



# Investment Led Growth

Produce our Way to Prosperity

**ECAMA 2017 Annual Conference  
Rethinking the Pillars and  
Structures for Malawi's  
Transformative and Inclusive  
Economic Development**

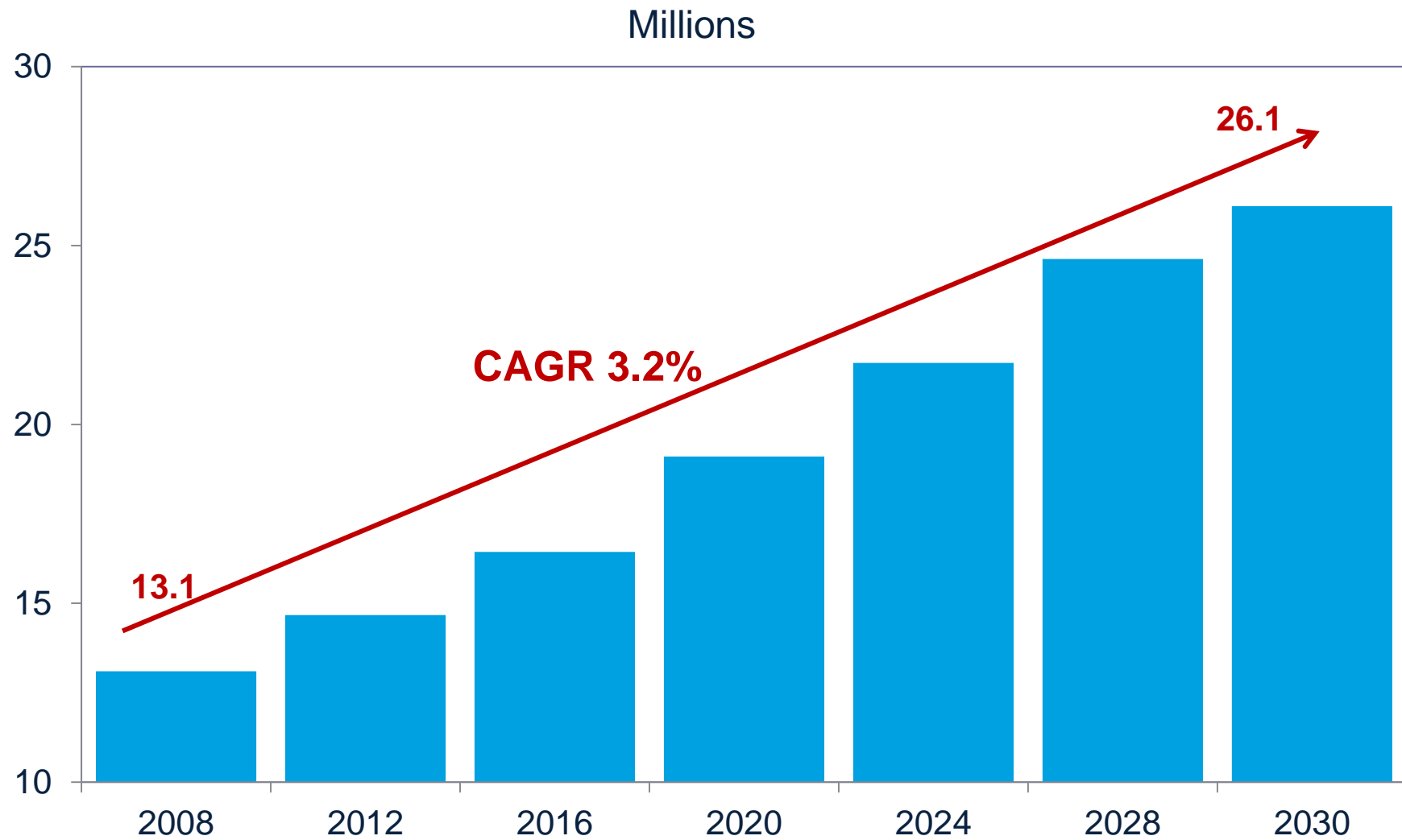
Presented by Enock Kondowe

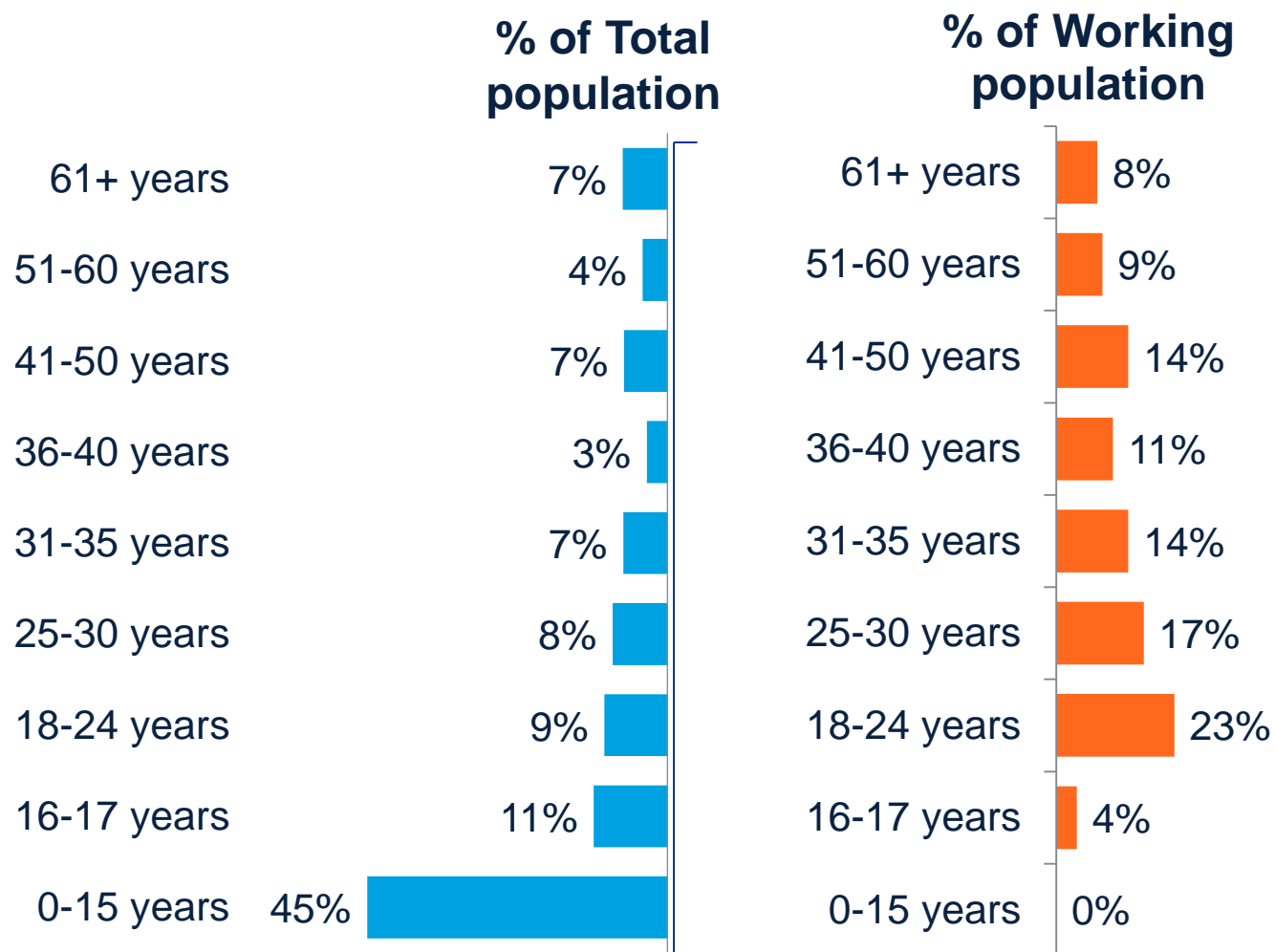


