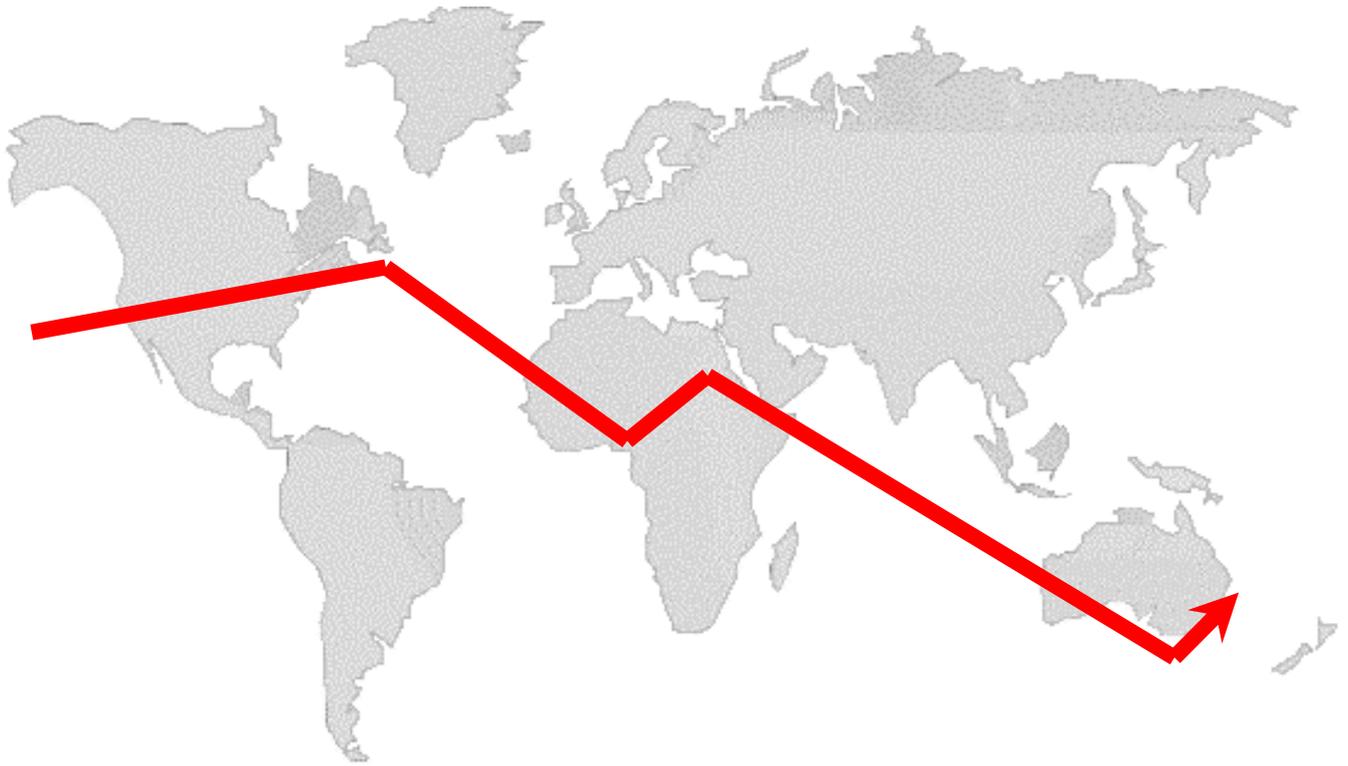


Autumn 2009 issue

COOL TIMES

The Quarterly News Letter of the Cool Chain Association



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Message from the Board

Rough times for everyone

The CCA needs your participation more than ever – for the benefit of everyone.

The economic crisis affects us all – some more than others. As a non-profit organization, the CCA is on the one side more protected from the storm due to the lack of economic business. On the other side, it is experiencing severe changes due to the shift of focus from members and the industry. For the moment, what counts for the companies is to survive and to get out of the rough weather with the fewest injuries possible. That is of course of highest importance. At the same time, it means that less attention, money and energy is available for goals, which lie in a more distant future, as for example the goal of harmonizing the cool chain. The CCA is well aware of the priorities everyone has to make and tries to keep the processes going in the meantime.

We tried new ways of proceeding and put more emphasis on simple ways of communication, like the Cool Times. The focus of topics has shifted and we are encouraging institutions and universities, as well as you, our members, to contribute articles in order to make the Cool Times a platform for sharing the latest news as well as developments in the industry, but also in the environment we have to face. Our website statistic shows, that this is the right way to go, as the last Cool Times was downloaded more than 600 times!

