

# T&C

## Snapshots

### Data Note



## Malawi

| GDP (US\$ billions) (2017) | Population (millions) (2017) | Land area (sq. km) (2014) | Income per capita (current US\$) (2017) | Poverty rate (2010) [1] | Unemployment rate (2014) | Ease of Doing Business Rank (2016) |
|----------------------------|------------------------------|---------------------------|---|-------------------------|--------------------------|------------------------------------|
| 4.9                        | 18.3                         | 94,280.0                  | 265.5                                   | 70.9                    | 7.5                      | 141.0                              |

### Macro Indicators

|   | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016  | 2017  |
|---|---------------|-------|-------|-------|-------|-------|
| GDP growth (annual %)                       | 4.30          | 5.19  | 5.68  | 2.79  | 4.98  | 5.79  |
| Current account balance                     | -10.03        | -1.78 | -5.05 | -4.09 | -3.03 | -3.40 |
| Fiscal balance (% of GDP)                   | -3.89         | -1.25 | -7.95 | -5.38 | -6.98 | -4.67 |
| Remittances, received (% of GDP) [1]        | 0.51          | 0.88  | 0.90  | —     | —     | —     |
| Real Effective Exchange Rate (2010=100)     | 112.20        | 64.23 | 69.41 | 85.75 | 85.03 | 83.46 |
| Consumer Price Index, annual percent change | 12.43         | 27.30 | 23.80 | 21.70 | 16.20 | 11.50 |

### Investment indicators

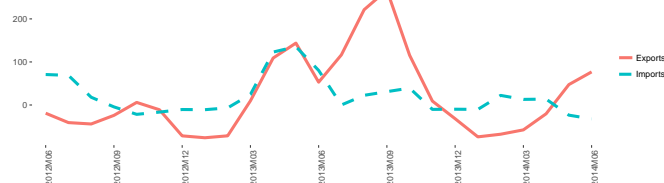
|   | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP)                               | 14.7          | 23.0 | 24.8 | 26.1 | 26.8 | 27.2 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 22.0          | 16.0 | 15.4 | —    | —    | —    |
| Inward FDI (% of GDP) [2]                                       | 2.1           | 2.3  | 2.3  | —    | —    | —    |
| Inward FDI, % of private investment [2]                         | 19.1          | NA   | —    | —    | —    | —    |

### Trade Indicators

|   | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016  | 2017  |
|---|---------------|-------|-------|-------|-------|-------|
| Total Trade in Goods and Services (% of GDP, real terms)        | 52.9          | 67.9  | 67.7  | 68.2  | 68.3  | 68.4  |
| Trade balance (% GDP, real terms)                               | -9.7          | -10.9 | -11.3 | -11.9 | -12.1 | -12.6 |
| Exports, Goods and Services, annual percent change (real terms) | 11.5          | 8.8   | 4.8   | 2.6   | 4.7   | 5.1   |
| Imports, Goods and Services, annual percent change (real terms) | 26.4          | 4.5   | 6.0   | 4.2   | 5.3   | 6.6   |
| Total reserves in months of imports [1]                         | 1.3           | —     | —     | —     | —     | —     |

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

### Imports Categories by % of Total Value, 2014

|                |                    |               |
|----------------|--------------------|---------------|
| Consumer goods | Intermediate goods | Capital goods |
| 45             | 28                 | 22            |
|                |                    | 5             |

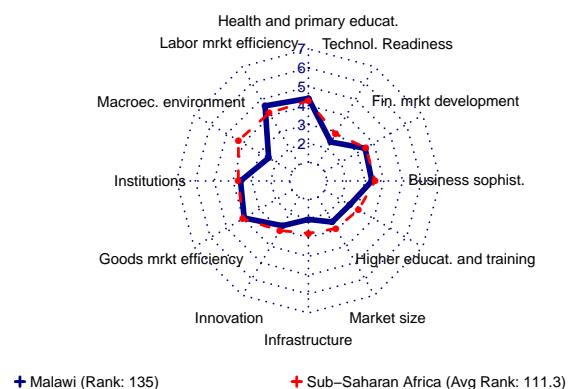
Source: World Integrated Trade Solution (WITS)