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# 1 / Demographics





89% of the population is below 50 years

Median age of the population is 16 years old



# 2 / Mobility



**1997**

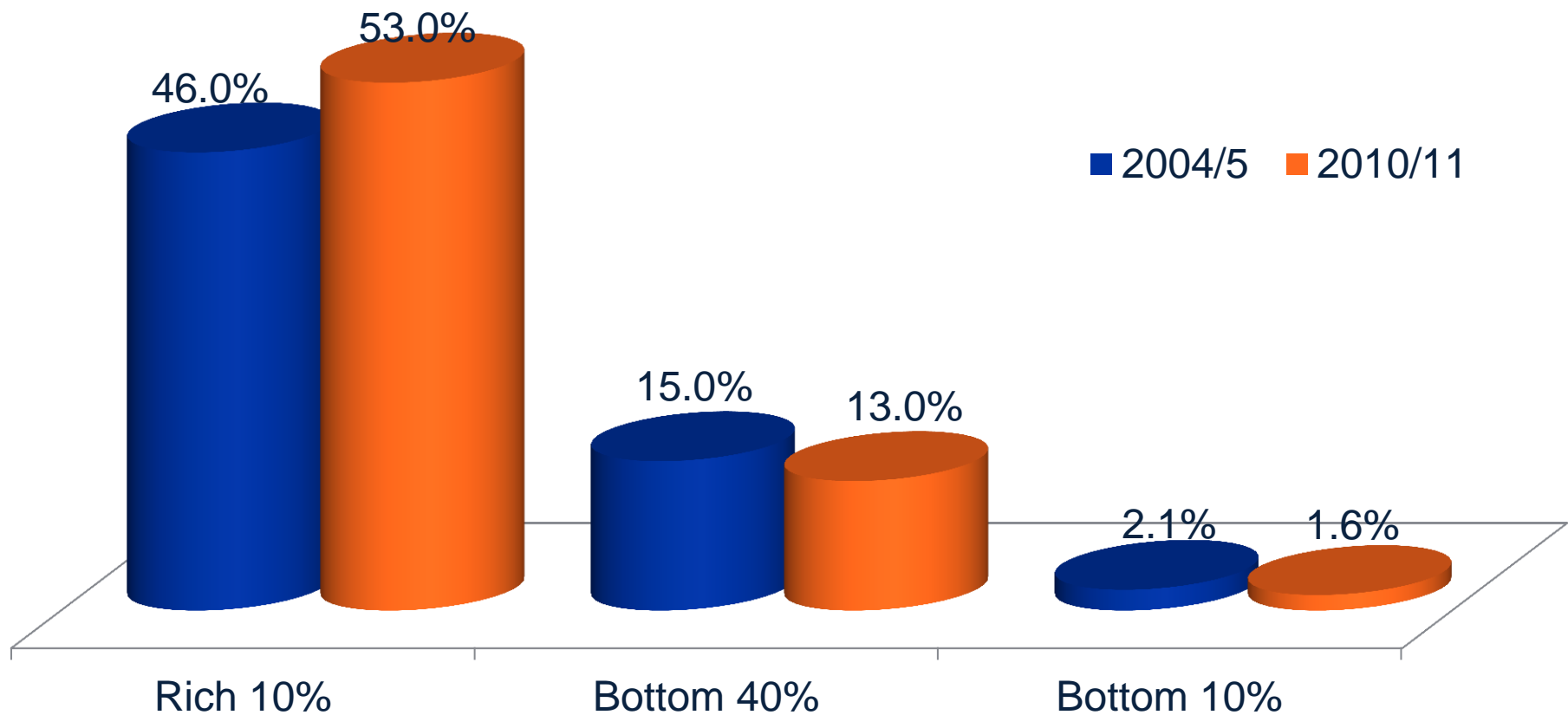
**68%** of the Malawi's  
population were  
impoverished and  
living on < \$1.25 per  
day