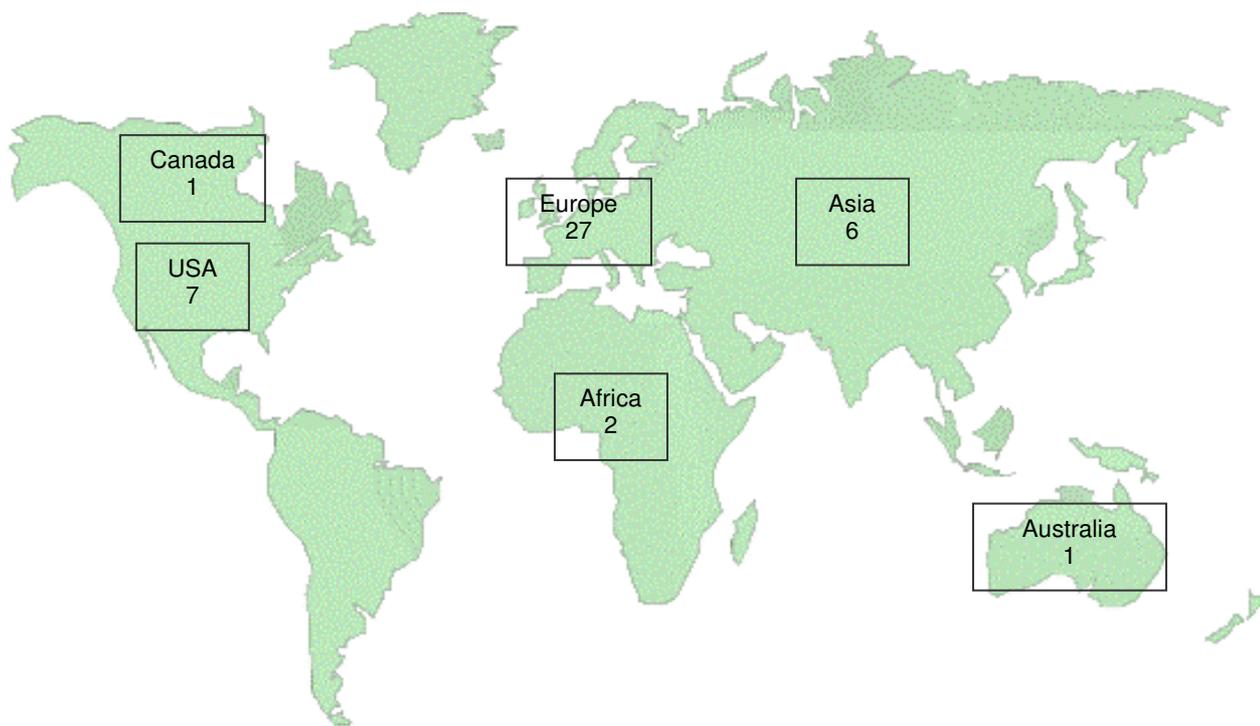
What we are also working on is to reinforce our relations to other organisations and institutions, such as IATA and PDA. As soon as some milestones are achieved, we will inform you about the development.

We would like to stress once again the importance of your active participation in the development and the working groups of the CCA. Only with your input, a rich interaction and knowledge sharing can be obtained and maintained. Additionally, any feedback is highly appreciated, so if you have any comments, questions or ideas please do not hesitate to contact us.

For your further information a few statistics: Currently the Cool Chain Association has 44 members including freight forwarders, airlines, airports, perishable centers, transportation companies, universities and other organizations, although unfortunately we have no shippers as members so far. Membership is still increasing.

Airline	4
Consultant	2
Equipment	4
Forwarder	10
Handling	5
Perishable Centre/Long Term Storage	2
Manufactory	1
Association/Organisation	3
Transport	2
Airport/Port	5
University/Academic	5
Government/Customs	1

CCA is made up of members of the international cargo industry involved in the movement and handling of PTSP. The world map shows the presence of CCA members on each continent.



As everyone else, the CCA hopes that the storm will soon be over and that we all will emerge with more energy, innovative approaches and ambition to change the industry in order to prevent unnecessary losses – along the cool chain and in your companies.

News

Awards for our members

The 3rd Annual Supply Chain and Transport Awards were presented at a lavish ceremony in Dubai on Monday 1 June 2009. The SCATA 2009 ceremony included 16 categories in total, covering the logistics, sea freight and air cargo sectors.

“The SCATA awards will make a welcome return in 2009 to recognise those regional and international companies that stand out from this exalted crowd. The nominees will once again include a combination of regional and international players that have gone above and beyond in terms of their industry contribution,” comments Walid Akawi, CEO of ITP Publishing Group. Outstanding were among others two long-time members of the CCA:

- Cargolux was named Cargo Airline of the year (Cargo Airline) at the Supply Chain & Transport Awards 2009 in Dubai
- Emirates Sky Cargo was named Cargo Airline of the year (Commercial Airline) at the Supply Chain & Transport Awards 2009 in Dubai.

