



Participant Observation on the 3rd China-Africa Economic Trade Expo (CAETE) on SMEs Participation: Lessons Learned from Participating African Countries

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Abstract: This paper focuses on the participation of SMEs in the 3rd China-Africa Economic Trade Expo (CAETE) which was conducted in Changsha, China from 28th June to 2nd July 2023 with a theme “Common Development for a Shared Future”. This paper employed a participatory observation method to collect data from 15 participating countries in the expo i.e. Nigeria, Zambia, Democratic Republic of Congo (DRC), Malawi, Morocco, Madagascar, Mozambique, Rwanda, Mauritius, South Africa, Cote D’Ivoire, Tanzania, Zimbabwe, Kenya, and Ethiopia. The aim was to understand the contribution of the SMEs on the products showcased by participating African countries. Data were collected using the observation checklist to understand the types of products showcased and the industry they belonged, the kind of exhibitors showcasing these products whether Africans or foreigners, as well as challenges and opportunities for exhibitors and the general experience of the expo and what can African countries learn from these experiences in the future and for upcoming expos. The results revealed that, the agricultural sector was leading in all products that were showcased by most countries. Agricultural products and agriculture byproducts had a big share in most countries followed by the manufacturing sector with textile products, cultural and handcraft products, and minerals products. Moreover, in most of the countries that were observed, exhibitors from Africa were the ones showcasing these products while in some countries there were a mixture of foreigners and African exhibitors in one booth. One of the challenges for some exhibitors was a language, while the main opportunity was acceptance of the African products to most people who attended the expo. This paper recommends that deliberate efforts need to be made to improve the SME sector in order to increase their manufacturing value chain participation in internal and external markets. Moreover, signed cooperative projects during the Expo should help facilitate technology transfer; employment generation; and economic diversification through industrialization. The study also recommends that African countries should improve competitiveness and productivity in sectors contributing heavily to their national GDP while also putting forth strategies to improve low-performing sectors through policies and structural reforms with an overall aim of improving productivity and reducing trade imbalance that exists with different countries including China. Lastly, African agents should also ensure that the bilateral agreements they sign with the different countries have the best interest of those countries for their own development and that they have greater leverage of benefiting from those agreements as their counterparts.

Key Words: Participant observation, SME, Trade Expo, China-Africa Economic Trade Expo

1. Introduction

China–Africa economic relation has changed dramatically to an unprecedented level significantly

benefiting both parties in the last two decades which has attracted global attention from the academic community as well as policymakers (Ergano, D & Rao, S, 2019, Mitchell, Heginbotham and Elsenman 2007). The scale of economic and trade cooperation between China and Africa continued to expand in the past decade. The total volume of China-Africa trade has increased to over \$2 trillion, with China remaining Africa's largest trading partner. Chinese enterprises have signed contracts for engineering projects in Africa worth more than \$700 billion. China's cumulative direct investment stock in Africa has exceeded \$30 billion, making it the fourth-largest source of investment in Africa. Moreover, Exports of African agricultural products to China have enjoyed positive growth for six consecutive years, while China has maintained its position as the leading trading partner of Africa for 14 consecutive years (ChinaAfrica, 2023).

Data from Changsha Customs District shows that trade between Hunan and Africa reached a record high in 2022, amounting to 55.66 billion yuan (\$7.8 billion), up 42.8 percent over the previous year, ranking Hunan first in China's central region and eighth nationally in terms of trade with African countries. The volume of trade between Hunan and Africa in the first four months of 2023 reached 22.04 billion yuan (\$3.1 billion), an increase of 90.4 percent over the same period last year (ibid, 2023). The first China-Africa Economic Trade Expo was conducted in Changsha City in Hunan Province from 27 June to 29 June 2019 in China with the theme "Win-Win Cooperation for Closer China-Africa Economic and Trade Partnership" with the focus on key areas including trade and investment promotion, agriculture technology, energy and power, joint industrial parks, infrastructure and financing cooperation to mention few. After three years, the 3rd China-Africa Economic Trade Expo guided by the spirit of the 8th FOCAC Ministerial Conference was held between 29th June – 2nd July 2023 with a theme "Common Development for a Shared Future". The 3rd CAETE focused on boosting business links between China and Africa while opening the Chinese market to products made in Africa (Africanews, 2023). With participants and delegations from both China and Africa, the 3rd CAETE witnessed the signing of a total of 120 projects worth more than 10 billion U.S dollars, 99 cooperation projects worth 8.7 Billion dollars while 11 African countries took a share of 74 projects out of 99 signed projects (CGTN, 2023). The expo played a significant role in deepening cooperation between China and Africa, resulting in remarkable achievements for both sides. Throughout the exhibition, 34 cooperation achievements across eight categories were announced, encompassing areas such as standards and specifications, research reports, and statement initiatives (ibid, 2023).

With the increase in China-Africa cooperation and economic integration, this expo provided an opportunity for participating African countries to showcase products made in Africa to the Chinese market. This study focused particularly on the presence and participation of the African manufacturing sector particularly the SMEs in the showcased products to understand how this sector is growing and to understand its future contribution to export business and what can be done for improvement.