**2010**

**51%** of the Malawi's  
population were  
impoverished and  
living on < \$1.25 per  
day



## Share of the population's consumption expenditure





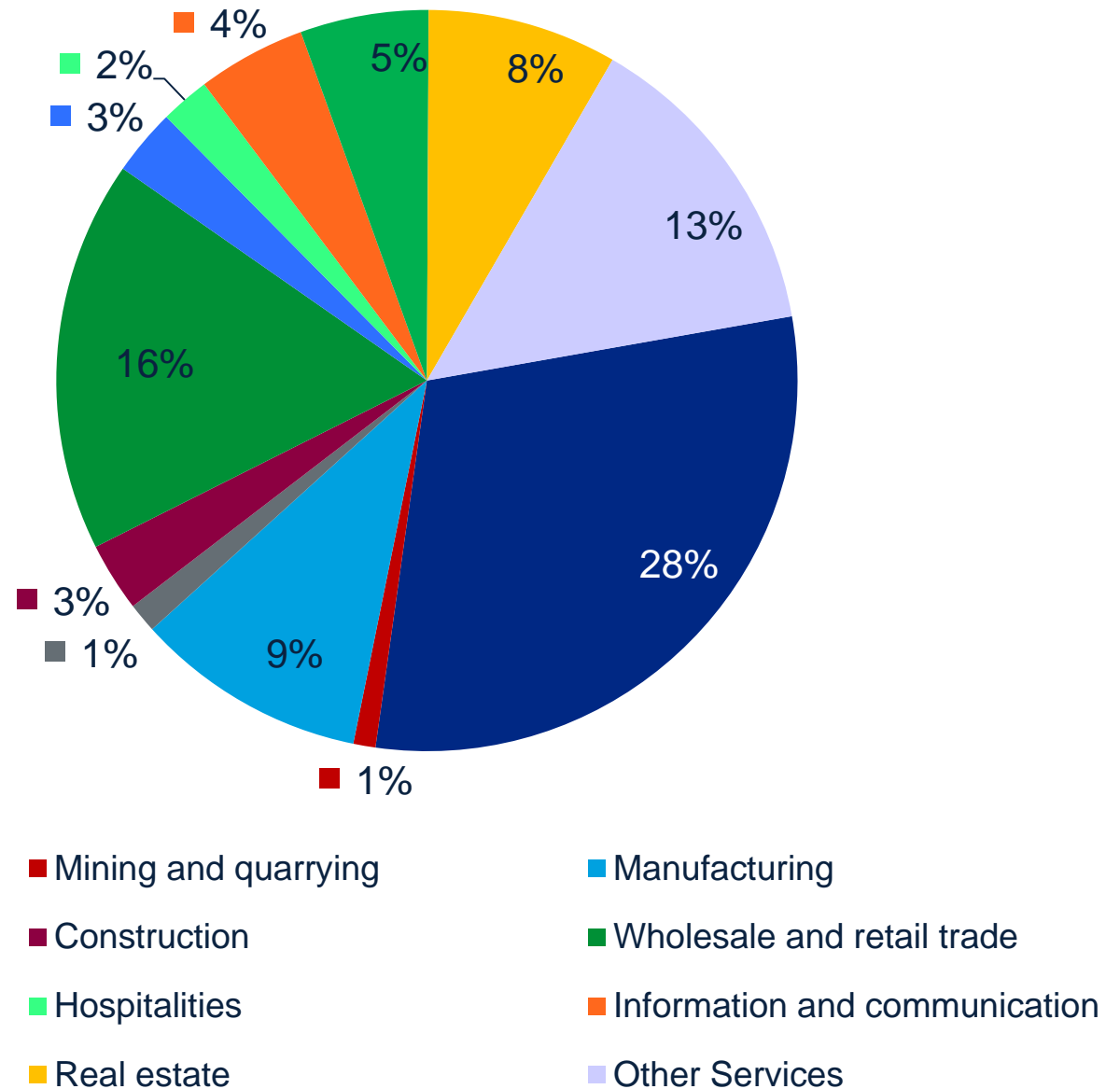


# 3

## The Path to Poverty Alleviation... Market-led Growth



- Beyond the primary sector
- Structural diversification essential
- Alongside consumption evolution
- Malawi atypical, so far



