-tested the forms and data entry system.
- 7 Organized and undertook visits to sampled healthcare facilities. During visits data collectors interviewed women and healthcare professionals, chosen using a random sampling technique, and assessed any BMS marketing materials within those facilities.
- 8 Visited three retailers near each health care facility in order to assess in-store BMS marketing and promotions. In each country the types of retail stores expected to sell the greatest volume of products were selected.
- 9 Arranged for specialist media monitoring companies to provide data on adverts on the two traditional forms of media that accounted for most advertising spending. Media monitoring was carried out in Vietnam between June 1st and July 31st and in Indonesia between May 1st and 31st and then August 1st to 31st, due to Ramadan and Eid. Local staff then monitored the selected new media channels (companies' own websites, Twitter feeds and YouTube channels as well as online retailers and magazines intended for pregnant woman and mothers) for one month.

## 9. How the scoring system works



## How the BMS score is calculated and links to the overall Global Index score

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The total BMS score is an average of the BMS Corporate Profile assessment score (BMS1) and the 'in-country' assessments of marketing practice (BMS2), carried out in Vietnam and Indonesia. The total possible BMS score is 100%. The higher this score the closer the company has come to achieving full compliance with the ATNI methodology, which reflects the recommendations of The Code, WHA resolutions and local regulatory requirements. The total possible score for each of the two elements (BMS1 and BMS2) is also 100%. An adjustment to the four F&B companies' final Global Index score is then made, proportionate to the BMS score, up to a maximum deduction of 1.5. Had Abbott and Mead Johnson been included in the Global Index, a deduction would also have been made to their scores.

## How BMS 1 Corporate Profile scoring works

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The Corporate Profile methodology has 11 sections. All sections are equally weighted. For the ten sections that have more than one type of indicator, e.g. policy commitment and management systems indicators, each type carries 50% of the weight within that section. For Section 9 which assesses companies' implementation of The Code (governance and global management systems) there are few policy commitment indicators but many management system indicators. Therefore policy commitment indicators carry 20% of the weight and the management system indicators 80%.

**Initial Corporate Profile score:** This score is based on an initial analysis of the company's policy, management systems and disclosure as set out in the ATNI BMS methodology. It reflects the extent to which their policies are aligned with The Code and subsequent WHA resolutions, the strength of their management systems and extent of disclosure (but not yet taking into account the product scope).

**Weighted scores:** The initial Corporate Profile score is adjusted according to which types of countries the policy applies to and whether companies commit only to comply with local regulations or to go beyond legal compliance. Ideally, companies should commit to applying their policies globally (i.e. in both higher and lower-risk countries) and upholding them where local regulations are weaker than their policies, in which case their score is not adjusted downwards. If companies apply their policies globally and commit only to comply with local regulations (rather than their own policies where stricter) their scores are reduced by 15%. If companies commit to applying their policies only in higher-risk countries, but go beyond legal compliance where their policies are stronger than local regulation, their scores are reduced by 25% (because the policy is not applied also in lower-risk countries). If companies apply their policies only in higher-risk countries and commit only to comply with local regulations (rather than their own policies where stricter) their scores are reduced by 25% and another 15%. The scores under each product type show the level of compliance each company achieves for that product type. If the company does not apply its policy to any product category it scores zero. This is also the case if it does not disclose its policy.

**Final Corporate Profile score:** This is the final score weighted according to whether the companies' policy applies to each type of BMS product being assessed by ATNF. The weightings for each product type were agreed with the Expert Group. The infant formula score is weighted 35% and complementary foods (0-6 months) at 25% (so that together products designed for infants' first six months of life carry 60% of the overall weight); follow-on formula is weighted at 20% and growing-up milks at 20%.

## How BMS 2 in-country scoring works

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The companies' aggregate score for in-country marketing practices is calculated as follows:

- Aggregating the total number of observations of non-compliance with the methodology in each country. (Note, however, that data based on mothers' and health care workers' recall are not included in these calculations for several reasons, outlined fully in the Westat reports. In short, this is because recall can be biased in several ways; in addition, because objective information was collected in the studies, the recalled data could be used in conjunction with the actual data against which to corroborate those findings).
- Calculating the number of incidences of non-compliance, normalised by the total number of each company's products assessed in each country, to provide a relative measure of the scale of non-compliance. The number of products assessed was the number bought by the research teams across a wide range of retailers (the labels of which were then assessed for compliance with the methodology). However, this was not necessarily the total number of products for sale in each city; more could have been available in stores that the researchers did not visit. Note also that products made specifically for sale in Vietnam and Indonesia as well as products imported from other countries were included in this list and assessed. In some cases, this meant that two versions of the same product (in terms of ingredients and branding) were assessed, as consumers were able to buy both versions.
- Assigning a rating in each country to reflect the level of compliance: complete (0 incidences of non-compliance), high (less than 1 incidence of non-compliance, normalised), medium (between 1.1 & 2 incidences) or low (more than 2.1 incidences). The same ranges for high, medium and low are used for both countries.
- Each rating corresponds to a percentage score indicating the level of compliance with the methodology:
  - Complete compliance = 100%
  - High relative level of compliance = 66%
  - Medium relative level of compliance = 33%
  - Low relative level of compliance = 0%
- The total percentage score for the in-country assessments is the average of the scores from Vietnam and Indonesia, which is then converted into the number of points to be deducted from the Global Index score, out of a total maximum of 0.75 (half of the total possible 1.5 adjustment to the Global Index score).

