

Abstract

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Investigating Counterfeit Risk in the Pharmaceutical Supply Chain A Case of Local Pharmaceutical Manufacturer in Egypt

Purpose- Recently, the risk of counterfeit was reported as a high prevalent risk in the pharmaceutical supply chain (PSC). The continued presence of counterfeit medicines in the legitimate supply chain is considered as one of the biggest challenges that face pharmaceutical manufacturers operating in the Egyptian market. This not only imposes significant threats to supply chain (SC) performance but also negatively affects public health. The purpose of this paper is to investigate the counterfeit risk within the PSC in Egypt. **Design/methodology/approach-** This research follows a qualitative approach. Primary data were collected through interviewing senior experienced managers within various functional departments at the largest local private pharmaceutical corporation in Egypt. The findings were then scrutinized and discussed in the light of available literature. **Findings-** The research highlighted the nature and types of drug counterfeiting activities occurring in the PSC. Participants indicated that counterfeiters mostly pass off their fake products as genuine drugs, to deliberately deceive customers. Potential infiltrations of counterfeit drugs into the legitimate supply chain were identified. High level of supply chain fragmentation and minimal coordinated efforts are evident. Contrary to expectations, no clearly defined strategy is devised by supply chain members to manage counterfeit risk, implying low degree of preparedness toward counterfeit risk. **Practical implications-** Greater efforts are needed to improve transparency within the PSC through greater communication and information sharing. As a result, unauthorized products cannot be accounted for throughout the supply chain and will be treated and removed from the market. **Originality/value-** This research has gone some way towards enhancing our understanding of how counterfeit drugs may infiltrate the legitimate PSC. The empirical findings offer valuable insights for tailoring balanced and effective risk management strategies for counterfeit risk. Finally, this research will serve as a base for future rigorous studies addressing the issue of counterfeit risk within the pharmaceutical industry in Egypt. **Keywords** Pharmaceutical Supply Chain, Supply Chain Risk Management, Pharmaceuticals Manufacturers, Egypt