2. Literature Review

A trade Expo also known as a trade fair or trade exhibition is an exhibition organized by a country or industry so that companies and businesses can come together and showcase their products and services, meet with partners and customers, sign collaborations, or press orders directly from manufacturers. Trade Expos are ideal places to study the activities of rival companies as well as examine new opportunities and study recent market trends and dynamics. Trade fairs or trade expos are important places to market your products and establish new business links or reach a new segment of customers. Some of the world's leading trade fairs include Hannover Messe, a leading trade fair for industry in Hannover, Germany; CONEXPO-CON-AGG, a North America construction trade show; the Canton Fair, China import-export fair; and World Expo, Osaka, Kansai, in Japan, conducted once in 5 years where people from around the globe wait to show their best products to other nations.

The China–Africa economic relations have continually changed over time to significantly benefit both actors in the last two decades. These changes have increased attention from the academic community as well as policymakers around the world. China increasing its influence in Africa in solving African infrastructure problems while providing access to Chinese export markets. This engagement has increased China's access to raw materials, labor, and energy supply from Africa facilitating its industrial expansion process and internationalization of the Chinese firms operating in Africa while enjoying access to African Regional and International markets for their manufacturing output (Mitchell, Heginbotham and Elsenman

2007). On the other hand, African countries enjoy Foreign Direct Investments (FDIs) from China, solving lifetime problems with infrastructure, and increasing engagement with China in various projects leading to knowledge transfer as well as increasing employment opportunities.

Although many scholars argue (Berhe and Hongwu 2013), that Chinese policies on Africa are inferior compared to the West's policies and that China's soft power and a win-win relationship may only be successful in the short run. Furman (2016) argues that Chinese interest in Africa is purely exploitative to African economic and natural resources to improve China's strategic global position and has no future. Engagement of China is net positive in the near term, but in the long run, the impact of China-Africa relations is not clear (Haroz 2011) or it can turn from a win-win today to a win-lose tomorrow (Bbaala 2015). Despite the pessimistic arguments concerning China-Africa relations from various scholars, there are also some existing optimistic arguments running in the literature indicating that the Chinese Government and companies' approach to investment in Africa are with a longer time frame in mind emphasizing a win-win relationship unlike traditional actors (Centre for Chinese Studies [CCS] 2007). Moreover, China-Africa relations have given increased room for maneuvering for African States and China's activities in the region are believed to be the last chance for development in Africa (Mapaure 2014) emphasizing it as a win-win for both sides (Corkin et al. 2008; Thornton 2016).

China-Africa bilateral trade has been steadily increasing for the past two decades. However, weak commodity prices since 2014 have greatly impacted the value of African exports to China while Chinese exports to Africa have remained steady. Due to the supply chain disruption by COVID-19, the value of China-Africa trade in 2020 was US\$176 billion, down from US\$192 billion in the previous year. But the value bounced back in 2021 to US\$251 billion. In 2021, the largest exporter to China from Africa was South Africa, followed by Angola and the Democratic Republic of Congo. In 2021, Nigeria remained the largest importer of Chinese goods, followed by South Africa and Egypt (China Africa Research Initiative, 2023).

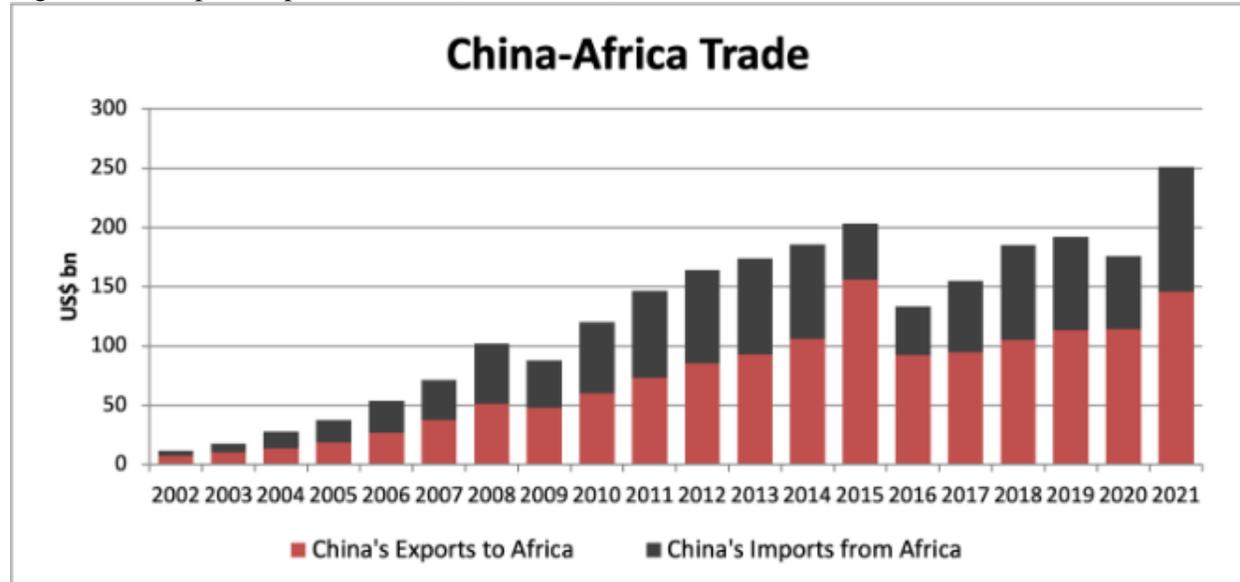
Following the release of the China-Africa trade index for the first time in 2023 at the opening of the 3rd China-Africa Economic and Trade Expo, the index has highlighted a continuous rapid and positive development trend, consistently reaching new heights according to data from China's General Administration of Customs. This information base contributes to a better understanding of the deepening bilateral economic partnership between China and Africa (CGTN, 2023). According to Global Times (2023), the import and export value between China and Africa hit 1.88 trillion yuan (\$263.2 billion) in 2022 from less than 100 billion yuan, which recorded an accumulative 20-fold increase and an average annual growth rate of 17.7 percent reflecting that bilateral trade remains on a rapid upward growth trajectory and is likely to continue to scale new heights. The China-Africa Trade Index comprehensively reflects the achievements in bilateral trade, and the continuous upward curve indicates that the friendly cooperation between China and Africa has become stronger.