## 10. Challenges and limitations

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### a) Challenges, limitations and opportunities for improvement of the BMS Corporate Profile assessment

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When undertaking this assessment of the six companies, ATNF encountered several challenges, and has identified a number of limitations to the exercise and ways in which the approach could be improved in future.

#### Challenges

**Development of the methodology:** This was the first time that ATNF has developed a methodology to assess BMS companies' policy commitments, management systems and disclosure relating to BMS marketing. There were few prior examples of similar assessments to draw from. ATNF aimed to align the methodology structure to the extent possible with that of the Global Index methodology. It also drew from the criteria set out by FTSE4Good. Developing indicators to assess companies' management systems was the most challenging, as The Code does not offer any guidance in this area.

Development of the methodology was resource-intensive and challenging. The methodology had to be developed in stages and stakeholders' views solicited over the course of more than a year. This was partly because companies' views as to the appropriate scope and approach that should be taken, and those of industry associations, were at odds with the views of those in the nutrition community. For example, the companies believe that the appropriate scope for the assessment should only be products for infants up to 12 months old, and should not include growing-up milks. The industry also believes that in lower-risk markets they should only be required to follow local regulation, rather than go beyond compliance and follow The Code in full. In these cases, ATNF followed the recommendations of The Code and/or WHO's most recent guidance, an approach supported by the nutrition specialists advising ATNF.

**Undertaking the research:** ATNF undertook the BMS research. The biggest challenge during the research process was the fact that most companies publish little more than overarching policies. Those companies that engaged in the research process provided a large number of documents, which were time-consuming to analyze. Further, we required the companies to dedicate a significant amount of time to collating material to submit to the ATNI data-platform and to answering our queries and requests for clarification of some documents.

**Scoring:** Establishing a scoring system was also challenging. The scoring system applies various weights, all of which were determined in consultation with stakeholders and the Expert Group, but ultimately, they are subjective, and many other weighting systems would be equally valid.

#### Limitations

**Range of companies assessed:** This pilot assessment included only six multinational BMS manufacturers, whereas several other major companies account for significant sales globally. Ideally, any future assessment would extend to these firms to give a more complete picture of industry performance. In addition, the methodology could be extended within selected countries to assess local manufacturers.

**Areas not covered by methodology:** While the Corporate Profile methodology aimed to assess many important areas of companies' commitments and management practices, others have not been covered, principally because they lie outside the scope of The Code. These include, for example, corporate funding of research and advocacy bodies and companies' programs or support for other organizations' programs to promote breastfeeding, or address nutritional deficiencies among infants under two and women of childbearing age.

## b) Challenges, limitations and opportunities for improvement of the in-country assessments of marketing

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### Challenges

As these were the first studies of their kind that both ATNF and Westat have conducted, several challenges arose.

**Time frame:** The studies were undertaken over a very short period of time and this presented several logistical challenges. In future, ATNF will allow more time for each study.

**Accessing data:** Much of the data and information needed in regard to health care clinics was not complete or easily available. Westat's local partners had to spend a lot of time obtaining and compiling the appropriate data.

**Lack of definitions of non-compliance:** The Code includes a complex set of recommendations, some of which can be challenging to interpret or measure. For example, the prohibition against pictures that idealize the use of BMS is not defined and is a subject of considerable debate. Other examples are what constitutes an inducement to a health worker to promote BMS products, and what is considered advertising in an increasingly digital world.

**Scoring:** Designing a scoring system was also difficult as there is no precedent to draw upon. The research relies in part on health care workers and mothers' memory, which can be inaccurate (as described below). Findings based on recall are therefore not included in the scoring as direct observable measurement of adverts and promotions was captured. The recalled information was however referenced in the Westat reports in relation to the observed adverts and promotions.

