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**2017 REBASED
GDP BY
EXPENDITURE**

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Shelton KANYANDA

COMMISSIONER OF STATISTICS

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ABBREVIATIONS

BOP	Balance of Payments
CEA	Census of Economic Activities
CFC	Consumption of Fixed Capital
c.i.f.	Cost, Insurance, Freight
CoE	Compensation of Employees
CFC	Consumption of Fixed Capital
COFOG	Classification of Functions of Government
CPA	Classification of Products by Activity
CPC	Central Product Classification
CPI	Consumer Price Index
FCE	Final Consumption Expenditure
f.o.b	Free On Board
GCF	Gross Capital Formation
GDP	Gross Domestic Product
GDP-E	Gross Domestic Product, Expenditure
GFCE	Government Final Consumption Expenditure
GFCF	Gross Fixed Capital Formation
HFCE	Household Final Consumption Expenditure
HS	Harmonized System
IC	Intermediate Consumption
IHS	Integrated Household Survey
IHS4	4 th Integrated Household Survey
IIP	Index of Industrial Production
IMF	International Monetary Fund
ISIC	International Standard Industrial Classification of all Economic Activities
MoFEA	Ministry of Finance and Economic Affairs
MRA	Malawi Revenue Authority
NGORA	Non-Governmental Organizations Regulatory Authority
NPISH	Non-Profit Institutions Serving Households
NPISH-FCE	Non-Profit Institutions Serving Households Final Consumption Expenditure
NSO	National Statistical Office
PPI	Producer Price Index
RBM	Reserve Bank of Malawi
SNA	System of National Accounts
SUT	Supply and Use Tables
VAT	Value Added Tax

1.0 INTRODUCTION

Gross Domestic Product (GDP) remains a critical indicator of Malawi's economic performance, representing the total value of goods and services produced within the economy over a specified period of time. The NSO employs two common approaches to compiling GDP: the production and expenditure methods. The production approach calculates GDP by summing the value added by all industries (output minus intermediate inputs), while the expenditure approach sums up consumption, investment, government spending, and net exports (exports minus imports). Both methods aim to produce consistent and reliable GDP figures, reflecting the economic activities comprehensively.

The Malawi NSO rebased the National Accounts from 2010 to 2017, leveraging this opportunity to improve the coverage of economic activities and enhance estimation methodologies. The adoption of 2017 as the reference year was informed by the availability of data from comprehensive surveys conducted around this time, including the pivotal Census of Economic Activities (CEA). This rebasing process allowed NSO to incorporate recommendations from the System of National Accounts, 2008 (2008 SNA), utilize new data sources, and align with the International Standard Industrial Classification of All Economic Activities (ISIC Rev.4). Furthermore, efforts were made to capture products in each economic activity based on the Central Product Classification (CPC) Version 2.

A significant milestone in this process was the balancing of Supply and Use Tables (SUT) with technical support from the International Monetary Fund (IMF). This achievement facilitated the finalization of the GDP-Expenditure component, enhancing the accuracy and reliability of Malawi's economic data. The NSO employed SUT-BX, a software owned by IMF for balancing to ensure efficient and timely computations.

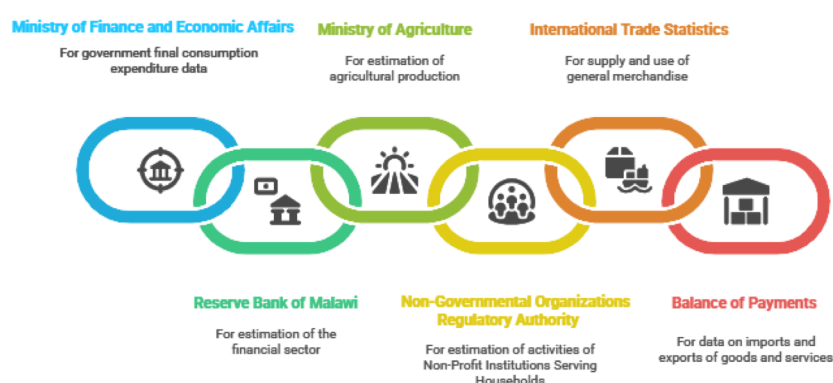
2.0 METHODOLOGY

2.1 Introduction

The compilation methodology was based on the System of National Accounts, 2008 (2008 SNA). Microsoft Excel was used for calculations, with results and source data stored separately. The design of the system in previous estimates allowed for easy adaptation to revisions, with recent improvements incorporated.