The China-Africa Economic and Trade Expo (CAETE) has significantly reduced the institutional costs of China-Africa trade and improved the level of bilateral trade facilitation between China and Africa. In 2021, the Department of Commerce of Hunan Province and the International Trade Centre jointly launched a partnership to enhance the export capacity of Africa to China to solve the problems related to the import declaration of African products and non-compliance with Chinese production standards and achieve the goal of the continuous expansion of China importing African non-resource products. According to the needs of enterprises and markets, Hunan Customs focused on 21 types of high-quality products from eight African countries, giving priority to African agricultural products intending to sign contracts at CAETE, especially those with high added value, in the process of standardized inspection and quarantine (ChinaAfrica, 2023). A good example is a Tanzania – China cashew exports where previously the imported cashew nuts from Tanzania to China had to pass through traders in Eastern Europe before being processed in Vietnam and then sent to China. Now, with the direct purchasing channels, transport time can be cut by a month and a half, and the cashews can be processed on automatic production lines in China, reducing costs by around 20 percent (ibid, 2023).

Commercial activities such as trade and investment are at the center of China and Africa's economic relations (Wang 2007). Commercial interest is the driving force (Sun, 2014), and the pragmatic mercantilist pursuit of economic interest is dominating China's engagement in Africa (Furman, 2016). Recently, 58 percent of Chinese firms in Africa are small- and medium-sized privately owned from China's land-scarce coastal provinces (Brautigam and Zhang 2013). Although large enterprises play an

important role in China-Africa trade, accounting for around 90 percent in 2022, the number of smaller enterprises participating in the two sides' trade has increased more than 10-fold to more than 100,000 currently. China's industrial upgrading and outward investment provide opportunities to light manufacturing development in low-income countries while also providing ideas, experiences, tacit knowledge opportunities, and finance to these partner countries (Lin and Wang 2014).

Fig 1: China Import-Export to Africa (2002 – 2021)



Source: UN Comtrade, China-Africa Research Initiative (2023)

Studies are indicating an improvement in trade and infrastructure due to increased Chinese engagement in Africa (Goldstein et al. 2006). China has become the largest trading partner (Biggeri and Sanfilippo 2009; Matthias et al. 2016; Patey 2013; van de Looy 2006; Wang 2007) and imports a high proportion of fuel and minerals from Africa (Borovoska 2011; Breivik 2014; Frauke et al. 2011; Johnston and Yuan 2014). As a result of this engagement, China's demand has increased for African exports and, there is an increase in export prices (Ademola et al. 2009). Data from the General Administration of Customs of the People's Republic of China (GACC) of the first quarter of 2023 indicates the exports to Africa amounted to \$ 16,029,050 while imports from Africa amounted to \$ 8,739,049. Figure 1.1 also indicates the import-export relationship between China and Africa since 2002 while China maintains a bigger share of exports over imports. According to Statista, (2023), On April 2023, China's export to Africa was \$17,138,000.3 while imports from Africa was \$ 8,320,000.5

2.1 Theoretical Perspective

International trade theories have developed through stages from mercantilism—a zero-sum game—to neo-mercantilism—a protectionist approach; Smith's theory of absolute advantage; Ricardo's theory of comparative advantage to modern theories explaining patterns of trade, country size, factor proportions, country similarity, and so on (Girma, 2017). The new trade theories focus on the ability of firms to gain economies of scale, increase returns, and trans-industry trade with product differentiation. Recent developments in the theory of trade are built in terms of market structure and technological progress (Ergano, D & Rao, s 2019).

The concept of this paper is guided by different theoretical perspectives including the classical theory of international trade which provides the basic understanding of the essence of trade between and among nations as well as the effect of tariff policy and other aspects of State interactions in such trade. The theory further emphasizes the difference in relative cost of commodities, resource endowments and the role of demand in trade (Ergano, D & Rao, S, 2019).