Observed incidences of non-compliance also had to be aggregated for each company. It was decided that the scoring system should take into account the relative scale of each company's presence in each market, i.e. to calculate relative figures of incidences of non-compliance. The number of observations was therefore divided by the number of products found for each company. This may not have been the total number available in each capital city. Ideally, the denominator would have been the value of sales of each product, but such data is not available. Finally, these relative figures were assigned a level (i.e. a high, medium and low level of compliance) – the ranges used are subjective, and a points deduction was assigned to each level, again chosen subjectively.

## Limitations

The limitations of the studies are set out at length in the Westat reports. In summary, they are:

**Geographical coverage:** Conducting and publishing these studies in parallel in two major emerging countries' capital cities provides a valuable comparative insight into marketing, however it does not provide a comprehensive picture of each company's marketing practices worldwide. Given available resources, it was not possible to conduct studies in more than two countries at this stage. Also, the studies were carried out in two Asian countries rather than in two regions. ATNF would like to extend the geographical coverage of such research to other continents and include lower-risk countries as well as higher-risk countries, to compare findings.

**Two major urban areas:** As the studies were carried out in the capital cities of each country, the results cannot be extrapolated for the rest of the country as they are unlikely to be representative of marketing activity in smaller urban or rural areas.

**Snapshot in time:** These studies are one-time cross-sectional surveys that only provide a snapshot of companies' marketing activities, rather than insight into marketing activities over a longer or continual period of time. However, they can perhaps provide a baseline against which future studies can measure.

**Products assessed:** As products were only purchased from a selection of retailers, and no 'master' list of products available on the market was identified, it is not possible to know whether all products for sale in the capital city (or the whole country) were within the product set. It is therefore possible that there are other incidences of non-compliance related to other products.

**Focus on women with children under six months old only:** The IGBM Protocol calls for interviews with (pregnant women and) mothers of children less than six months old. It does not assess the promotion of BMS products for older infants and children by asking mothers of older children about their experiences with products designed for those age groups.

**Recall bias:** Another significant limitation of the studies is that much of the information is collected through interviews with women and with health care workers, which can be misreported because of incorrect recall, misunderstanding, reluctance to provide complete information, or a perception of what the respondent thinks the desired response should be. When a period of recall is involved, as was the case with both the women and the health care workers, there can also be recall bias that may involve telescoping a remembered event into the recall period, even though it occurred outside of it. This bias can also include microscoping an event outside of the recall period when it actually occurred inside of it. Therefore it is likely that recall bias occurred.

**Selection of health care workers:** While health care workers were randomly selected within each health facility, they might not have been the best employees to interview with respect to facility-related issues. The health care worker interview has one section that is directly related to the worker; the other sections are facility-level questions. For these questions, the most knowledgeable respondents might be the facility manager and the facility financial manager. The study's approach might have resulted in under-reporting of certain items, such as equipment donation and visits by sales representatives.

**Selection of retail outlets:** The sample of retail outlets was a purposive sample. The objective was to select stores judged most likely to offer promotions so that promotions could be documented if they were occurring. The percentage of stores that had at least one promotion was very high, but this cannot be extrapolated to the universe of stores in urban Hanoi and Jakarta. Further, each store was visited on only one day, so it is possible that more stores would have had promotions if they had been visited over a period of time. It is not also possible to estimate whether the results from these stores are representative of the total retail community in urban Hanoi or Jakarta. Nonetheless, the number of promotions was substantial indicating a high level of promotional activity across the cities.

**Unclear definitions from authoritative sources:** A number of 'grey areas' were identified where it was not clear whether an observation should be considered an incidence of non-compliance. In such situations Westat was cautious not to over-interpret the information.

#### BOX 27

## Analysis of IFM's Rules of Responsible Conduct alignment to The Code

### 1. Introduction

Danone, FrieslandCampina, Abbott and Mead Johnson Nutrition are all members of the International Association of Infant Food Manufacturers (IFM) and so subscribe to the IFM Rules of Responsible Conduct (RRC) published on 31 December 2013. The BMS policy score of these companies is based both on their own policy commitments and commitments they make through their support of this initiative.

ATNF has scored the RRC against the policy indicators of the ATNI BMS Corporate Profile methodology to provide an indication of how closely this self-regulatory pledge aligns to The Code and subsequent WHA resolutions and where it might be improved. As the RRC does not provide detailed guidance on how companies' management systems, guidelines and procedures should be written or applied, these could not be assessed against the other elements of the corporate profile methodology.

### 2. Product and geographic application of the RRC

Significant weaknesses of the RRC are that they apply:

- Only in higher-risk countries (using UNICEF and WHO data to identify those countries), rather than in all countries, as recommended by The Code.
- Only to infant formula for infants up to six months old and to complementary foods for infants up to six months old, rather than all products that WHO deems to be BMS in its clarification of the definition of products covered by The Code, published in July 2013.