2.2 Data Sources

- i. **Integrated household survey:** The Integrated Household Survey (IHS) is a major survey conducted to collect data on household living conditions and economic activities. For National Accounts, data from the Fourth Integrated Household Survey (IHS4) conducted between 2016 and 2017 was used to estimate household final consumption expenditure in the 2017 Supply and Use Tables (SUT).
- ii. The **2016/2017 Census of Economic Activities (CEA):** Results from this Census were used during the rebasing for 2017 SUT. The data was used as estimates for economic activities in almost all industries except agriculture which drew from administrative records. In addition to this, CEA served as a tool to estimate figures for Gross Capital Formation (GCF) alongside international trade and administrative data.
- iii. **Administrative data:** In compiling the 2017 SUT for National Accounts, administrative data was used alongside survey data. Key sources included:



- iv. The regular data sources were also used in the rebasing. These include:
 - Consumer Price Index (CPI)
 - Producer Price Index (PPI)
 - Index of Industrial Production (IIP)

3.0 GDP COMPILATION

Gross Domestic Product (GDP) was estimated as per guidelines provided by the 2008 SNA. In principle, two approaches were employed to estimate the GDP namely, the Production approach and Expenditure approach.

3.1 Production Approach

The GDP by Production Approach was obtained by measuring the contribution to output made by each producer and then deducting from the total value of its output the total value of Intermediate Consumption (IC).

GDP = Total Output – Total Intermediate consumption + Taxes on products – Subsidies on products

3.2 Expenditure Approach

The Expenditure Approach looks at the final uses of the output for private consumption, government consumption, capital formation and net of exports and imports as illustrated in the following formula:

GDP = Final consumption (Households, NPISH & Government) + Gross capital formation (GFCF, changes in inventories & valuables) + Exports – Imports

4.0 THE SUPPLY AND USE TABLES

The Supply Table shows the origin of the resources of goods and services. It presents the output at basic prices of domestic industries in the column totals broken down by product in the row totals.

4.1 The Supply Table

The 2017 balanced Supply and Use Tables (SUT) has 55 industries and 118 products. Broadly, the SUT activities are based on ISIC Rev.4 and product codes are constructed based on Classification of Products by Activity (CPA).

4.2 The Use Table

Just as the Supply Table, the Use Table comprises 55 industries and 118 products. It shows the uses of goods and services and supplies information on the cost structures of the various industries.

4.21 Intermediate Consumption (IC)

IC at purchasers' prices from the 55 industries were broken up into the ISIC sections and the numerical ISIC codes by largely using the CEA and administrative data.

4.22 Final Consumption Expenditure (FCE)

4.221 Government Final Consumption Expenditure (GFCE)

General Government final consumption expenditure values were based on the budgetary central government finance statistics obtained from Ministry of Finance and Economic Affairs (MoFEA). Correspondence tables were also produced to map the Classification of Functions of Government (COFOG) codes into the required National Accounts product codes.

Due to the nature of the supply of goods and services at economically insignificant prices, the output of central government was estimated as the sum of its production costs constituting compensation of employees (CoE), IC, consumption of fixed capital (CFC), other taxes on production payable, less other subsidies on production receivable. That is,

$$\text{Output} = \sum (IC + CoE + Depreciation + (Taxes on production - Subsidies))$$

4.222 Households Final Consumption Expenditure (HFCE)

Household consumption expenditure figures compiled through Integrated Household Surveys was estimated indirectly by moving the Fourth Integrated Household Survey (IHS4) figures benchmarks with the supply for the domestic market at current prices. The estimates were also obtained residually by considering it as a balancing item for the supply and use tables wherever possible.

4.223 Final consumption expenditure by Non-profit Institutions Serving Households (NPISHs)

The main data source was NGO Regulatory Authority (NGORA) where a master file containing 762 NGOs was collected. The required data as regards NPISHs output calculation was extracted from the financial statements of the 177 NGOs. The 762 NGOs were classified based on the industry they operate in. Just as the general government, the non-market output of NPISHs was estimated through sum of cost method by summing the IC expenditure (e.g., electricity, gas, water, fuel, transport, rent, etc.), compensation of employees (CoE), and consumption of fixed capital (CFC) reported by NGOs. That is,

$$\text{Output} = \sum (IC + CoE + Depreciation + (Taxes\ on\ production - Subsidies))$$

4.23 Gross Capital Formation (GCF)

Gross Fixed Capital Formation (GFCF)

Estimation of GFCF which constitutes mainly machinery and equipment, buildings and structures, and transport equipment, was carried out using CEA and government budget data.