Furthermore, the Transaction Cost Theory (TCT) by Ronald Coarse (1937), and Williamson (1983), examining the existence of firms (Greve, H.R & Argote, L.,2015) explores transaction cost as an expense a firm incurs by engaging in economic activity or an economic exchange of any kind in the market such

as search and information, bargaining and enforcement. As organizations always try to minimize transaction costs arising from their market engagement, the more these cost goes up the more they discourage market interactions between and among nations and as a result, one country ends up ripping most benefit of market engagement over another (win-lose) while when these cost are favorable for both parties facilitates more market interactions between nations and both parties enjoy the results of that market engagement (win-win).

Moreover, the theory of international factor movements (Ohlin, 1979; Sen, 2010), focuses on the movement of labor, capital, and other factors of production between countries through immigration/emigration, capital transfers through international borrowing and lending as well as through Foreign Direct Investments (FDIs). International factor movement is common in many African countries engaging with other parts of the world including China.

Finally, the economic theory of gravity (Anderson, 2008) provides an explanation of bilateral trade and resource flow patterns among countries emphasizing that, the volume of trade between two countries is proportional to their economic mass and a measure of their relative trade friction. The model was first presented by Jan Tinbergen in 1962 proposing that the size of bilateral trade flows between any two countries can be approximated by employing the ‘gravity equation’, which is derived from Newton’s theory of gravitation. Countries are attracted to each other in proportion to their size and proximity just like planets do. The relative size is determined by current GDP, and economic proximity is determined by trade costs – the more economically ‘distant’ the greater the trade costs. The model suggests that relative economic size attracts countries to trade with each other while greater distances weaken the attractiveness.

3. Research Methodology

The researcher used participatory research methodology using observational techniques to collect data from 15 countries participating in the expo to understand the products showcased by these countries. The method was ideal for getting required data in the given environment. Moreover, with the help of the observation check list descriptive statistics were generated where frequencies and percentages were used to understand the contribution of the manufacturing sector particularly the SMEs in the overall showcased products, understanding challenges as well as the opportunities faced.

3.1 Sample size

The researcher collected data from 15 countries participating in the expo and observed the kind of products these countries showcased to understand the contribution of the manufacturing sector especially the SMEs in the showcased products from Africa.

3.2 Sampling Techniques

The researcher used a convenience sampling technique to collect data and conduct the observation. As the exhibition was visited by more than 100,000 people, using convenience sampling was ideal and hence the exhibition booth which was not congested was more convenient to observe.

3.3 Method of data collection and analysis

Guided by participatory observation method, an observation checklist was used as a tool for data collection. However, the level of participation was limited by the researcher and a researcher only asked confirmatory questions using the checklist for information validation. The observation method has become increasingly popular in social science research (Angrosino, 2005; Wallace, 2005) to explore a phenomenon or understand a situation. The reason for using observation is due to the nature of the event. Trade expos usually are congested and busy. Both exhibitors and participants tend to maximize time utilization to sell or to shop and hence methods like in-depth interviews or surveys will not be effective methods for data collection. Moreover, a benefit of directly observing the behavior of individuals and groups (Madge and Harrison’s 1938) in the expo and documenting the results with little interference as well as documenting and understanding the context within which activities and events occur and how they influence the outcome gives this method benefit over others. Secondary data were also used to understand the background as well as providing supportive arguments in the analysis and discussion. The collected data were analyzed using descriptive statistics in frequencies and percentages presented in table 1.2 and

figure 1.1 below.

Table1: Observation Checklist Used

S/n	Observable item per country	Put ✓ where applicable							Yes	No
		1	2	3	4	5	6	7		
01	Type of products showcased by country: 1. Agriculture and Food products 2. Beverages 3. Cultural and handicraft products 4. Marine products 5. Textile 6. Footwear 7. Minerals									
02	Challenges observed: 1. Price 2. Language									
03	Type of exhibitors 1. Africans 2. Foreigners									
04	Any other observations: 1. General acceptance of products from Africa 2. Demand 3. Supply 4. Staffing 5. Quality of products presented 6. Security 7. Exhibition organization									

Source: Researcher, (2023)

4. Findings

This section presents data collected from the expo using participant observation methods. Data collected from 15 countries were manipulated in frequency and percentages as shown in Table 1.2 bellow. This section also includes data presented in bar chart showing products presentation percentage followed by the discussion of the findings.