Moreover, in countries where regulations exist and they are weaker than the RRC, companies comply only with the regulations. In other words, if local regulations allow, companies will market the above products and will not conform to the policy commitments outlined in the Rules. Given how few countries have yet enacted laws and regulations fully in line with The Code, this means that the marketing practices of IFM members companies operating in those countries are likely to fall well short of the recommendations set out in The Code.

The RRC also does not specifically support continued breastfeeding 'for two years and beyond' as recommended by the WHO. The Rules only mention the introduction of safe and appropriate complementary foods thereafter to supplement continued breastfeeding.

The RRC also do not acknowledge the subsequent WHA resolutions of The Code. Furthermore, there is no requirement that IFM members apply the RRC to joint ventures and subsidiaries.

### 3. Alignment of the RRC policy commitments to The Code

As shown in Table 24, the only policy commitments included in the RRC that are fully aligned with The Code are those that relate to Article 10 on 'Quality'. There are significant gaps between the RRC commitments and the other Articles of The Code.

**TABLE 24** IFM RRC 'score' on the ATNI policy commitment indicators

Policy commitments	Level of alignment with ATNF Corporate Profile methodology
Article 4: Information and education	0%
Article 5: General public and mothers	40%
Article 6: Health care systems	0%
Article 7: Health care workers	50%
Article 8: Employees	0%
Article 9: Labeling	0%
Article 10: Quality	100%
Article 11: Implementation and monitoring	17%

The RRC does not make the following explicit commitments:

- Article 4 (Informational and educational materials): The conditions for when, how and to whom these materials can be distributed are not defined. In addition, there is no mention of the key text that these materials should contain, as specified by The Code.
- Articles 6 & 7 (Health care workers and systems): When and how interaction with health care systems should take place. The RRC only define conditions for interaction with health workers, but these are not fully aligned with The Code.
- Article 8 (Persons employed by manufacturers and distributors): Not to include within bonus calculations for sales representatives the volume nor value of sales as well as quotas of products covered by The Code. Further, the RRC does not oblige the IFM members not to allow their staff involved in marketing BMS products to serve in educational functions in relation to pregnant women or mothers of infants and young children.
- Article 9 (Labeling): To comply with the full labeling recommendations of The Code.



The RRC also does not make any reference to WHA resolutions 58.32, 39.28, 45.34, 47.5, 49.15, 63.23. They do however cover in detail other aspects of marketing that fall within the scope of The Code such as organization and sponsorship of events, and providing educational grants. They also cover the conditions under which supplies may be made in emergency and disaster situations, and to orphanages and other social welfare institutions.

#### 4. Opportunities for improvement

In addition to bringing the RRC into alignment with The Code and all relevant WHA resolutions, the RRC could be improved in several other ways:

- Providing better guidance on how supporters should implement and monitor the RRC; currently the Rules only urge companies to be responsible for taking steps to ensure that its conduct at every level conforms to their policy.
- Setting out detailed guidance to member companies on when and how lobbying and engagement with policymakers should be conducted (only that they will continue to engage governments and standard-setting bodies on a variety of topics). Such guidelines should clearly articulate that any lobbying and engagement activity supports governments' efforts to promote breastfeeding, and the proper labeling of all BMS and other products covered The Code, and curtail advertising and promotion that discourages or undermines breastfeeding.
- Opening up to other stakeholders the whistleblowing and monitoring program, currently open only to IFM members, to allow them to raise concerns through this mechanism and have them fully investigated. IFM should also pledge to publish its findings in these cases.

#### NOTES

<sup>1</sup> By the company on the packaging, an insert or in adverts.

<sup>2</sup> ATNF uses the Euromonitor definition of the baby food segment, which extends beyond the products included in the analysis. However, no further breakdown was available. The types of products included in the baby food category are: i) Dried baby food: Products requiring the addition of water, milk or other liquids before consumption, and which are usually sold in packets. Cereals and dehydrated soups are also included. ii) Prepared baby food: Baby products sold in jars, cans or retort flexible pouches which do not require any cooking preparation other than heating. Includes pureed food, yoghurts, chilled desserts, soup, desserts, ice cream marketed for babies. iii) Milk formula: This is the aggregation of standard, follow-on, toddler and special milk formula. Note: Välling, vaelling, gruel or any milk formula products containing cereals/wheat/oat etc are excluded from milk formula. iv) Other baby food: Any other products marketed for babies, for example baby rusks, teething biscuits, baby fruit juices etc.

<sup>3</sup> UNICEF data on mortality data, malnutrition, health outcomes, HIV/AIDs levels; TI Corruption Index ranking, Human Development Index ranking, Total and Urbanised Population Data; IBFAN data on number of allegations by company per country and state of The Code by country.

All links accessed November 2015.

