Younes Lamarti – General Manager, Africa Global Logistics (AGL)



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Younes Lamarti of Africa Global Logistics (AGL) explains the impact of the company's recent acquisition by MSC, the world's leading shipping line, how it is partnering on biopharmaceutical distribution and logistics projects across both Morocco and Africa, and some of the key supply chain trends at play in the country today.

In recent months there has been a lot of movement for the company with its ownership. Could you summarise the current situation for our international audience?

Indeed, our company has embarked on a new phase of its evolution by joining the MSC family, the world’s leading shipping line. This new alliance is built on shared values, notably our commitment to supporting the development of the African continent. Alongside our new shareholder, we will enhance our offerings to promote connectivity between Africa and the rest of the world, aiming to become the go-to partner and expert in African logistics, addressing challenges related to demographic growth, improving quality of life, energy transition, boosting African trade, and digitalization.

In Morocco, we are a leading player in logistics, ranking among the top 5, and provide a comprehensive range of supply chain and logistics services, with a significant portion of our business focused on the Morocco-Europe corridor.

With over 27 years of experience in the industry, I can assure you that our company, AGL, is more committed than ever to furthering the growth of its operations. We prioritize customer satisfaction through new investments and place innovation at the core of our performance. Our mission remains to deliver the highest quality service to all shipowners and carriers.

How has the acquisition by MSC impacted your operations?

Our company has consistently prioritized Africa, and this recent acquisition marks a significant step in furthering our ambitions for the continent. This new collaboration hasn’t brought about major changes in our operations and work methodology. Instead, it has introduced new challenges that are driving our team to actively pursue innovative projects, poised to have a positive impact on local economies. Our primary focus remains delivering the best service to our clients in Morocco and across Africa.

One of the industries most impacted by the COVID-19 pandemic was supply chain and logistics. Have you been able to rebound after this challenging period for your operations?

Supply chain and logistics have always been, and will remain, pivotal in global business operations, as there is a perpetual need to transport goods from point A to point B. Specifically within the pharmaceutical sector, Morocco stands as a high-demand industry, a trend expected to further escalate with the introduction of universal healthcare nationwide.

In Morocco, numerous local pharmaceutical enterprises are seeking to extend their investments into other parts of Africa, such as Senegal and Ivory Coast. We are actively partnering with them to facilitate the development of these export ventures. Within the domestic pharmaceutical sector, we play a vital role in assisting companies with their imported products. It’s worth noting that there exists a regulation in Morocco stipulating that only pharmaceutical companies have the authority to warehouse their own products. Consequently, external logistics partners like us are unable to manage the warehousing of drugs within the domestic market, although we can facilitate the cross dock of imported goods. This particular industry is subject to stringent regulations due to the nature of the products involved.

Pharmaceuticals globally are highly regulated, especially with their transport. Where do you sit in the supply chain then for their transport?

We are dealing mostly in the field of imports. Morocco in general is developing rapidly and the logistics industry needs to improve its services for our growing list of international partners, so we must conform to international standards. Medications must be transported at the perfect temperature and conditions, so we offer a wide range of solutions to deliver this service. We have an agreement with a big pharmaceutical player to transport their biologic medicines locally.

For imports, we are bringing the cargo in and have set up controlled conditions and temperature areas to store them before they are distributed to other sites. We are undertaking this service for many of the big players in the healthcare industry in Morocco.

Overall, we are seeing that domestically there are many distributors or dispatchers that are developing the market by distribution to the fragmented pharmacy ecosystem.

You mentioned that you are dealing mainly with imports, but in what capacity are you involved in exports?

We're actively engaged in exports to various regions across Africa and Europe. Particularly during the COVID-19 period, logistics operations to Europe experienced a notable surge. Morocco, given its strategic geographic location as the nexus between Africa and Europe, holds a significant advantage. Moreover, we boast a track record of successful exports in sectors like textiles and automotive.

Looking ahead, if the need arises to export a specific product abroad, we anticipate no infrastructure-related challenges, as our shipping lines and ports are well-prepared. However, it's worth noting that within the pharmaceutical industry, our primary challenge lies in navigating domestic logistic guidelines. These regulations impose certain restrictions on our operational capacities.

Is anything being done to change these domestic pharmaceutical guidelines to make it easier for companies like yours to store products in warehouses for distribution later down the line?

We would like to have a warehouse system that would place sites in the south and north for example, which would lower the cost of logistics and make the delivery times much shorter. However as aforementioned, due to the pharmaceutical regulation in Morocco, we cannot do this, and it is up to the distributors or dispatchers to undertake this operation.

How important is the business with pharmaceutical companies for your operations?

It is a strategically important business for our operations, but currently, it is not a significant part of our revenue stream. We are conscious that it is a big industry that will only grow in the future, and we can see it offers us great potential moving forward.

We are working with cosmetic products and are the exclusive partner with L'Oreal, importing, warehousing, preparing, and distributing their products. We are also undertaking storage and distribution operations for medical devices and diagnostic companies, and hopefully, if regulations change, pharmaceuticals in the future.

How do you position yourself as the partner of choice, especially within the pharmaceutical industry?

You cannot participate in a tender to work with a healthcare company if you do not meet the requirements of the industry and partners. Furthermore, when we work with third parties in the supply chain and logistics, they too must be authorised by these same guidelines and by the healthcare companies. Throughout the entire supply chain, from point A to Z, we are regulated and must adhere to the standards.

How do you see the business developing as we look to the future?

Every day, we work hard to find the best solutions for our partners. Morocco is growing quickly, and we want our services to grow along with it. We aim to not only be the top partners in Morocco, but also to play a big role across the whole continent.

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