

STORAGE FOR PHARMA EXPORTS

# India Partners Bollore Africa for Warehouse

Pharmexcil expects  
the common facility  
in Nigeria to be  
operational by '16

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**New Delhi:** India has entered into a partnership with a logistics firm in Africa to allow pharmaceutical firms from the country to store their products shipped to that continent. Following the tie-up with Bollore Africa, India's first in the pharmaceutical sector, the Pharmaceuticals Export Promotion Council (Pharmexcil) hopes a common warehousing facility in Nigeria will be operational by February 2016.

The council, which has been trying to establish a common warehousing facility in Nigeria for the past two years, expects 10-15 Indian companies to be able to store drugs, vaccines, formulations and bulk drugs in the warehouse.

With this facility, council members can store products in different facilities of the warehouse for catering to Nigeria and other countries in Africa.

Bollore Africa is part of the France-based Bollore Group which offers transportation and logistics, communication and media and electricity storage services. In Nigeria, Bollore has been operating since 1961 and has subsidiaries in Lagos, Port Harcourt, Abuja, Kano and Warri.

As per the arrangement, the council will take on lease a storage area which will be allotted to members based on their requirement.

Bollore Africa will store and distribute drugs and pharmaceuticals, besides providing other logistic services to the companies.

While North America continues to be India's biggest destination for pharmaceutical exports, accounting for 29.3% of total exports, exports to Africa and South America grew over 15% and 12% respectively in 2014-15. India's pharmaceutical exports to Africa amounted to about \$3

## Curative Deal

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- Pharmaceuticals Export Promotion Council will lease storage
- Bollore Africa will store and distribute drugs, pharmaceuticals

PV APPAJI  
Director  
General  
Pharmexcil



billion during the year.

Opening up of the warehouse will reduce transaction time of shipments from three-four months at present, besides relieving the exporter of paying customs duty immediately. "We plan to provide the facility of giving customs bond in which exporters can pay duties later as and when products leave the warehouse. Sales will increase because normally it takes three-four months for a transaction to complete," said PV Appaji, director general of Pharmexcil.

Under the customs bond, goods are stored in a warehouse without payment of duty if they are not required immediately but can be cleared from the warehouse when required after paying duty. This enables deferment of payment of customs duty until goods are actually required.

Appaji said this strategy will also work in India's favour as many African importers prefer buying pharmaceuticals from Bangladesh, Pakistan, South Africa, Turkey and Vietnam. After Africa, Pharmexcil has set its sights on South America where it wants to set up a warehouse.

International  
Cooperation