Malawi: Intra-African Trade and Tariff Profile 2022

TRADING ARRANGEMENTS

**African Continental Free Trade Area**
Malawi has signed and ratified the AfCFTA Agreement. Malawi submitted its tariff offer which is going through a verification process by the AfCFTA Secretariat. Malawi’s Schedule of Specific Commitments in the five (5) priority service sectors (i.e., financial, tourism, business, communication & transport services) was adopted by the Assembly of the Heads of State and Government of the African Union.

**Regional Economic Communities**
Malawi is a member of the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC).

**COMESA**
COMESA has 21 Member States, 17 of which are part of the COMESA Free Trade Area (FTA). DRC, Eritrea, Ethiopia and Somalia are in the process of acceding to the COMESA FTA.

**SADC**
SADC has 16 Member States including all the SACU countries, Angola, DRC, Seychelles, Comoros, Madagascar, Tanzania, Zimbabwe, Zambia, Mauritius, Mozambique and Malawi. 13 SADC Member States are members of the SADC FTA. Comoros and DRC are yet to join the FTA. Angola has submitted its tariff offer to join the SADC FTA.

**Intra-African Trade**
In 2022, Malawi’s intra-African trade (imports + exports) was US$808 million, accounting for 32% of Malawi’s total trade. Malawi’s main intra-African trading partners include South Africa, Tanzania, Kenya and Zambia. These four countries account for approximately 70% of Malawi’s intra-African trade.

In 2022, 27% of Malawi’s total imports were intra-African (i.e., sourced from African countries). The main intra-African imports are fertilisers and food preparations n.e.s. Malawi’s intra-African imports are mainly sourced from SADC and COMESA countries, except for Nigeria and Morocco. Between 2021 and 2022, Malawi’s intra-African imports declined by 55%.

**Intra-African exports**
The value of Malawi’s 2022 intra-African exports is US$395 million, i.e. 42% of Malawi’s total exports. Between 2021 and 2022, Malawi’s intra-African exports increased by 3%. The main export products to other African countries include groundnuts, unmanufactured tobacco, and oil cake. Malawi’s main destination markets are SADC and COMESA countries.

In 2022, 22% of Malawi’s world groundnut exports went to South Africa, 16% to Kenya, 15% to South Africa, 13% to Zimbabwe, and 10% to Zambia, while 24% went to Rest of Africa.

In 2022, 9% of Malawi’s world unmanufactured tobacco exports went to Tanzania, 16% to Kenya, 15% to South Africa, 13% to Zimbabwe, and 10% to Zambia, with 24% going to Rest of Africa.

In 2022, 7% of Malawi’s world oil cake exports went to Tanzania, 7% to Zambia, 6% to South Africa, 6% to Zimbabwe, and 6% to Rest of Africa.

In 2022, 5% of Malawi’s world tobacco machinery exports went to South Africa, 12% to Tanzania, 7% to Zambia, 6% to Zimbabwe, and 6% to Rest of Africa.

In 2022, 7% of Malawi’s world cement exports went to South Africa, 12% to Tanzania, 6% to Zambia, 6% to Zimbabwe, and 6% to Rest of Africa.

**Intra-African import products**
In 2022, 7% of Malawi’s world urea exports went to Tanzania, 29% to Malawi’s world cement exports, 86% to Malawi’s world ammonium exports, 3% to Malawi’s world fertilisers exports, 6% to Malawi’s world food preparations n.e.s exports, and 28% to Malawi’s world fertilisers exports.
Trade with African countries outside COMESA and SADC

In 2022, only 7% of Malawi's intra-African trade is with African countries that are not members of COMESA and SADC. Outside COMESA and SADC, Malawi's main trading partners are Nigeria and Morocco. 83% of Malawi's trade with African countries outside COMESA and SADC is with Nigeria and Morocco. In the same year, only 10% of Malawi's intra-African imports were sourced from the African countries not members of COMESA and SADC. The main import products include urea and ammonium. In addition, only 4% of Malawi's intra-African exports were exported to African countries not COMESA and SADC members. The main export products include unmanufactured tobacco, maize seeds and frozen chicken.

Malawi's main import products from African countries not members of COMESA and SADC are urea, ammonium, blankets, tents of textile materials and car parts. These five products account for about 98% of Malawi's imports from African countries not members of COMESA and SADC. Urea and car parts are imported mainly from Nigeria, ammonium from Morocco, and blankets and tents of textile materials mainly from Ghana. Nigeria's urea exports and Morocco's ammonium exports are duty-free in Malawi. Blankets and rugs, and tents of textile materials from Ghana face a 25% duty in Malawi, and Nigeria's car parts face a 5% duty in Malawi. Malawi's import products from African countries not members of COMESA and SADC are levied the MFN applied tariffs.

Malawi's main export products to African countries not members of COMESA and SADC are unmanufactured tobacco, diesel generators, maize seeds, frozen chicken cuts & frozen full chicken. These products account for about 87% of Malawi's exports to African countries not members of COMESA and SADC. 89% of Malawi's exports of unmanufactured tobacco are destined for Morocco, Mauritania and Senegal. Cameroon imports all of Malawi's exports of unmanufactured tobacco to African countries not members of COMESA and SADC. 89% of Malawi's exports of maize seeds to African countries not COMESA and SADC members are destined for Nigeria and Ghana. Congo imports all of Malawi's exports of frozen chicken cuts and frozen full chicken to African countries not COMESA and SADC members.

INTRA-AFRICAN TRADE IN SERVICES

The WTO-OECD Balanced Trade in Services Dataset (BaTiS) is an experimental dataset that contains a complete, consistent and balanced matrix of international trade in services. Statistics cover the period 2005-2021, for over 200 reporters and partners, and 12 EBOPS 2010 categories in addition to total services.

Sources: ITC TradeMap for trade in goods, ITC Market Access Map for tariffs; and WTO for trade in services