Changes in inventories

There was no substantial data to estimate changes in inventories. This item was indirectly estimated as a residual by considering it as a balancing item i.e., the discrepancy between the Supply and Use.

4.24 Exports of Goods and Services

Exports of goods and services were based on Balance of Payments estimates. General merchandise data was maintained in the Harmonized System (HS) format. Change of HS codes to CPC was done using the correspondence mechanism.

5.0 BALANCING PROCESS

Manual balancing was done followed by automatic balancing using the SUT-BX IMF tool. Published figures on GDP by production were used as control while adjusting IC and Output values. Methodologically, there are no stocks of services, and so only the supply of services and use of services were completely balanced. The discrepancy which appeared in the goods was taken as a residual for changes in inventories. Data for the household final consumption expenditure from IHS for 2017 was not comprehensive and was hence used as another balancing item between supply and use of goods and services. Similar steps for balancing the 2017 SUT were applied to balance the 2018 and the other subsequent years of Supply and Use Tables where the HFCE and changes in inventories were also the main balancing items.

5.1 Imports of goods and services

Imports of goods and services were estimated based on Balance of Payments (BOP) statistics. An estimation of the cost, insurance and freight (c.i.f.) and free on board (f.o.b.) adjustment on imports was also carried out. Correspondence tables were then produced to map HS codes in the external trade data into the required SUT product codes.

5.2 Valuation adjustments

To have the output at basic prices correspond to the use of goods and services in the use table, which are at purchasers' prices, additional valuation columns were introduced in the supply table which indicate the total trade and transport margins by product, and net taxes on products.

Tax data which include Value Added Tax (VAT) and excise duty were sourced from Malawi Revenue Authority (MRA) and the VAT data was proportionally distributed to the products that attract VAT by applying the 16.5% VAT rate.

6.0 ANALYSIS OF RESULTS BY EXPENDITURE APPROACH

Total GDP by the Expenditure approach at current prices for 2017, reconciled to GDP by the production approach was estimated at **MK6,531,234 million**. The 2017 GDP comprised 70.8 percent from Household Final Consumption Expenditure, 22.6% from Government Final Consumption Expenditure, 4.7% from Final Consumption Expenditure of Non-Profit Institutions Serving Households, 20.3% from Gross Capital Formation, 12.7% from Exports of goods and services and 32.6% from Imports of goods and services as shown in Table 1.

Table 1: GDP Expenditure at Market Prices

Type of Expenditure	2017	
	Amount (MK' Million)	Shares (%)
GDP at Market Prices	6,531,234	100.0
Final Consumption	6,409,060	98.1
Government final consumption	1,477,759	22.6
Household final consumption	4,625,143	70.8
Non-Profit Institutions Serving Households final consumption	306,158	4.7
Gross Capital Formation	1,325,010	20.3
Gross fixed capital formation	325,010	
Changes in inventories	-	
Exports of goods and services	827,841	12.7
Exports of goods	664,301	
Exports of services	163,540	
Imports of goods and services	2,130,824	(32.6)
Imports of goods	1,915,985	
Imports of services	214,839	
CIF_FOB Adjusted	(100,148)	

Source: NSO, GDP by Expenditure, 2023

6.1 EXTRAPOLATION TO 2023 AND BALANCING

After a successful estimation of GDP by the expenditure approach for the year 2017 from the balanced SUT, extrapolation of the SUT figures was carried out. For the Supply Table, extrapolation was done at product level by using the growth rates between the 2017 published GDP and 2023 GDP from the benchmark-indicator series. The same growth rates were applied to 2017 Supply and Use Table figures to generate SUT figures for the subsequent years at an activity level. Manual balancing was done followed by automatic balancing using the SUT-BX IMF tool.

Then all components of the GDP by the Expenditure approach were extracted from the balanced Supply and Use Tables for 2017 to 2023.

6.2 GDP COMPILED BY THE EXPENDITURE APPROACH AT CONSTANT PRICES

Single deflation technique was applied using the appropriate deflators for all the components of the GDP by the expenditure approach and this was done at the most detailed level where possible.

