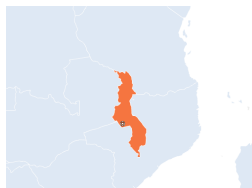


Introduction

Malawi is a landlocked country in southeast Africa. It is bordered by Mozambique, Tanzania, and Zimbabwe. The Great Rift Valley runs through the country, and to the east of the valley lies Lake Nyasa. The government system is a multiparty democracy; the chief of state and head of government is the president. Malawi has a traditional economic system in which the majority of the population engages in subsistence agriculture, and the allocation of available resources is made on the basis of primitive methods. Malawi is a member of the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC).



Location: Eastern Africa

Capital City: Lilongwe (+2 GMT)

Chief of State: President Lazarus Chakwera

Head of Govt.: President Lazarus Chakwera

Currency: Malawian kwacha (MWK)

Major Languages: <p>English (official), Chewa (common), Lambya, Lomwe, Ngoni, Nkhonde, Nyakyusa, Nyanja, Sena, Tonga, Tumbuka, Yao
Note: Chewa and Nyanja are mutually intelligible dialects; Nkhonde and Nyakyusa are mutually intelligible dialects</p>

Primary Religions: <p>Protestant 33.5% (includes Church of Central Africa Presbyterian 14.2%, Seventh Day Adventist/Baptist 9.4%, Pentecostal 7.6%, Anglican 2.3%), Roman Catholic 17.2%, other Christian 26.6%, Muslim 13.8%, traditionalist 1.1%, other 5.6%, none 2.1%</p>

Calling Code: 265

Voltage: 230

Key Websites

Main Government Page: malawi.gov.mw

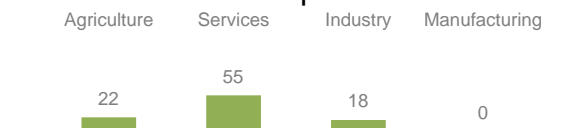
Export Promotion Agency: mitc.mw

Investment Promotion Agency: mitc.mw

Key Economic Facts

Income Level (by per capita GNI):	Low Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$35.34 billion (2022)
GDP growth (annual %):	0.92% (2022)
GDP per capita, PPP (current international \$):	\$1,732.03 (2022)
External debt stocks, total (DOD, current US\$):	\$3,185,407,054.40 (2021)
Manufacturing, value added (% of GDP):	11.54% (2019)
Current account balance (BoP, current US\$):	-\$1.54 billion (2021)
Inflation, consumer prices (annual %):	20.95% (2022)
Labor force, total:	7,922,748 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	5.61% (2022)
Imports of goods and services (current US\$):	\$2.73 billion (2019)
Exports of goods and services (current US\$):	\$2.38 billion (2019)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	109 / 178
Global Competitiveness Index	128 / 141
Global Enabling Trade Index	101 / 136
Index of Economic Freedom	133 / 176
International Logistics Performance Index (LPI)	97 / 160
Inward FDI Potential Index	135 / 139
KOF Index of Globalization	143 / 185
Networked Readiness Index (NRI)	132 / 139
Open Budget Index	95 / 114

Risk Assessment (Provided by Coface)

Country rating: D - A high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior. Corporate default probability is very high.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Natural resources (tobacco, tea, coffee, sugar, soya, uranium, niobium)
- Growing service sector
- Active civil society
- Relative institutional stability

Weaknesses

- Economy dominated by subsistence farming, vulnerable to the vagaries of climate and input prices
- Food insecurity, extreme poverty (in 2020, 70% of the population lived on less than USD 2.15 a day)
- Deficient infrastructure (water, energy, transport, education, health) and geographical isolation
- Widespread corruption
- Heavy public debt fuelled by high deficit
- Extremely low foreign exchange reserves sustained by a massive deficit in trade in goods (fertilisers, fuel, medicines) and services despite expatriate remittances and international aid.

U.S. Embassy

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