### Doing Business 2015 Distance to Frontier (DTF) and Rank

|                                   | DTF          |              |             | Rank       |            |          |
|-----------------------------------|--------------|--------------|-------------|------------|------------|----------|
|                                   | 2015         | 2016         | Change      | 2015       | 2016       | Change   |
| <b>Ease of Doing Business</b>     | <b>49.74</b> | <b>51.03</b> | <b>1.29</b> | <b>144</b> | <b>141</b> | <b>3</b> |
| Dealing with Construction Permits | 72.15        | 72.28        | 0.13        | 64         | 65         | -1       |
| Enforcing Contracts               | 47.09        | 47.09        | 0           | 145        | 147        | -2       |
| Getting Credit                    | 25           | 25           | 0           | 150        | 152        | -2       |
| Getting Electricity               | 26.84        | 36.15        | 9.31        | 185        | 175        | 10       |
| Paying Taxes                      | 71.51        | 71.82        | 0.31        | 100        | 102        | -2       |
| Protecting Minority Investors     | 46.67        | 46.67        | 0           | 114        | 115        | -1       |
| Registering Property              | 62.47        | 62.62        | 0.15        | 92         | 93         | -1       |
| Resolving Insolvency              | 18.99        | 19.2         | 0.21        | 165        | 164        | 1        |
| Starting a Business               | 66.96        | 69.71        | 2.75        | 158        | 161        | -3       |
| Trading Across Borders            | 59.77        | 59.77        | 0           | 123        | 123        | 0        |

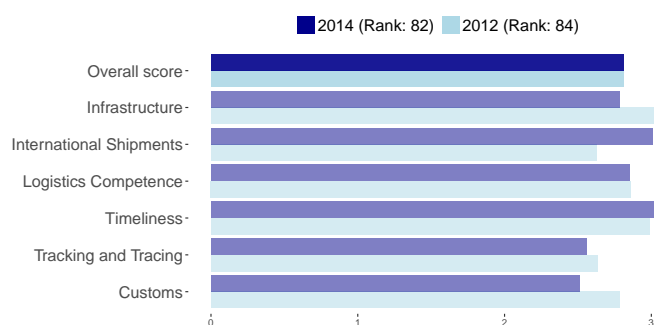
Source: Doing Business Report 2015

## WEF Competitiveness Indicators (Scale 1-7, 7=best)



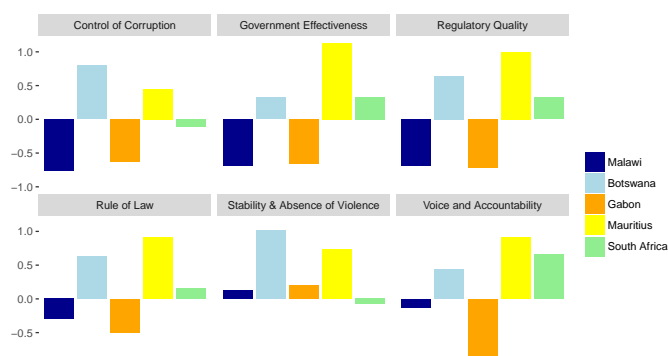
Source: WEF Global Competitiveness Report 2015

## 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

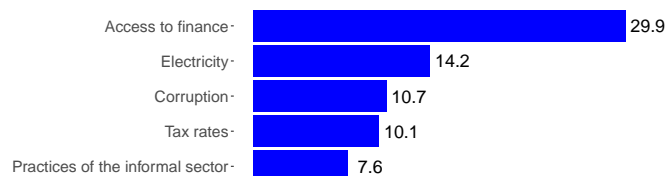
## Private Sector View

### Enterprise Survey 2014

|   | 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 2014

### Top 5 constraints according to ES 2014 (% respondents)



Source: Enterprise Survey 2014

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



Source: WEF Global Competitiveness Report 2015



# T&C Snapshots Operations Note



# Malawi

## SCD/CPF

## Most Recent

| Product  | Document | Date       |
|--|----------|------------|
| Malawi - Performance and learning review of the country assistance strategy for the period FY2013-16 |          | 2015-04-29 |

## Planned

| Product | Concept Review Date | Board Date |
|---------|---------------------|------------|
| None    |                     |            |

## WB Lending Pipeline

| Project ID | Project Name                          | Team Leader     | Approval Date | Lending Inst. Type | Begin Appraisal | Commitment (US\$M) | Latest Sort Overall Risk Rating | FY Expenses (US\$K) | Cum Expenses (US\$K) | FY Prob |
|------------|---------------------------------------|-----------------|---------------|--------------------|-----------------|--------------------|---------------------------------|---------------------|----------------------|---------|
| P145706    | Business Enabling Environment Project | Brian G. Mtonya | 2013-05-30    | IPF                | 2013-05-30      | 5                  | —                               | 0                   | 0                    | —       |

## WB Portfolio

## Active

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Undisbursed Balance (US\$M) | Project Rating DO | Project Rating IP | Overall Risk | Months in Problem Status |
|------------|--------------|-------------|---------------|--------------------|--------------|--------------------|-----------------------------|-------------------|-------------------|--------------|--------------------------|
| None       |              |             |               |                    |              |                    |                             |                   |                   |              |                          |

Closed

[illegible]

## Active

Closed

IFC ASA

## Active

## Pipeline

Closed

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None       |              |             |                  |                   |                           |                               |                                   |