Consumer Price Index (CPI) was used to deflate Household Final Consumption Expenditure at the most disaggregated level. Overall CPI was also used to deflate GFCF, NPISH-FCE and GCF as there were no appropriate deflators for each of those components. The deflation was also conducted at a more aggregated level.

Due to some data gaps and inconsistencies in the quantities and unit prices in data on both imports and exports of general merchandise, overall import and export indices, using the Fisher Price Index, were applied to deflate imports and exports of goods and services, respectively.

Since the deflation methodology and the type of deflators employed in the GDP by the production approach was different from those applied in the GDP by the expenditure, the figures of GDP by the expenditure approach in constant prices were not consistent with the GDP figures by the production approach at constant prices. To maintain consistency, the discrepancy was distributed proportionally across the components of GDP by the Expenditure approach at constant prices.

There has been a consistent rise in GDP expenditure in real terms over the years, reflecting economic growth. Notably, Final Consumption Expenditure accounts for the largest share of the economy, underscoring the critical role of household, Non-profit institutions serving household and government spending in driving economic activity (Table 2).

Table 2: Summary of GDP by Expenditure at 2017 Constant Prices (MK' Million)

Component	2017	2018	2019	2020	2021	2022	2023
Final consumption by households and NPISHs	4,931,296	4,923,596	4,946,920	5,591,876	5,792,758	5,841,126	6,087,050
Household final consumption	4,625,138	4,585,536	4,587,878	5,225,210	5,409,057	5,485,047	5,698,119
NPISH final consumption	306,158	338,060	359,042	366,666	383,701	356,079	388,931
Government final consumption	1,477,758	1,551,884	1,656,452	1,556,894	1,634,904	1,717,589	1,642,364
Gross fixed capital formation	1,325,005	1,264,483	1,474,634	1,208,401	1,201,512	1,033,296	873,525
Dwellings	496,998	483,489	489,390	823,788	770,123	684,781	534,789
Other buildings and structures	470,518	476,622	515,401	24,991	22,573	15,783	9,575
Machinery and equipment	357,489	304,372	469,843	359,622	408,816	332,732	329,161
Exports of goods and services	827,841	810,904	961,800	919,257	1,077,549	818,131	1,001,223
Exports of goods	664,301	668,509	719,301	615,086	770,487	593,558	700,601
Exports of services	163,540	142,395	242,499	304,171	307,062	224,573	300,622
Imports of goods and services	2,130,824	1,833,544	1,954,040	2,113,219	2,222,964	1,856,987	1,889,126
Imports of goods	1,915,985	1,605,909	1,694,116	1,762,083	1,888,196	1,410,427	1,433,637
Imports of services	214,839	227,635	259,924	351,136	334,768	446,560	455,489
CIF_FOB Adjusted	(100,148)	(98,240)	(119,433)	(99,170)	(109,662)	(110,209)	(97,438)
Gross Domestic Product	6,531,224	6,815,563	7,205,199	7,262,379	7,593,421	7,663,364	7,812,474

Source: NSO, GDP by Expenditure, 2023

Table 3: Summary of GDP Shares by Expenditure at 2017 Constant Prices (%)

Component	2017	2018	2019	2020	2021	2022	2023
Gross Domestic Product	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Final consumption expenditure	98.1	95	91.6	98.4	97.8	98.6	98.9
Government Final consumption	22.6	22.8	23	21.4	21.5	22.4	21
Final consumption by households and NPISHs	75.5	72.2	68.7	77	76.3	76.2	77.9
Household final consumption	70.8	67.3	63.7	71.9	71.2	71.6	72.9
Non-Profit Institutions Serving Households final consumption	4.7	5.0	5.2	5	5.1	4.6	5.0
Gross fixed capital Formation	20.3	18.6	20.5	16.6	15.8	13.5	11.2
Dwellings	7.6	7.1	6.8	11.3	10.1	8.9	6.8
Other buildings and structures	7.2	7.1	7.2	0.3	0.3	0.2	0.1
Machinery and equipment	5.5	4.5	6.5	5	5.4	4.3	4.2
Exports of goods and services	12.7	11.9	13.3	12.7	14.2	10.7	12.8
Exports of goods	10.2	9.8	10	8.5	10.1	7.7	9.0
Exports of services	2.5	2.1	3.4	4.2	4	2.9	3.8
Imports of goods and services	(32.6)	(26.9)	(27.1)	(29.1)	(29.3)	(24.2)	(24.2)
Imports of goods	(29.3)	(23.6)	(23.5)	(24.3)	(24.9)	(18.4)	(18.4)
Imports of services	(3.3)	(3.3)	(3.6)	(4.8)	(4.4)	(5.8)	(5.8)
CIF_FOB Adjusted	1.5	1.4	1.7	1.4	1.4	1.4	1.2

