

Ahmed Elfangary – Country Manager, DHL Express Egypt



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16.05.2019

Tags:

[Egypt](#), [Logistics](#), [DHL](#)

Ahmed Elfangary, country manager of DHL Express Egypt, highlights the company's leadership position in the Egyptian logistics field, while aiming to be a strong partner of the government. He also explains how DHL is a partner of choice in the healthcare and life sciences field and his ambition to make Egypt the MENA hub for the company.

Could you please introduce yourself?

I have been with DHL for five years, having worked in the industry for nearly 20 years, in different logistics areas such as freight, express and warehousing for both 3PL and 4PL companies. My reason for joining DHL was the company's strong trust in people and how much it invests in training and retaining their staff. DHL is a top employer in Egypt and the company is very proud of its culture.

Can you please give an overview of where DHL Express Egypt stands today and highlight some of your main achievements since you took over the country head position?

Our market share has increased by more than 15 percent and despite the economic obstacles we achieved double-digit growth each year since 2015. Our success is based on our people, as they allow us to do things better than our competitors and be ahead of the game. I consider the creation of our strong family culture to be our main achievement. Apart from being named the top employer, we have also been awarded as the most improved company in the MENA region in 2016 and received the prestigious BT100 award for exceptional regional performance in logistics this year. Within our organization, we have a great track record of overachieving our KPIs. Naturally, our performance and data shows that we are heading the game, especially when it comes to transit times.

Egypt has been labelled as the gate to Africa by many of our interviewees, thanks to its strategic location. What do you see as the strengths and weaknesses of Egypt as a regional or global logistics hub?

Without a doubt, Egypt has a strategic geographical advantage in addition to its natural and human resources, which together boosts its potential for growth and development. DHL is aware of this potential; hence, we have recently established regular DHL flights to Egypt, with two to three of our planes landing in Cairo every week. Additionally, we will add another flight at a later stage this year. We also want to use the country's location to minimize our carbon footprint, which will also allow cost savings.

Nevertheless, there remain some customs regulations, which present a challenge for us and we are in close collaboration with the authorities to reach progress in these areas. As a part of the

logistics committee at AmCham Egypt, DHL is doing its part to make the government understand the needs of the industry better, in order to make the country more competitive and attract more foreign investors and FDI. For logistics companies, the Logistics Performance Index is crucial to assess the attractiveness of a country, so DHL took over the role of being an advisor to the government on how to improve this KPI.

Considering the rise of e-commerce, Egypt needs to improve the transit times as the cost of product goes up when there are more stops for handling in the supply chain, as more products will get lost or damaged and these processes require more working capital. In some cases, the logistics cost even reaches 50 to 70 percent of the total cost of the product. Our job is to implement a lean supply chain, with a minimal amount of stops between the factory to the end user.

Healthcare logistics is a booming and fast-changing sector, with many new services being introduced. What are the new supply chain innovations that you are about to propose to your Egyptian partners?

DHL has transport, warehousing and integrated solutions for life sciences and healthcare industry in particular. We can help improve the efficiencies and significantly impact the overall performance of companies as well as hospitals, providing high-quality products, ensuring patient safety and compliance with new regulations. DHL is using drones, as they allow to target rural areas, which may be hard to access by our traditional delivery channels. For the pharma industry in particular, we are offering this service to transport medication and tissue material for analysis.

We are partnering with hospitals in rural Egypt to transport blood tests faster and safer, to ensure the speedy delivery of the analyzed probes from laboratories in the country or abroad. This service goes beyond the borders of Egypt, as we are also offering it to our neighbour states. Our approach is to treat clients as consultants, asking them about the challenges they face and then come up with a tailor-made solution.

DHL has a dedicated team for the healthcare area and our brokers collaborate directly with our clients, knowing that patients rely on us. We are very proud of our field sales team, that is very knowledgeable of the needs of our clients, as well as our operations team, that ensures that the specific needs, such as temperature-controlled transport, are addressed in the right way.

On the pharma side, price pressure is huge in Egypt. Do you believe that better supply chain management could help these companies be more competitive from a pricing standpoint?

Due to multiple handling, we see many damages especially for pharmaceutical products, so a leaner supply chain will definitely reduce costs. As an example, there are cases of untracked products, which have then reached their expiry date and hence could not be sold. Packaging can also be a cost-saving factor, for example through improving stackability levels. DHL is a trusted partner in this field, that meets these challenges head-on, and in this way, we can achieve significant cost savings.

You have been recently awarded the BT100 award for exceptional regional performance in logistics. How do you differentiate yourself from competitors, which also invest in healthcare logistics?

Our people really make the difference as they are well-trained and follow a consulting approach throughout the whole organizations. There is a lot of collaboration, meetings and shadowing between our different departments and we transfer this approach also to the external environment when dealing with our customers. Our employees are the key partner in any success achieved in the process to deliver the best management climate and the best working environment for a better experience for both our employees as well as our customers.

You may be surprised that even our operations team is meeting with clients, as we know that it allows them to understand their challenges, needs and expectations better and in this way improve our service. At DHL the customer is the top priority and it is reflected in all aspects of our business model.

The company has made significant efforts to promote Egypt's Vision 2030. What are your ambitions for the next five years?

We have been a sponsor for the government's 2030 vision, with the logo on all packages delivered by DHL, promoting this initiative greatly. Our partnership with the Egyptian government is a strategic collaboration that goes back almost 40 years ago when DHL pioneered the Egyptian express market. Today, DHL continues to look for more investment as we want to establish Egypt as our hub for the MENA region, due to its geographic location and the growing population with a great pool of talent. We will continue to be successful through our people and our focus is to make Egypt our gateway to Africa.

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