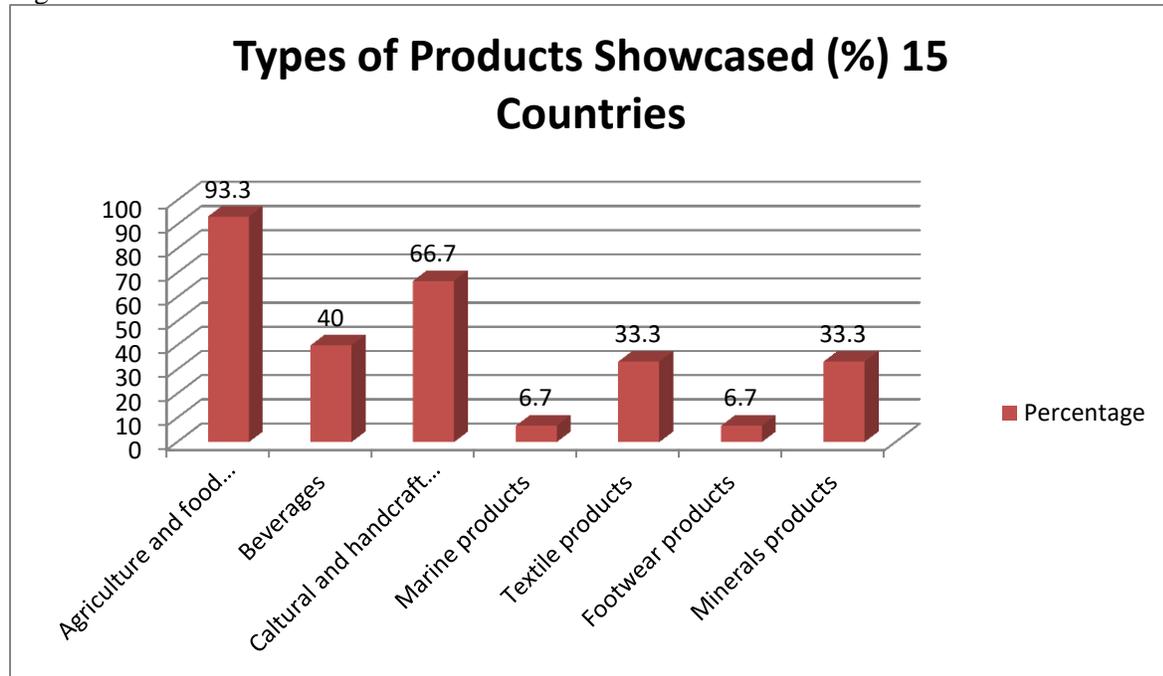
Table 2: Presentation of results

S/n	Item Observed	Frequency	Percentage
Type of product showcased by countries (15 countries)			
01	Agriculture and food products	14	93.3%
02	Beverages	6	40%
03	Cultural and handicraft products	10	66.7%
04	Marine products	1	6.7%

05	Textile	5	33.3%
06	Footwear	1	6.7%
07	Minerals	5	33.3%
Challenges observed			
08	Price	2	13.3%
09	Language	5	33.3%
Observed exhibitors			
10	Foreign exhibitors	7	46.7%

Source: Researcher's findings

Figure 1.1: Bar Chart Product Presentation



5. Discussion of the findings

Figure 1.1 above shows the type of products presented by 15 countries in the CAETE expo. Agriculture and food products were leading by 93.3% meaning that, 14 observed countries had agriculture-related products such as soya beans, cashew nuts, cocoa, coffee, honey, millet and pepper. ChinaAfrica, (2023) highlights that CAETE has contributed to the entry of more and more African agricultural products into the Chinese market over the past three years, effectively improving the structure of China-Africa trade. At present, Hunan is using the African Non-Resource Product Distribution, Trading, and Processing Centre to promote the construction and operation of six industrial import chains from Africa, including coffee, nuts, dried chilies, sesame seeds, peanuts, and wood products.

This evidently shows the potentiality of agriculture in most African countries. If given critical attention and investment to support domestic as well as foreign demand through export, agriculture can be one of the leading sources for foreign currency and can be the leading sector contributing to economic growth. Approximately 60-70 percent of the population in Africa lives in rural areas where the main economic activity is agriculture, however, agriculture accounts for more than 20% of GDP in most African countries (FAO, 2001).

In Tanzania for example, the agriculture sector has been playing an important role as a key driver for economic growth yet its contribution to the country's GDP is only 28% and accounts for about 24% of the total export (JICA, 2023). Currently, the government of Tanzania is implementing the BBT-YIA 2022-2030 program (Building a Better Tomorrow: Youth Initiative for Agribusiness) with the main goal of enhancing the engagement of youth in the agribusiness sector for sustainable and improved livelihoods, by inspiring youth through behavior/attitude change towards agriculture; empower youth through training, mentoring and coaching; engaging youth in profitable and sustainable management of

agribusiness; enabling youth-led enterprises by improving business environment and lastly coordinate effectively youth agribusiness support initiative for synergy and efficiency.

This initiative hopes to engage most youth who account for 31% of the total population in agriculture to increase productivity as well as transform youth livelihood. The findings from observation show that, agriculture has a great potential in Africa, and African governments need to establish implementable and context-specific programs to increase the contribution of the agriculture sector to GDP and export as well as curb the problem of poverty and youth unemployment at the same time.

The second type of products that were showcased by many African countries at the CAETE expo were cultural and handicraft products. Cultural and handcrafted objects are products that symbolize and represent the culture of a certain place or country. They may include utensils and objects made of wood, woven table mats, handmade sculptures of animals and people, as well as color paintings such as the famous Tanzania Tinga Tinga printings. Data collected from observation shows, that most African countries are prominent in making cultural and handcrafted products as part of the tourism value chain as it is an important tool for cultural heritage preservation and one among the sources of tourist attraction and hence even the contribution of cultural and handcraft products was higher (66.7%) during the CAETE expo. Cultural and handicrafts are dominated by Small and Medium Enterprises (SMEs) in the manufacturing sector, unlike agriculture and food products which are under the agricultural sector. Most of the craftsmen of cultural and handicrafts do not have enough capital to sustain their business growth by marketing their goods outside the country including attending trade fairs, most craftsmen are not exporters and most exporters are not craftsmen. Access to capital and finance to SMEs dealing with cultural and handicraft products will increase both productivity as well as exports.