■ Agriculture

■ Utilities

■ Transportation

■ Financial services

■ Mining and quarrying

■ Construction

■ Hospitalities

■ Real estate

■ Manufacturing

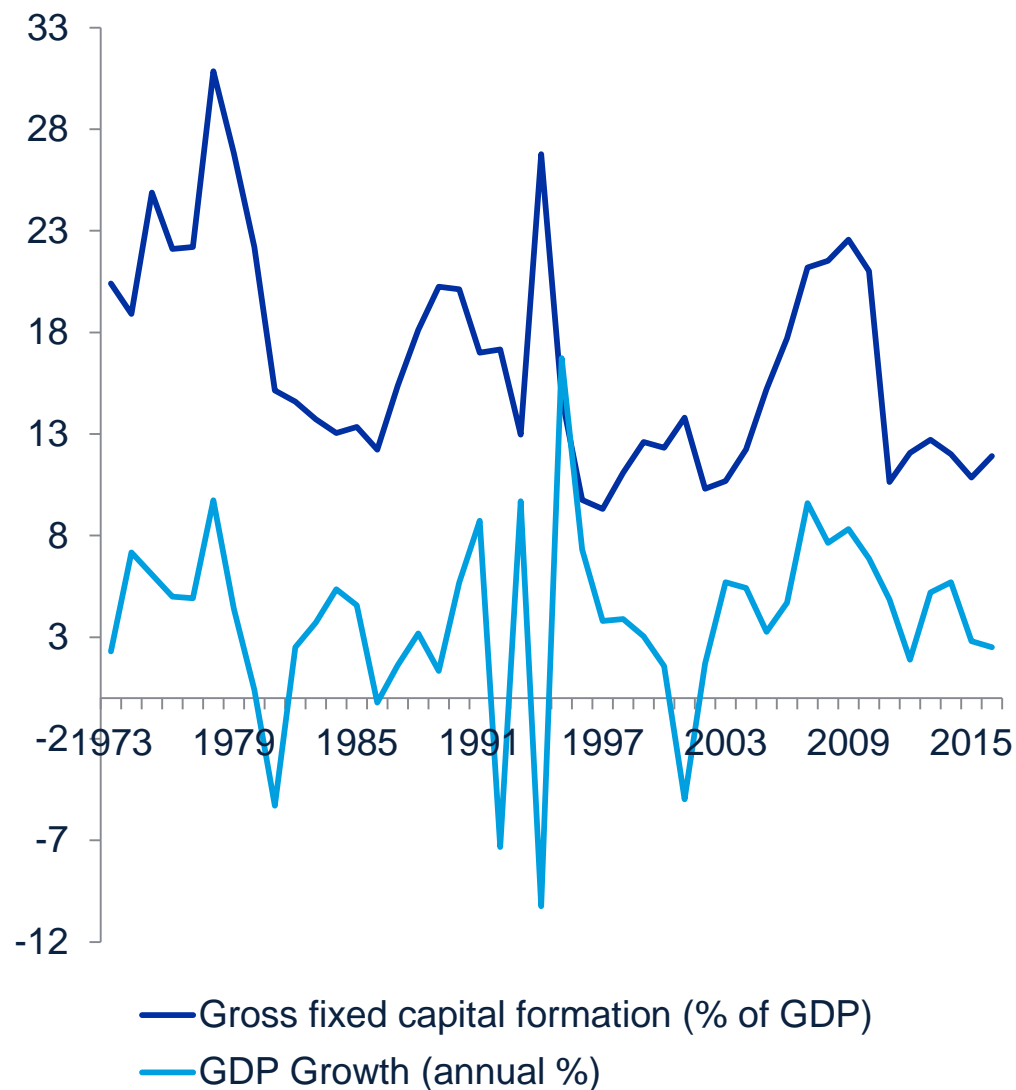
■ Wholesale and retail trade