We congratulate our members!

Fruit Logistica 2010

We would like to use this newsletter also to remind you again of the Fruit Logistica 2010, where we would like to offer again a shared booth. The last shared booth has been a full success and we would like to repeat this. If you are interested in participating, please just send us a short note.

PPECB-Project Report

Together with the South African PPECB (Perishable Products Export Control Board), the CCA initiated 2008 a series of trials, in order to get a clear view on what the current situation in the cool chain logistic is and to detect possible weak points. The PPECB is an independent service provider of quality certification and cold chain management services for producers and exporters of South African perishable food products. The PPECB controls all perishable exports from South Africa, valued by the PPECB at 9 billion Rands (US\$1.2 billion) per annum. The objective is to implement the CCQI (Cool Chain Quality Indicator) in a later stage along all the steps of the cool chain and to measure the improvements which can be achieved by this standardization. This article wants to give a short overview about the current status.

The harmonization of the cool chain is the most important focus of interest of the CCA. To make any improvements possible, it is first of all crucial to get to know today's practices in detail and to gain transparency about the handling of perishables and temperature sensitive products (PTSP). The PPECB has a lot of practice in the handling of PTSP and tries to implement standards in South Africa to prevent wrong handling and waste from the beginning. Together, the CCA and PPECB got to the conclusion, that they can achieve more in cooperation and therefore work together in close contact.

After a long period of planning and analysis of the market, further possible cooperation partners and the instruments being used, the first trial started finally on 18th of May 2009 from South Africa direction UK. Pallets of soft citrus were shipped in a container equipped with tags to monitor the temperature and humidity during transport. The tags were placed at different positions in the pallets and the tagged pallets in different positions in the container. Once arrived at the handling facility in the UK, the tags were retrieved and shipped back to PPECB for evaluation. To inform all partners and to secure the correct process, a huge amount of communication and coordination was necessary which was organized mainly by the project manager Mduduzi Ngcobo from the PPECB.

The second trial followed the 1st of June 2009 and a third trial is planned to start soon.

For the moment, no final conclusions can be drawn and it was agreed upon to wait with any announcements until the data has been fully obtained and evaluated in detail. But what already becomes clear is that the monitoring of the whole cool supply chain itself can cause problems and requires a huge amount of communication and attention of all parties involved. Once the trials become a habit, the efforts may be reduced and the process standardized. This alone shows that much remains to be done to harmonize the processes in the cool chain to avoid mistakes and unnecessary amounts of energy wastage. We are looking forward to see how much the CCQI can help us to achieve our common goals.

Spotlight on How the World crisis affects Industry

Airfreighted Perishables Affected by the World Crisis?

by Cargolux Airlines



Amid the current turbulence of the global economic downturn, there has been a noticeable change in the volume of fresh produce being sent by air in general. Obviously people are consuming less fruit and vegetables, especially the more expensive tropical fruits like mango and papaya. But, in general, perishables have declined less than general freight.

Europe imports a lot more perishables than it exports. In the first quarter of 2009, European airfreight imports of perishables (fruits, vegetables, flowers, meat etc) were down almost 15 per cent versus last year. Even though this is a huge decline, it is not as big as the 20 per cent overall decline for airfreight.

Perishables by air from Africa to Europe were down 13 per cent, from Asia to Europe down 29 per cent, from Latin America to Europe down 16 per cent and from North America to Europe down 25 per cent.

Perishable exports from Europe declined by 12 per cent in Q1. Of all the perishable imports by air into Europe, fruits were down 30 per cent in the first quarter of the year versus 2008. Flower imports into Europe were much less affected and it seems that people still seem to buy a relative large number of flowers, since imports were only down by 4 per cent for the period year-on-year. Vegetable imports by air into Europe declined by 7 per cent. So it seems that vegetables and flowers are much less affected by the crisis than fruits. US perishable imports by air declined by 11 per cent, whereas their perishable exports declined by 12 per cent, again also lower than for general airfreight. At the moment, the main demand for air freighted fresh produces are flowers and fruits from Colombia, Ecuador and Kenya; fruits from Brazil, Ghana, Ivory Coast; fruit and vegetables from South Africa; vegetables and meat from the US; vegetables from Europe; and flowers and fruits from Thailand.

Cool Chain Standardization Threatened When Needed the Most

by Douglas Nelms, Aviation Today

A program designed to harmonize, and thus improve, the worldwide shipment of perishable products is being negatively impacted by the world's economy at the very time that wastage is greatest and standardization could actually reduce costs.

