

Trade and Competitiveness Monitoring Note

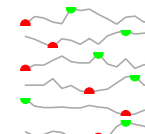


Malawi

GDP (US\$ billions) (2016)	Population (millions) (2016)	Income per capita (current US\$) (2016)	Poverty rate (2010)	Unemployment rate (2014)
4.7	17.8	262.2	70.9	7.5

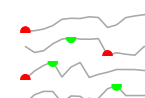
Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
GDP growth (annual %)	4.52	1.88	5.19	5.68	2.79	4.98
Current account balance	-10.58	-3.49	-1.78	-5.05	-4.09	-3.03
Fiscal balance (% of GDP)	-3.60	-6.89	-1.25	-7.95	-5.38	-6.98
Remittances, received (% of GDP) [1]	0.49	0.67	0.88	0.90	—	—
Real Effective Exchange Rate (2010=100)	115.28	75.15	64.23	69.41	85.75	85.03
Consumer Price Index, annual percent change	11.63	21.26	27.30	23.80	21.70	16.20



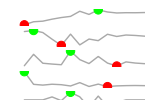
Investment indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Gross domestic investment (% GDP)	14.7	15.3	23.0	24.8	26.1	26.8
Gross domestic investment, of w: Private investment (% GDP) [1]	22.5	16.9	16.0	15.4	—	—
Inward FDI (% of GDP) [2]	2.1	2.3	2.3	2.3	—	—
Inward FDI, % of private investment [2]	17.1	38.2	NA	—	—	—



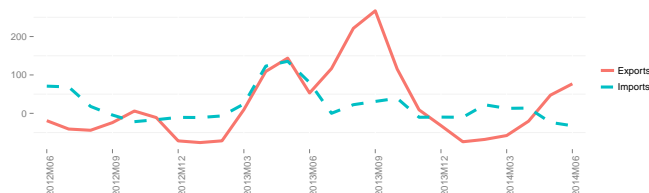
Trade Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016
Total Trade in Goods and Services (% of GDP, real terms)	51.8	67.2	67.9	67.7	68.2	68.3
Trade balance (% GDP, real terms)	-9.5	-12.1	-10.9	-11.3	-11.9	-12.1
Exports, Goods and Services, annual percent change (real terms)	13.0	-5.5	8.8	4.8	2.6	4.7
Imports, Goods and Services, annual percent change (real terms)	28.7	1.1	4.5	6.0	4.2	5.3
Total reserves in months of imports [1]	1.3	1.1	—	—	—	—



Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2014

Tobacco, wholly/partly stemmed/stripped	39	Tobacco, not stemmed/stripped	7	Special transactions & commodities	5
Tea, whether or not flavoured	5	Sugars, beet or cane, raw, in solid	5		

Imports Categories by % of Total Value, 2014

Consumer goods	45	Intermediate goods	28	Capital goods	22
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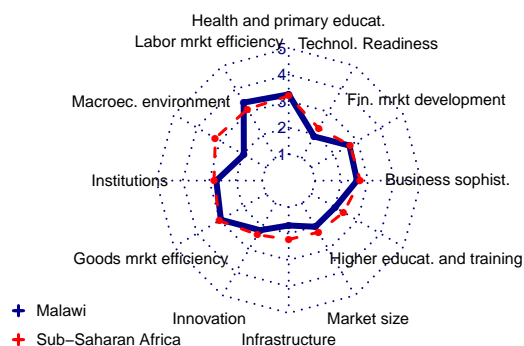
Source: World Integrated Trade Solution (WITS)

Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	64	65	-1
Ease of Doing Business Rank	144	141	3
Enforcing Contracts	145	147	-2
Getting Credit	150	152	-2
Getting Electricity	185	175	10
Paying Taxes	100	102	-2
Protecting Minority Investors	114	115	-1
Registering Property	92	93	-1
Resolving Insolvency	165	164	1
Starting a Business	158	161	-3
Trading Across Borders	123	123	0

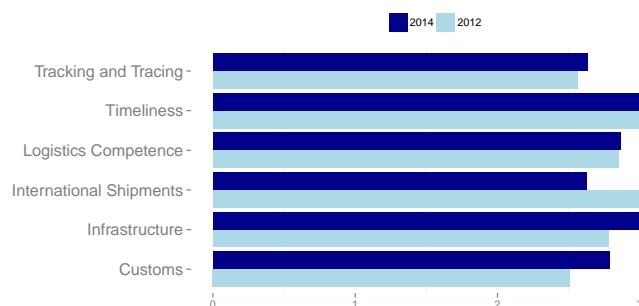
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



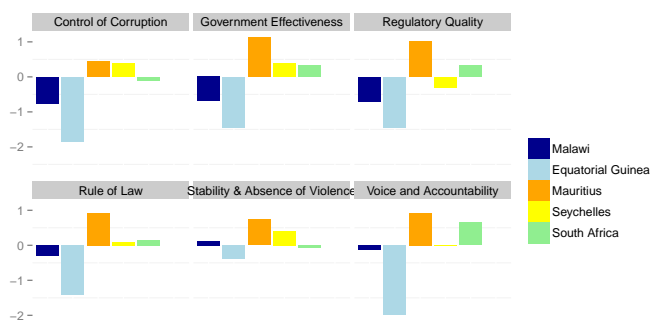
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

	2010	2014
Applied Tariff (Incl. Prefers. and Trade-Weighted)	11.6	7.0
Binding (%)	31.9	30.7
Dispersion (Standard Deviation)	10.7	11.8
Import duties collected (%; 2011-2013) [1]	—	3.2
MFN Tariff (Agriculture)	17.4	18.4
MFN Tariff (Non-Agriculture)	11.8	11.3
MFN Tariff (Simple Average)	12.7	12.3
Services sectors with GATS commitments [1]	—	33.0

Sources: WITS, [1] WTO Trade Profiles

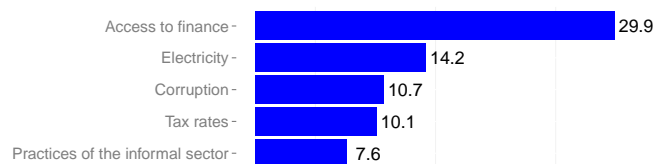
Private Sector's Views

Enterprise Survey 2013

	Sub-Saharan Africa	Malawi	All Countries
Number of electrical outages in a typical month	8.30	6.70	6.30
Percent of firms with a bank loan/line of credit	23.10	26.80	34.30
Proportion of investment financed by banks (%)	9.90	13.80	14.30
Proportion of investment financed internally (%)	76.70	65.80	71.80
Senior management time spent dealing with the requirements of government regulation (%)	8.20	5.00	9.90

Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015