Beverage products especially wine were the third product showcased by a total of six countries (40%) with South Africa taking the lead for a wider variety of wine for testing from different exhibitors. Data from Statista (2023), highlights a projection revenue in the African beverage market to reach \$ 897.20 M in 2023 with an annual growth rate of 13.16% from (2023 – 2037) to make a projection of a total market volume of \$ 1,471.00 M by 2027. Africa is an attractive market for beverages both alcoholic and non-alcoholic beverages. Most of the beverages especially alcoholic are foreign brands sold in Africa or foreign brands produced in Africa under license. Although African-made beverages from African industries still hold great prestige and potential, most of these beverages end up sold within Africa and the export market for African-made brands is still minimal. Data from Knoema (2023) shows exports of beverages from Africa started to increase to reach \$ 1,864,120.34 in 2021 a jump from a low of \$ 66,154.05 in 1986. Some of the top five Africa leading beverage exporters in 2021 include South Africa (\$ 1,256,959.89); Zambia (\$ 142,457.62); Namibia (\$ 63,401.15), Togo (\$ 54,141.23), and Tanzania (\$ 54, 094.64). During the CAETE exhibition, South Africa only showcased wine in the exhibition booth, this shows the amount of investment in this industry. African countries need to increase investment in this sector as it has a great potential for growth and the world can witness some global leading brands from Africa.

Minerals and textile products were among the products mostly showcased by different countries taking a tie for fourth position (33.3%). Textile products including sawn clothes, African prints and fabric, and other garments with African taste were presented. Moreover, some countries presented minerals and precious metals available in their countries. Textile products specifically with African textures like clothes and other sawn garments in most African countries are dominated by Small and Medium Enterprises (SMEs) while minerals on the other hand mainly dominated by big companies due to capital intensive although there are a number of small-scale miners. Africa is the producer of key mineral commodities such as coal, copper, gold, iron ore, and nickel. Africa is estimated to house roughly 30% of the known global mineral reserves and the continent remains hugely attractive for foreign investment (Sasu, D.D. 2023) and minerals remain one of the widely exported products before and after the independence of most African countries.

Evidence from literature shows, China is competing away third country markets such as the EU, US, and other regional markets (Kaplinsky and Morris 2009; Onjala 2008) and local markets for agricultural growers and local producers in mineral markets (Bräutigam and Xiaoyang 2009; Onjala 2008; Pigato and Tang 2015) making exports by SSA to the US and EU and African markets shrink while those of China grow (Kamau 2013). Beijing has pursued a decade-long strategy to secure a reliable supply of critical minerals through its Belt and Road Initiative (BRI). In Africa, China is well established. In the

Democratic Republic of Congo (DRC) which supplies 70% of the world's cobalt, Chinese companies own stakes in nearly all the country's producing mines. Chinese mining and battery companies have invested \$ 4.5 Billion in lithium mines and are behind much of Africa's lithium projects in countries like Namibia, Zimbabwe, and Mali. It is estimated that China could secure one-third of its lithium mining capacity by 2025 (Burrier, E & Sheehy, T. 2023). There also exists counterarguments claiming that Chinese economic activities have resulted in an overall increase in Trade, FDI, and Aid in Africa rather than the diversion of existing flows from third countries (Matthias et al. 2016). A researcher holds a view that, whatever investment China is doing in Africa, be it in agriculture, mining, gas, or petroleum, they should consider sustainability. As the China-Africa integration in economic cooperation suggests a win-win, African agents should ensure the signed bilateral agreements reflect this theory in both the long and short run and most importantly, the minimization of environmental effects for sustainable development.

Marine products (6.7%) and footwear products (6.7%) were the last and least showcased products in the CAETE expo. Both products are showcased by only one country among the observed countries. Having a lower showcase rate by country may be because of a hassle associated with its transportation requirements as well as preservation procedures which differ from country to country. In Tanzania for example, a person wishing to export fish and fishery products for the first time outside the country through Julius Nyerere International Airport (JNIA) has to undergo 32 steps requiring 30 documents from different authorities even though most of the document applications can be conducted online but most of the document will be needed at different steps for physical verification including five dully filled and stamped East African Community Certificate of Origin, dully filled and stamped License for Fishing or Dealing in Fish and Fishery Products, A Radioactive Analysis Certificate, Sanitary Certificate of Fish and Fishery Products to mention few (Tanzania Trade Portal, 2023). On the other hand, transporters of marine products to China have to obtain Quarantine Approval of Entry Animals, Plants and Their Products (Meat, Aquatic Products) from relevant authorities and it should be completed before signing any trade contract or agreement. Moreover, the importer must meet preset conditions before going through the entry quarantine approval procedures including ensuring there is no major animal or plant epidemics in the exporting country or region, should comply with China's relevant animal and plant quarantine laws, regulations and rules, and comply with the relevant bilateral quarantine agreements signed between China and the exporting country or region (Kunming Customs District, 2023). Availability of fish and other marine products to the exporting country may also be a factor for low showcase rate by country.