In the Annual General Meeting of the Luxembourg-based Cool Chain Association (CCA) held earlier this summer, Board Chairman Robert Arendal noted that the cargo industry wastes 30 percent of perishables and temperature sensitive products (PTSP) during the movement and handling of the products primarily "due to lack of common procedures, lack of training, lack of communication standards and lack of measuring criteria for the unbroken supply chain." This is at a time when some 923 million people, or 14 percent of the world's population (based on 2007 figures), was undernourished, "and malnutrition is the largest contributor to disease in the world."



In 2005 CCA established a standard for the industry called Cool Chain Quality Indicators (CCQI). CCA members certified under CCQI become approved supply chain providers for air, sea or road cargo users looking for the most highly qualified providers. Certification “gives the certified company a better position in comparison with the competitor who is not certified,” according to Christian Helms, CCA Secretary General.

A core principle of the CCA is to promote CCQI through communications with the industry, “based on conferences, seminars and publications,” he said. Unfortunately, CCA is a non-profit organization dependent on its membership for funding, and while the world “is listening a lot better,” the current economy is making it more difficult for CCA members to devote time and resources. “As we don’t have deep resources, but depend on members activities, our ability to move faster is greatly reduced,” Helms said.

And while establishing the standards of the CCQI would ultimately save companies money in the long run through more efficient and less wasteful movement and handling procedures, “implementing the best in practice standards of the CCA certainly also costs money,” Helms said. “Hence the effect is that the companies (that did not apply) the standards before the crisis are now facing a problem.”

The certification process of a company or government agency, such as the PPECB, is actually done by Germanischer Lloyd Certification GmbH, who is the exclusive auditing body of the CCA. Since every cargo provider’s cool chain is different, its operations are compartmentalized to be made comparable with a similar operation of a different, but certified, cool chain provider. Each compartment is then rated by GLC to ensure that the various elements conform to the basic requirements for a high-quality cool chain and that it meets the CCA’s CCQI benchmarks.

CCA also noted at its AGM that it is highly concerned about challenges in the transportation of pharmaceutical products “where the need of an unbroken cool chain is often vital for the temperature sensitive products and the treatment of patients.” Arendal said. With the threat of pandemics growing due to globalization, quick responses are “urgently needed everywhere at any time.” The challenge for pharmaceutical products is that they are highly sensitive to temperature changes and exposure to ultraviolet light, he said.

Poor storage in the cool chain can also reduce potency of vaccines, “which leads to reduced immune responses and inadequate protection of the patient. Vaccines are precious and expensive, so the wrong handling cannot be accepted.”

The shipment of medicinal products based on vaccines, monoclonal antibodies and advanced therapies “will play an increasingly significant role in health care in the future,” he said. As an example, monoclonal antibodies will grow in market value from €15 billion (US\$21.8 billion) today to €40 billion (US\$58 billion) in the next five years. “To reach this level of growth, there are many scientific and technological challenges to overcome,” he said. “Continuous technical advances promise to develop potential new weapons against our oldest public health threats, as well as new ones, but also put a great pressure on manufacturers, regulatory authorities, and the wider medical community to ensure that products meet the highest standards of quality attainable. Globalization requires global temperature supply chains and cooperation with logistic providers around the world in order to be able to deliver pharmaceuticals wherever they are needed, when they are needed.”

CCQI Standard

The Cool Chain Quality Indicator is an industry standard, which combines the know-how and insights of logistics companies with the certification expertise of operating classification societies. CCQI is an open and auditable industry standard that employs a benchmarking system to establish transparent and comparable quality measures. It offers guidance and support to continually improve and assess the logistics chain for perishables and temperature sensitive products. Assessment will involve a conformity check that includes “best practices” and a measuring procedure that quantifies process proficiency using a risk-based approach. The master Tables for each part of the cool supply chain give guidelines to make sure that the perishables and temperature sensitive product will be delivered fresh and at the right temperature from field to the fork of the consumer.

Members Update

The CCA is pleased to present the companies who have decided to become our newest members. Let's give them a Cool Chain Association welcome!



SERVICIOS LOGÍSTICOS EN FRÍO.
Serintra de Cuenca

Xtreme Technologies B.V.

Coming Events/Conferences with CCA Participation

2-4 September 2009

Asia Fruit Logistica 2009

Hong Kong Convention and Exhibition Centre - Hong Kong, China

15-16 September 2009

Zukunftskongress Gartenbau

The Secretary General of CCA will represent the CCA and speak to the audience

29-30 September 2009

Informa Life Sciences: 7th Annual Clinical Trial Supplies and Packaging

Concorde Hotel - Berlin, Germany

Mr. Christian Helms will represent the CCA and speak to the audience

5th October 2009

PDA Meeting

Berlin, Germany

The board of CCA and PDA will meet and discuss the possibilities of cooperation



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Disclaimer: The views expressed in this news letter are the views of the editors and not necessarily those of the members of the CCA. The CCA makes every effort that the material contained in this news letter is current, complete and correct. Please find our [Disclaimer](#) on the website.