■ Information and communication

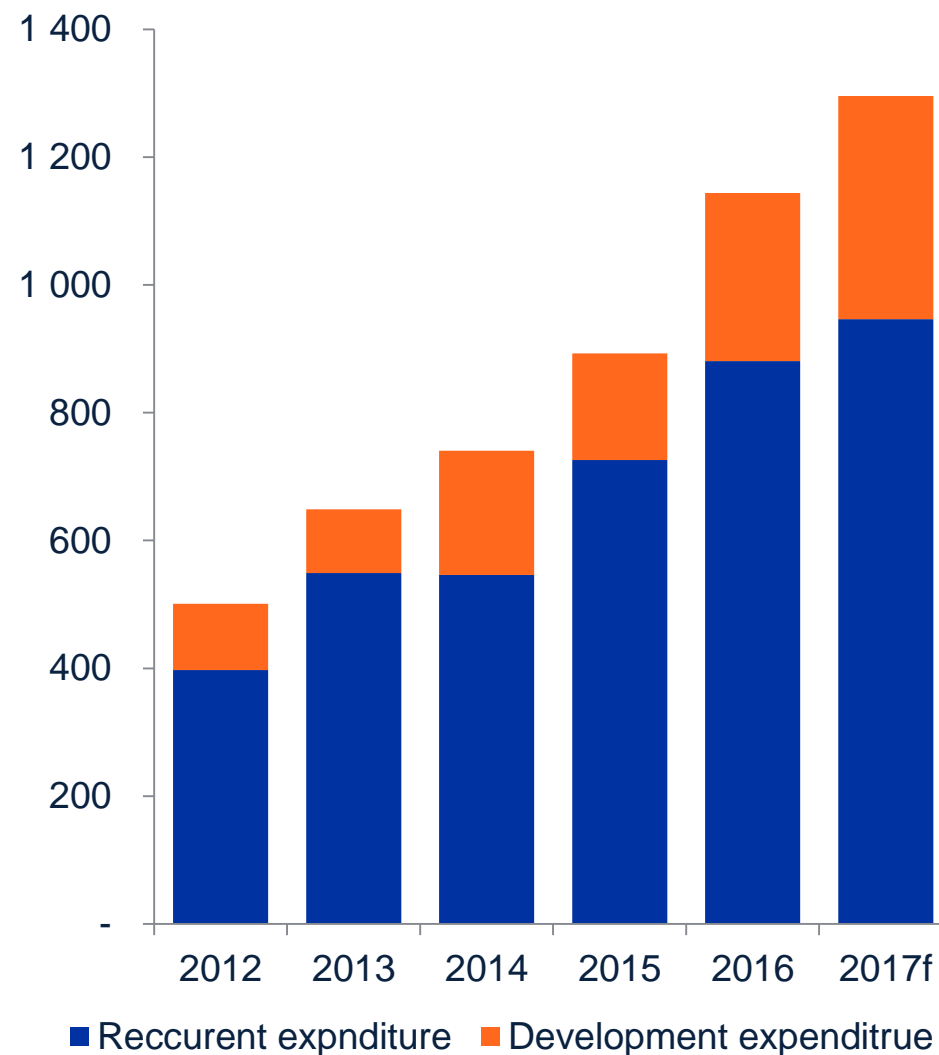
■ Other Services



Fixed investment and GDP Growth

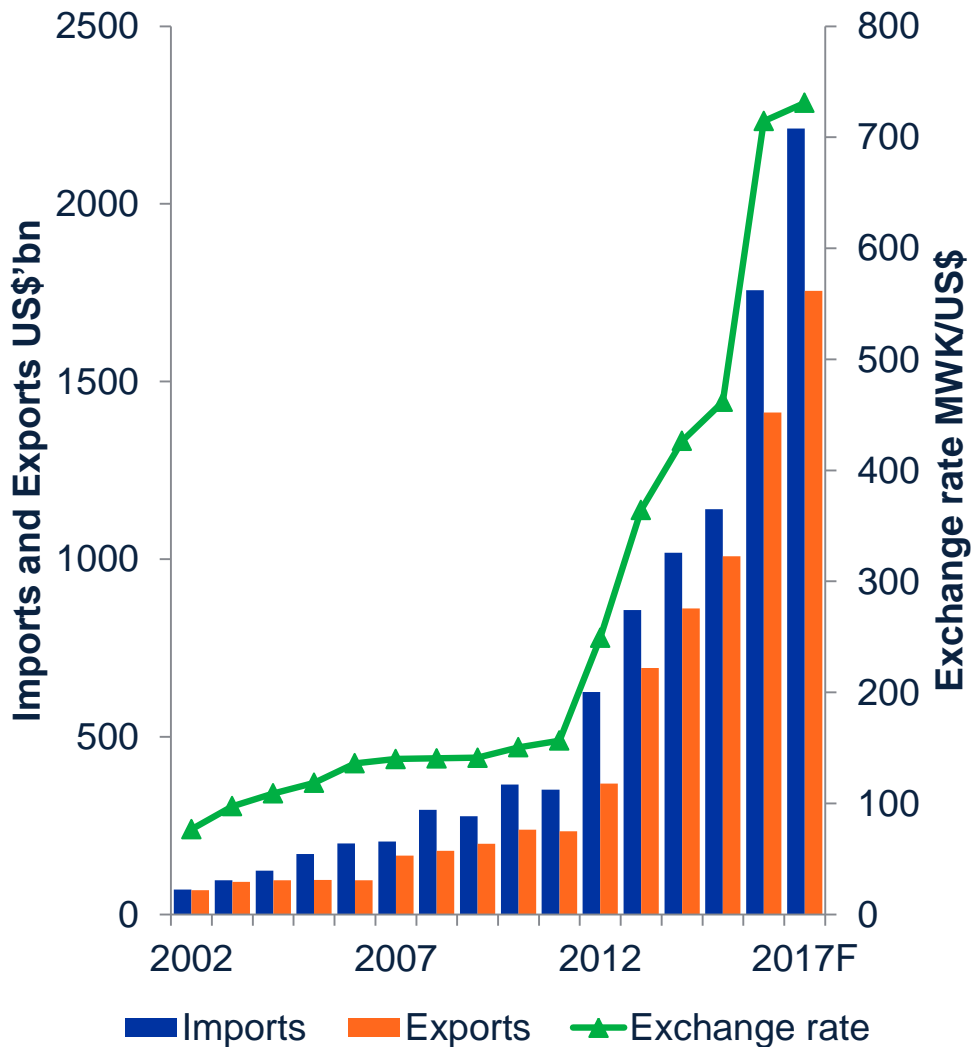


Government Expenditure MWK'bn

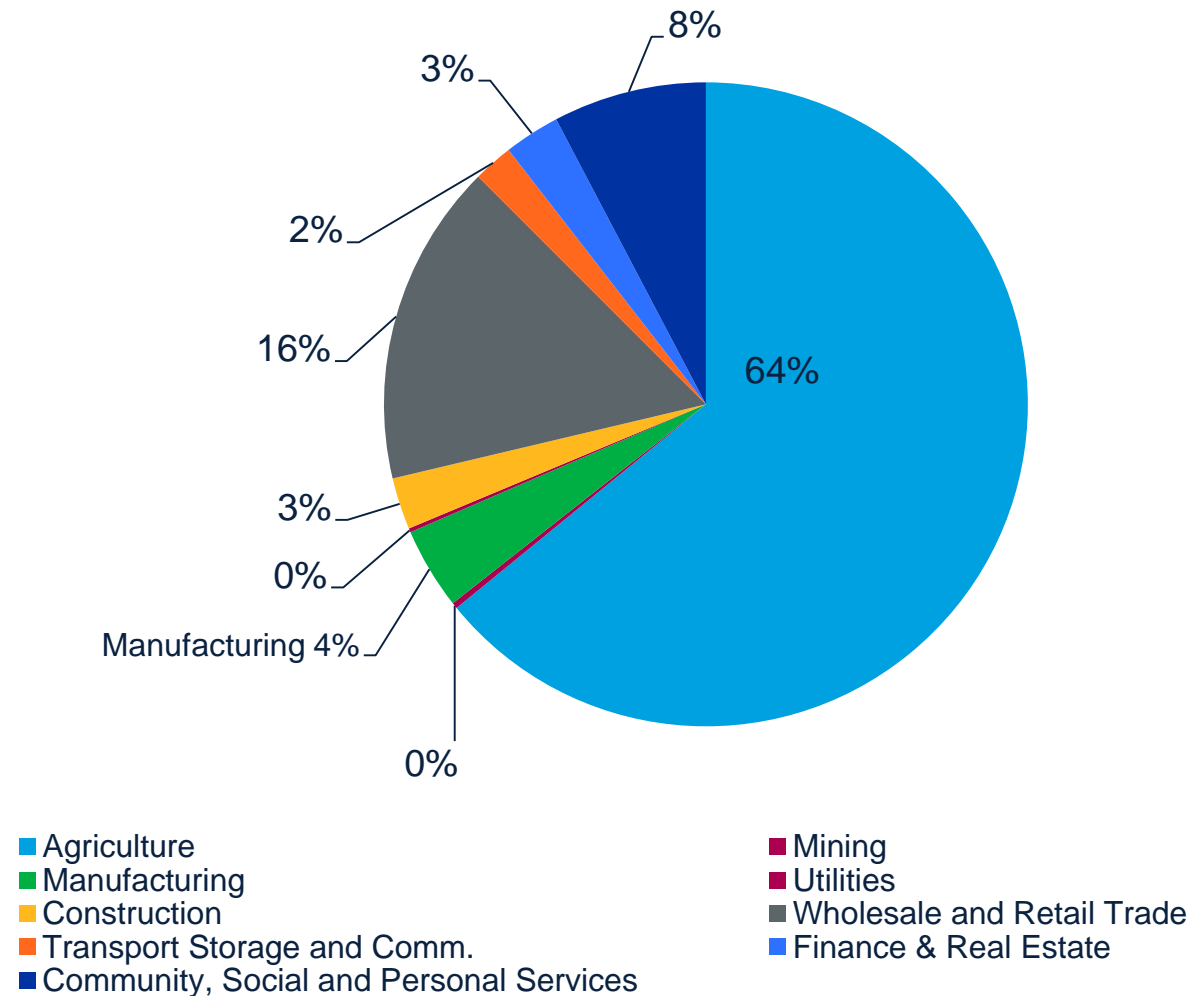




