Conceived as a tool serving the purposes of the African Continental Free Trade Area (AfCFTA), by facilitating inter-African trade transactions, the <u>Africa Trade Exchange (ATEX)</u> is basically a continental web-based e-marketplace platform whose objective is to stimulate the sale of essential products manufactured in Africa by connecting potential buyers to suppliers. Private consumers are not allowed to use the platform for purchasing goods, as the ATEX is essentially a Business-to-Business (B2B) tool specifically targeted to African businesses, in an attempt to help them to tap into new markets in Africa for the purchase of basic commodities that are much needed for their production or supply chain needs.

These commodities are currently grouped in 3 categories: 1) agricultural products; 2) Fertilizers and Inputs; 3) Food and Beverage. An additional category called "others", groups other residual products that cannot be classified in the main 3 categories above. On the ATEX, products are sold at competitive prices as the intermediation costs are eliminated, being buyers capable to purchase them directly from producers, who can access to the platform free of cost and showcase their products.

Expected to enhance intra-African e-commerce, the ATEX is inspired to a similar tool launched by COMESA at the beginning of March 2021 (read our <u>post</u>).

Although COMESA developed this tool during the COVID-19 emergency, with the purpose of facilitating the purchase within the region of personal protective equipment and related infection prevention and control supplies (e.g. sanitisers, cleaning and hygiene products, ventilators, Covid test kits, thermometers, etc.), this tool has become today a stable e-marketplace platform for facilitating the matchmaking of sellers and buyers in the region with regard to a large range of essential goods, including fuel and food products. In practice, this platform is set to become an e-marketplace solution for sustaining e-commerce in the COMESA region after the covid pandemic will definitively finish.

Unfortunately, after 1 year and half from the launch of this platform, the products available are limited, and transactions concluded through it have been very few. This is mainly due to the fact that most of traders in the COMESA region are not even aware of the existence of this tool.

The ATEX promises to achieve better results than the previous attempt from COMESA, but on which basis? Just having this tool operational is not a guarantee for its success. Sensitization

activities addressed to African businesses and aimed at promoting the use of this tool is the way to go, but an analysis of successful e-marketplace solutions in Africa would also help to better tailor this platform to the needs of African traders. Indeed, more than in other regions, African economic operators are known to trade on consolidated relational trust basis, preferring to interact personally (rather than remotely) with a handful of suppliers and clients that they have known for years, as explained in this <u>article</u> published by the Brooking Institute.