

Collaboration key to helping pharma supply chains weather Covid-19 storm

Stakeholders in the pharmaceutical supply chain are grappling with a growing gap between air cargo capacity and demand for lifesaving medical products, as flights are grounded and borders closed. Many African countries now report medicine shortages and challenges in securing costly imported pharmaceutical ingredients and medical equipment.



pasja1000 via [Fxabay](#)

"Airfreight capacity in Africa is reported to be down by 70% on what was available last year, even amid moves by regional airlines to repurpose passenger aircraft to close the supply-demand gap," said Suzette Scheepers, CEO of Air Cargo Africa organisers Messe Muenchen South Africa.

"This echoes the situation around the world, where air cargo capacity has plummeted but demand for pharmaceuticals is spiking."

The situation may be exacerbated in months to come as more non-pharmaceutical businesses return to production and compete for capacity, and airlines focus on the most lucrative lanes. Overcoming the disruptions of Covid-19 and the challenges of limited air cargo capacity will require collaboration, digitisation and innovation among all stakeholders in the pharmaceutical supply chain in the short to medium term.

This emerged during a webinar titled *The day after: how collaboration can prepare us for the impact after Covid-19* presented by Pharma.Aero in partnership with STAT Times, who is a media partner to air cargo Africa.

Rita O'Sullivan, head of global transportation at Zoetis, said during the Pharma.Aero webinar on Thursday: "The removal of 80% of passenger flights has had a significant impact on the pharma supply chain, with a knock-on effect of increasing rates by between 200% and 500%. Reduced operations at sea and sea terminals have also increased lead time for customs clearance and handling, and non-pharma shipments not moving has added even more pressure."

O'Sullivan noted that the pharma supply chain was a complex one, with thousands of nodes and lanes, and there was no one size fits all approach to cold chain and supply chain management.

"A concern for us is there may be a pause on new initiatives and development; and that not all airlines/freight forwarders will make it through this troubling time, so a return to 'normality' will not be straightforward," said O'Sullivan.

New solutions for a new environment

Jaisey Yip, vice chairman of Pharma.Aero and head of cargo and logistics at Changi Airport, said: "Covid-19 has exposed pharma supply chain companies to unprecedented challenges and risk. We should be taking a community approach and holding hands to ensure that life-saving medical supplies are safely and reliably transported from point to point."

Digital technologies offer some solutions, says Ruud Van der Geer, assistant director global delivery strategy team at MSD. "Digitisation of visibility, detectability and control has never been more important," he said, noting that MSD had last year embarked on a cloud-enabled digital logistics programme which had proved invaluable in managing distribution during the pandemic.

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"We incorporated data connectivity, real-time shipping conditions sensors, end to end track and trace, proactive alerts and notifications, and predictive analytics and AI. We also built in some insights to help us through this situation – tracking Covid-19 outbreaks, port and airport disruptions, average port dwell times, and Covid-19 trends per market. This enabled us to stop and reroute shipments, and support decisions on relocating critical products," he said.

"The next step is to move forward with the programme to move beyond a hyper care state to a more sustainable model."

Innovative approaches can also help the sector address the challenges of reduced capacity and increasing cost, said Cihan Likogullari, global key account manager at Envirotainer. He cited examples of Envirotainer container optimisation which helped customers fit up to 35% more cargo onto each aircraft, and reduce losses due to temperature fluctuations in the cold chain. "We are all being pushed to do things in new ways, the only way to do it is through flexibility and collaboration," he said.

"Air cargo is critical in the global fight against Covid-19. We need to maintain global supply chain quality standards in a reshaped landscape. Non-normal operations require a robust safety risk assessment and implementation of mitigations; we need to reinforce globally harmonised standards and the consistent implementation of these," said Andrea Gruber, head special cargo at International Air Transport Association (IATA). "We need to accelerate digitisation and data sharing standards. We need to take a coordinated, constructive approach and introduce adaptive policies."

Pharma supply chain challenges, solutions and opportunities will come under discussion at the 6th edition of [air cargo](#)

[Africa](#) 2021, to be presented by Messe Muenchen South Africa at the Sandton Convention Centre from 9-11 February 2021.

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