## Imports and Exports



## Employment by sector



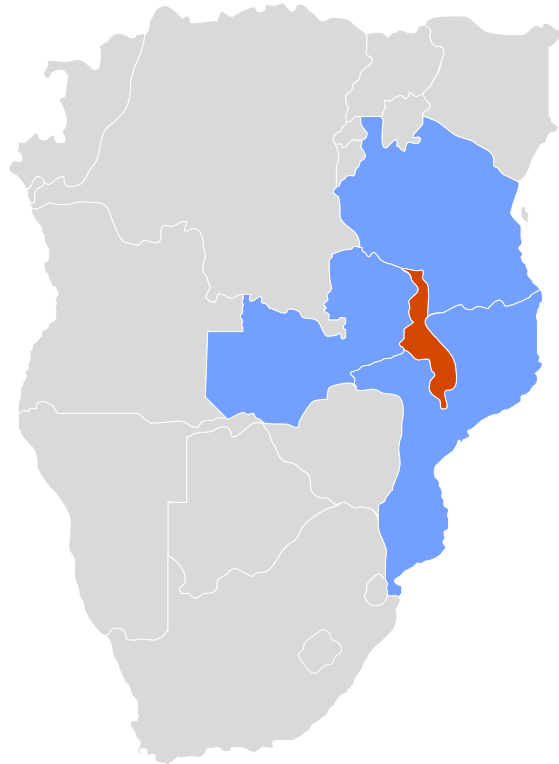


# 4

**Investment Led Growth**



- 10% electrification
- 98% hydro power
- Tariff review imperative for investment



