

Nestlé claims it has right to sell formula

By MSINDISI FENGU

THE saga over baby formula continues in the Eastern Cape with Nestlé claiming it was well within its rights to sell the milk to churches.

Police and Health officials two weeks ago swooped in on a number of churches and confiscated tins of baby formula worth about R91 000 in Cofimvaba, as well as another 1 400 tins in Queenstown and more than 1 600 tins in Dutywa.

Nestlé is contracted to the Department of Health to provide baby formula to Health facilities so that they can distribute them free of charge to poor mothers.

The provincial Health Department has maintained that Nestlé breached the terms of its contract by selling a State product.

However, this was refuted by Nestlé spokesperson Ravi Pillay:

"Nestlé South Africa would like to clarify that items supplied to health-care facilities and institutions with wording 'State use only - not for sale' is a preference and not an obligation of the contract," Pillay said, referring to the terms of Nestlé's contract with national Treasury worth R20 million.

Pillay said the contract stated it was "preferred" for the baby formula to be branded "Not for Resale". How-

State says firm has breached contract

ever, he would not be drawn into commenting on the agreement between Nestlé and churches.

He would only say that Nestlé was "extremely concerned" about the current situation of the Nestlé Orphans and Vulnerable Children Assistance Programme and were in talks with authorities in the Eastern Cape to fully understand the situation. "The programme is a well-intentioned social responsibility initiative aimed at assisting non-governmental organisations to access infant formula at a reduced price for orphans and other vulnerable children."

However, provincial Health Department spokesperson Sizwe Kupelo said the department's position remained the same.

"We've a product that is supposedly ours sold elsewhere and that puts us in an awkward position in terms of monitoring that it does not end up in the hands of unscrupulous people."

Kupelo said it was stated in the contract that "the winning bidder" - in this case Nestlé - brand the State product. "Even our medicines are branded 'not for resale'."

Kupelo said the department had "sometimes run out of baby formula stock".

"Contrary to the church claims, the State has not failed to provide services to the poor.

"How do (churches) sell the same baby formula that is provided free of charge to the poor?"

Eastern Cape Roman Catholic Church vicar-general Father Heinrich Schöder, who earlier demanded an apology from the Department of Health, would not comment further on the saga.

He said a comment would be made after judgment in the matter involving a Queenstown priest, 67-year-old Edward Tsatsaert, who was released on R5 000 bail last Tuesday.

National Treasury spokesperson Lindani Mbunyuza said her department would not be able to comment on whether Nestlé had breached the contract. "National Treasury does not have all the details related to the allegations you refer to and as such is unable to comment" at this stage, she said, confirming that branded goods were "exclusively" for the State and should not be resold. — msindisif@dispatch.co.za