For footwear products, according to OEC (2023), the world trade for rubber footwear reached \$ 37.5 B in 2021. The world's top exporter of rubber footwear is China with exports worth \$ 21.5 B in the same year. China is the top manufacturer and exporter of rubber footwear, importing to compete with the available market seems unrealistic to most African producers and hence reflected in the number of countries showcasing such products. Literature suggests that China's rise has created a supply shock to the world, especially to the textile sector (Zafar 2007) and it has resulted in strong adjustment pressure on the African manufacturing sector due to strong competition in domestic and international (Adem, 2013). China's engagement in the textile and cloth sector and footwear has a double-edged effect. Its manufacturing firms could displace their African competitors in case they produce similar goods (Matthias et al. 2016). The most obvious threat is seen in squeezing the SSA's clothing, textile, furniture, and footwear exports to US and EU markets (Power, 2008). There is also strong evidence of displacement effect for labor-intensive manufacturing goods (Matthias et al. 2016). Hence, these sectors and other consumer goods industries in Africa are acutely threatened (GDI, 2006). The researcher's view is for African textile and clothing industries to get more innovative focusing on the unique African style that will differentiate them from foreign manufacturers.

Apart from observing the types of products showcased by countries in the CAETE expo, the researcher also observed challenges associated with the expo for African exhibitors and here the researcher observed the price challenge as apart from showcasing the products from Africa, some products were directly sold to people attended the expo. Also, the researcher observed the communication challenge between the exhibitors and expo attendees.

In relation to the challenges experienced by the exhibitors, the observation from the expo revealed that 13.3% of the observed countries showed price challenges for the products which were directly sold as some products were a bit expensive e.g wine and clothes. On rare occasions, customers will ask for a price reduction, however, in most cases, both buyers and sellers found the equilibrium price and some

exhibitors finished selling their products even before the last day of the expo. Moreover, the researcher also observed the communication challenge and 33.3% of the participating countries experienced a communication barrier with people who attended the expo. This is because majority of expo attendee were Chinese who only use Chinese language. Thus, other countries had to hire students from their respective countries who understood the Chinese language to assist with customers during the expo period while others hired English-speaking Chinese ushers to help out during the days of the expo. However, even though language did not pose a significant barrier during the expo as exhibitors found ways of solving the problem, to some extent it limited their capacity to explore their customers interest for furthered business relations in the future.

The researcher was also interested in observing the kind of exhibitors showcased the products as the expo provided an opportunity for participating African countries to introduce and sell their products to the Chinese market. To understand this, in every exhibition booth of the observed countries, the researcher took note if there were presence of exhibitors of other nationalities and the findings show that 7 countries (46.7%) had exhibitors from other nationalities apart from Africa. This observation may signal to lower participation rate of exhibitors from Africa to some countries but also a lower ability of exhibitors from Africa to meet the exhibition expenses or even low awareness from respective countries. African countries need to plan ahead and empower their entrepreneurs to participate in such events as they are not only a forum for a country to brand itself but also it is an opportunity to unlock new markets and boost export.

Apart from the above observations, the researcher also observed general acceptance of products from Africa, demand, supply, staffing, quality of products presented, security, and exhibition organization. The participants of the third CAETE expo 2023 generally accepted the products from Africa. Some exhibitors who directly sold to customers finished all products before the last day of the expo. The more than 100,000 visitors who attended the expo yielded a total of 120 projects worth more than 10 billion U.S dollars, 99 cooperative projects worth 8.7 Billion dollars, and 11 African countries taking a share of 74 signed projects out of 99, the highest number yet (CGTN, 2023). This shows Chinese market openly welcomed and embraced products made in Africa.

The CAETE exhibition showcased nearly 1,600 kinds of commodities from 29 African countries, representing a remarkable 166-percent increase compared to the previous expo. The event also witnessed active participation with some 1,500 exhibitors, indicating a 70 percent increase from the previous session. The presence of 9,000 buyers and professional visitors further enhanced the bustling atmosphere, and the overall visitor count surpassed 100,000 (CGTN, 2023). The data shows increased demand and potential buyers of African products compared to the previous expos. Moreover, anecdotal evidence indicates that some buyers required a massive amount of certain products such as cloves, pepper, soya e.t.c that suppliers found it difficult to keep up with. This evidently shows, that the demand for products from Africa is higher than the available supply and hence more investment especially in the agriculture sector and manufacturing sector is needed to capture and satisfy this market.

Another evidence from observation also showed understaffing in some of the country exhibition booths as the sheer amount of participants per booth exceeded the available number of staff which increased the staff-participant ratio. Many participants stood unattended when required information from exhibitors as exhibitors were busy attending to other people and hence some left without being listened to or answered their questions. As expo are ideal places for a country to brand itself and find new markets for products made in that country, high service delivery and top-notch customer care is imperative as long-term relations starts with a good first impression. Countries need to plan ahead on how to accommodate an expected large number of clients so that no business contact potential for future collaboration is lost.