**Transport costs contribute 56% of the import bill and 30% of exports**

## **A potential transit economy**

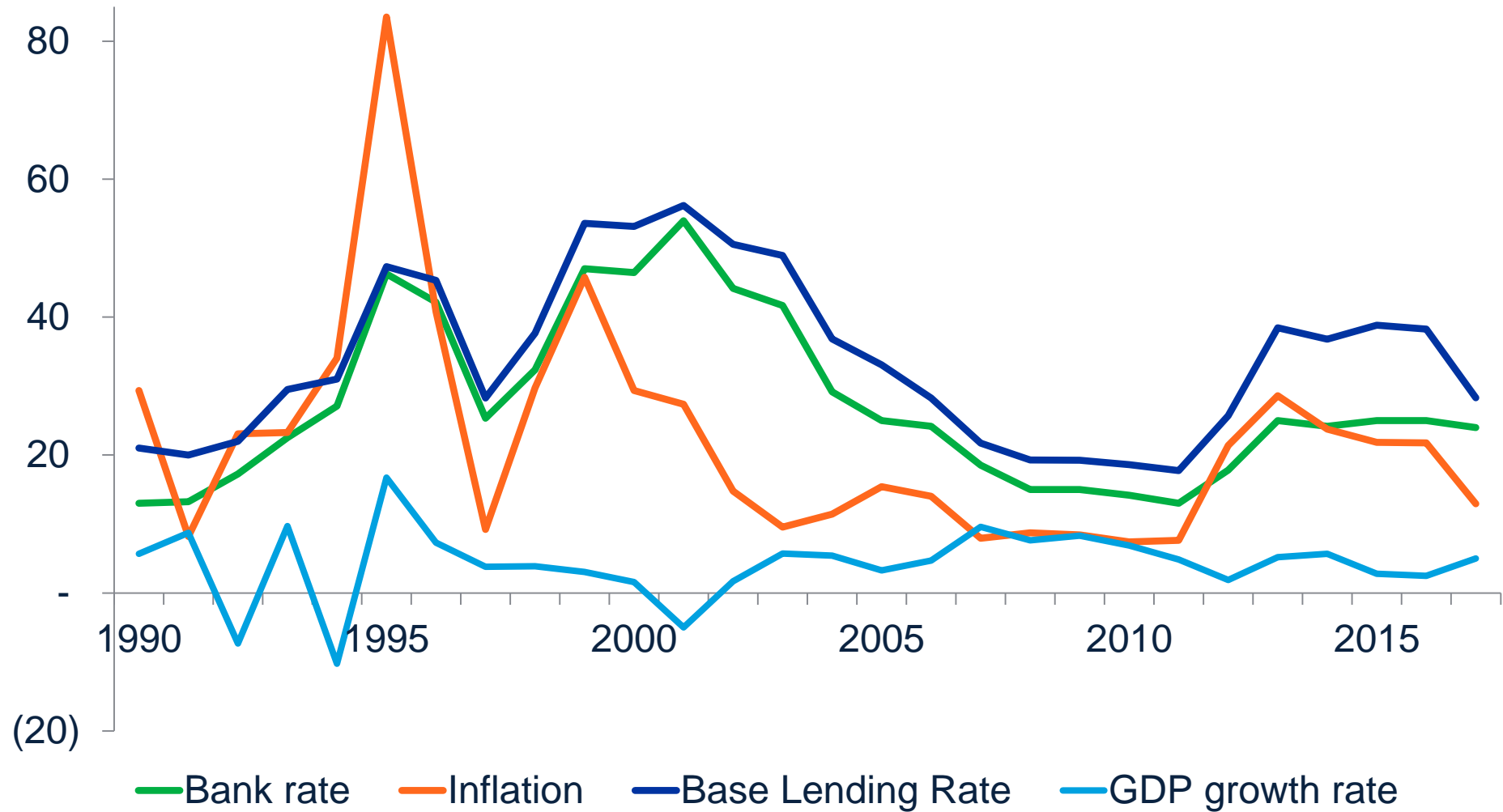
- Promoting trade will require
  - refurbishing rail networks
  - rejuvenating its lake transport
  - warehousing





