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ASIA EDITION

Zuellig Pharma expands cold storage warehouse capacity across key markets in Asia

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Company prepares for the anticipated storage and distribution demands of COVID-19 vaccines in Asia excluding China and Japan



Zuellig Pharma, a leading healthcare services provider in Asia headquartered in Singapore, announced that it will significantly expand its cold storage warehouse capacity in key regional markets over the next 12 months. As the largest vaccines and cold chain pharmaceutical distributor in Asia excluding China and Japan, the move comes as the company prepares for the anticipated storage and distribution demands of COVID-19 vaccines.

In Cambodia, the construction of a new $6 million 6,300 square metre warehouse is currently underway and is expected to be fully operational by the third quarter of 2021. The new warehouse will become the country's largest pharmaceutical warehouse and increase its cold storage capacity by four times. The new warehouse will be strategically located in Phnom Penh, close to major patient population and air and sea transportation links to enable efficient distribution of vaccines and other products across the country.

Zuellig Pharma is also actively investing to expand its warehouse and distribution facilities and has plans to build a new distribution centre in Taiwan in 2024, representing an investment of approximately US$66 million.

In the Philippines, the company already has capacity to store products at -20 degrees Celsius and will add 10 medical grade freezers to augment its existing capacity in -80 degrees Celsius storage. It will also add five new cold chambers in the Philippines including three in Manila, and one each in Cebu and Davao respectively from January 2021. The company also saw the opening of a new National Distribution Centre (NDC) in September this year located in Santa Rosa on the outskirts of Manila. The 25,000 sqm facility is equipped with automation and energy efficient functionalities, including 10,000 square metres of solar panels, LED intelligent lighting and a water-chilled cooling system. It is also the first Leadership in Energy and Environmental Design (LEED) certified warehouse.

In Indonesia, through its subsidiary APL, the company opened an NDC in West Java, the largest in the country, spanning 39,930 square metres. The warehouse has three different temperature-controlled environments and advanced monitoring systems to protect its operations and the integrity of products. Its advanced and resilient cold chain capability is

also the largest size cold room capacity for pharmaceutical products in the country. In addition, APL manages cold rooms in 26 branches in 15 cities across the nation making the capacity much more resilient than capacity based on refrigerators.

Thailand expanded its capacity with a new cold chain room last year. Its total cold chain capacity now spans 4,070 square metres. All rooms are equipped with primary and secondary temperature alarms for enhanced product safety.

Zuellig Pharma Korea has cold chain capabilities across all their warehouse covering a cumulative area of approximately 10,000 sqm. The cold chain capacity was increased by 26 per cent this year, with plans to add 1,000 pallets in 2021.

“COVID-19 has severely tested our operations over these past few months, but it has also presented opportunities for transformational change at Zuellig Pharma. We are focusing on innovation to lead the transformation of the healthcare system. At the same time, we are working closely with governments, non-government organisations and manufacturers across the region to understand their needs and plan for the necessary logistical infrastructure in preparation for the COVID-19 vaccine. We have brought forward our expansion plans to ensure that the vaccine will be accessible to those who need them most and are able to ramp up capacity quickly when needed,” said John Graham, CEO Zuellig Pharma.

Zuellig Pharma’s cold chain capabilities also include eZCooler, an environmentally friendly innovation that extends the storage time of temperature-sensitive products in transit from two days with a traditional system, to five days.

“Due to COVID-19, the team has been accelerating the expansion of our warehousing facilities to meet the increased needs for cold chain solutions and other vaccine related services from both the public and private sector. Our cold chain capabilities are unsurpassed in the region and we can deliver cutting edge solutions that make healthcare accessible and help save lives. For example, eZCooler’s thermal isolation system can be customised to provide the low temperatures needed to transport and store COVID-19 vaccines, which could require temperatures as low as -70 degrees Celsius. This is complemented by eZTracker, our in-house blockchain solution, which enables full traceability during the distribution of the vaccine to rural areas throughout Asia without compromising integrity,” added Tom Vanmolkot, EVP Distribution and Client Services Zuellig Pharma.

Zuellig Pharma currently has over 80 distribution centres in 13 markets across Asia. All warehouse facilities, either owned or leased and operated by the company comply with licensing, permits and leading health, safety, security, and environment certification standards required by local regulators as well as by international organisations.