According to observations, products made in Africa presented at the expo had quality above average although there is always room for improvement. With investment in more sophisticated production technology and machinery especially for SMEs, the quality of products made in Africa will only rise to attract more customers as well as timely satisfy the available demand.

Security during all days of the expo was very good. From observation, any participant wishing to access the exhibition hall must go through various security checks before entering the hall. The safety of the products presented by countries was high and after the completion of each day of the exhibition, exhibitors left all the products in the exhibition booths to come back the following day and continue with the exhibition. A safe and harmonious environment in the exhibition center made guests and participants

comfortable and worry less about property theft or loss. Lastly, the third CAETE Exhibition was well organized. Every exhibitor and guest had to be registered prior to the beginning of the expo. During the expo, people were around to assist guests with whatever information they needed.

5.1. Conclusion

The third China-Africa Economic Trade Expo witnessed an increased number of exhibitors from Africa to showcase the products made in Africa compared to previous expos. The agriculture sector had most products showcased and shows the development of agriculture in most African countries, however, more investment in this sector is needed to increase output and produce more quality produce for export. Moreover, the expo witnessed products from African manufacturers particularly the SMEs from cultural and handcraft products to textile and footwear products. However, the level of participation from the manufacturing sector is still low compared to the level of participation of the agricultural sector. The African manufacturing sector needs the same attention given to agriculture to boost exports of the two simultaneously. This double benefit will help the growth of the two industries, boost exports, and increase GDP.

5.2 Recommendations

From the study findings the researcher recommends the following:

1. African manufacturing sector should be improved including the SMEs which hold a large share in the manufacturing sector in many countries. In Tanzania for example, in 2016 there were a total of 2462 producing industries and among them, the SMEs constitute 1931 industries equivalent to 78.4% (URT, 2002). This means that deliberate efforts need to be made to improve the SME sector in order to increase their manufacturing value chain participation in internal and external markets.
2. Moreover, the 2023 China Africa Economic and Trade Expo witnessed the signing of a total of 120 projects worth more than 10 billion U.S. dollars and 99 cooperative projects worth 8.7 Billion dollars (CGTN, 2023). These projects and especially the cooperative projects should also ensure they help and facilitate technology transfer; employment generation; economic diversification and structural change through industrialization. The China-Africa economic integration should help African industries, agriculture or the energy sectors develop and to have skilled people through knowledge and technology transfer to realize the win-win philosophy.
3. Deliberate efforts towards improving the African manufacturing sector and other sectors will also help offset or at least reduce the trade deficit that exists between Africa and China and other countries around the world. Data from the China-Africa Research Initiative (2023) indicates a year-on-year trade gap between Africa and China. African countries should strive to improve competitiveness and productivity in sectors contributing heavily to their national GDP be it agriculture, tourism, manufacturing, service or energy while also putting forth strategies to improve low-performing sectors through policies and structural reforms with an overall aim of improving productivity and reduce trade imbalance that exists with different countries including China.
4. China-Africa trade should not be the source of killing African industries. Trade between and among countries should make both/all participating countries better off. Whenever there is a threat or indicators of putting African industries out of business, then both African actors and their trading partners should find the best solution to remedy the situation. African countries also should put deliberate efforts to give value to homemade products and capacitate industries that make similar products to the ones they import to make quality products in order to reduce reliance on foreign goods using the excuse of poor quality of African goods. The dogma that imported goods are better than made African should be addressed and whenever that is true, investments should be made to improve local industries to reach the quality desired.
5. Capital accessibility for African firms is critical to manufacturing sector development. African countries have witnessed heavy investments in the agriculture sector. The same dedication African countries have to develop the agriculture sector should also be emphasized in the manufacturing sector. Governments and development partners should improve access to capital to firms and industries, especially the SMEs which constitute a larger part of the manufacturing

sector. This is a necessary move to capacitate African firms' investment in critical machinery and capacity building necessary for their development.

6. African governments through their respective ministries need to support their entrepreneurs participate in various trade fairs around the world and market their products to penetrate new markets. Africa has great potential and some products available in African countries are hard to find elsewhere or at least with the similar quality. Planning ahead to include a wide range of participants from various sectors is always good for the country branding its homemade products.
7. Due to the development of the agricultural sector and the endowment of natural resources. Most African countries are overcrowded with primary industries that process agricultural products or make initial processes of extracted natural resources before exporting outside the country. African countries should invest in developing the manufacturing sector to remove the need to export semi-processed goods due to lack of capacity to finish the production process at home. This will not only help further develop robust industries and achieve industrial upgrading but also will increase the value of African natural resources, especially minerals.
8. Lastly, African agents should also ensure that the bilateral agreements they sign with different country have the best interest for those countries for their own development and that they have greater leverage of benefiting from those agreement as their counterparts. The resources that are available should help African countries growth and development. Moreover, African countries should make a gradual transition from natural resource based cooperation to human resource based cooperation to increase technical knowhow for better management of resources for future and future generation.

Declaration of conflicting interests

The Author(s) declare(s) that there is no conflict of interest.

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