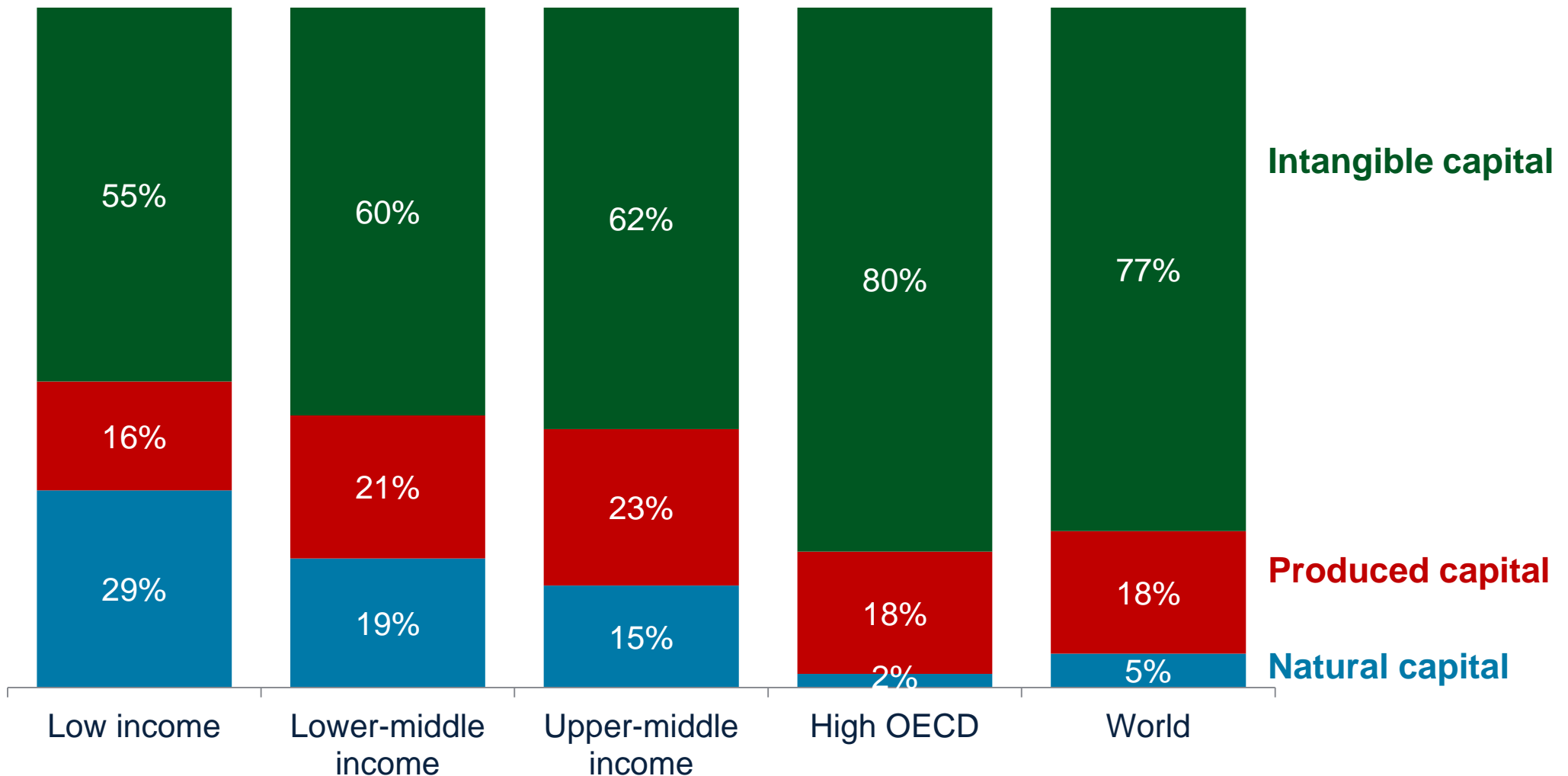






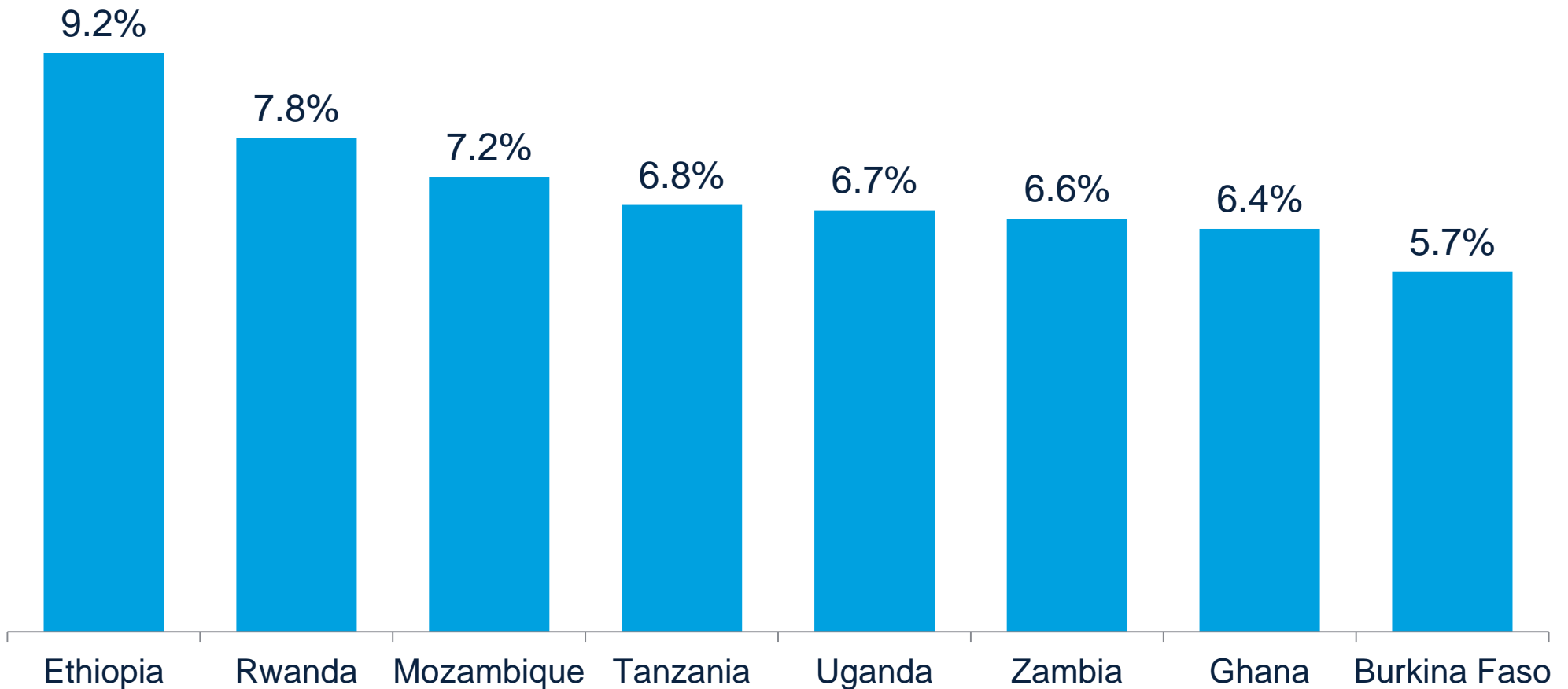


## Total wealth per capita (USD 2000) by income groups, share in total wealth





### 15 year average GDP growth (annual %)



***Economies excluded: Chad – 7.7%; Angola – 7.6%; and Nigeria – 7.3%***



## Enabling policy environment

**Power &  
Infrastructure**

**Manufacturing**  
Import substitution  
Export diversification

**Intangible capital**



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