Source: NSO, GDP by Expenditure, 2023

Table 4: Summary of GDP by Expenditure at Current Prices (MK' Million)

Component	2017	2018	2019	2020	2021	2022	2023
Final consumption by households and NPISHs	4,931,301	5,443,087	5,952,698	7,057,511	7,978,189	9,690,524	13,216,624
Household final consumption	4,625,143	5,089,123	5,541,507	6,601,424	7,457,958	9,106,843	12,395,483
NPISH final consumption	306,158	353,964	411,191	456,087	520,231	583,681	821,141
Government final consumption	1,477,759	1,612,072	1,845,859	1,847,436	2,078,360	2,525,192	2,954,264
Gross fixed capital formation	1,325,010	1,539,298	1,805,455	1,474,116	1,687,417	1,879,379	2,247,264
Dwellings	497,000	571,756	630,656	1,059,082	1,167,446	1,388,980	1,677,366
Other buildings and structures	470,520	563,635	664,175	32,129	34,219	32,013	30,032
Machinery and equipment	357,490	403,907	510,624	382,905	485,752	458,386	539,866
Exports of goods and services	827,841	844,512	1,070,280	970,776	1,268,084	1,337,909	1,744,834
Exports of goods	664,301	696,216	800,430	649,558	906,727	970,660	1,220,939
Exports of services	163,540	148,296	269,850	321,218	361,357	367,249	523,895
Imports of goods and services	2,130,824	2,308,361	2,571,251	2,648,861	3,180,576	3,806,961	4,839,999
Imports of goods	1,915,985	2,021,778	2,229,227	2,208,722	2,701,596	2,891,480	3,673,023
Imports of services	214,839	286,583	342,024	440,139	478,980	915,481	1,166,976
CIF_FOB Adj (current prices)	(100,148)	(104,285)	(136,579)	(120,459)	(144,064)	(169,637)	(193,523)
Gross Domestic Product	6,531,235	7,234,893	8,239,620	8,821,437	9,975,538	11,795,680	15,516,510

Source: NSO, GDP by Expenditure, 2023

Table 5: Summary of GDP Shares by Expenditure at Current Prices (%)

Component	2017	2018	2019	2020	2021	2022	2023
Gross Domestic Product	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Final consumption expenditure	98.1	97.5	94.6	100.9	100.8	103.6	104.2
Government final consumption	22.6	22.3	22.4	20.9	20.8	21.4	19
Final consumption by households and NPISHs	75.5	75.2	72.2	80	80	82.2	85.2
Household final consumption	70.8	70.3	67.3	74.8	74.8	77.2	79.9
Non-Profit Institutions Serving Households final consumption	4.7	4.9	5.0	5.2	5.2	4.9	5.3
Gross fixed capital formation	20.3	21.3	21.9	16.7	16.9	15.9	14.5
Dwellings	7.6	7.9	7.7	12	11.7	11.8	10.8
Other buildings and structures	7.2	7.8	8.1	0.4	0.3	0.3	0.2
Machinery and equipment	5.5	5.6	6.2	4.3	4.9	3.9	3.5
Exports of goods and services	12.7	11.7	13	11	12.7	11.3	11.2
Exports of goods	10.2	9.6	9.7	7.4	9.1	8.2	7.9
Exports of services	2.5	2	3.3	3.6	3.6	3.1	3.4
Imports of goods and services	(32.6)	(31.9)	(31.2)	(30)	(31.9)	(32.3)	(31.2)
Imports of goods	(29.3)	(27.9)	(27.1)	(25)	(27.1)	(24.5)	(23.7)
Imports of services	(3.3)	(4)	(4.2)	(5)	(4.8)	(7.8)	(7.5)
CIF_FOB Adjusted	1.5	1.4	1.7	1.37	1.4	1.4	1.3

Source: NSO, GDP by Expenditure, 2023

6.3 ANALYSIS OF THE RESULTS BY THE EXPENDITURE APPROACH

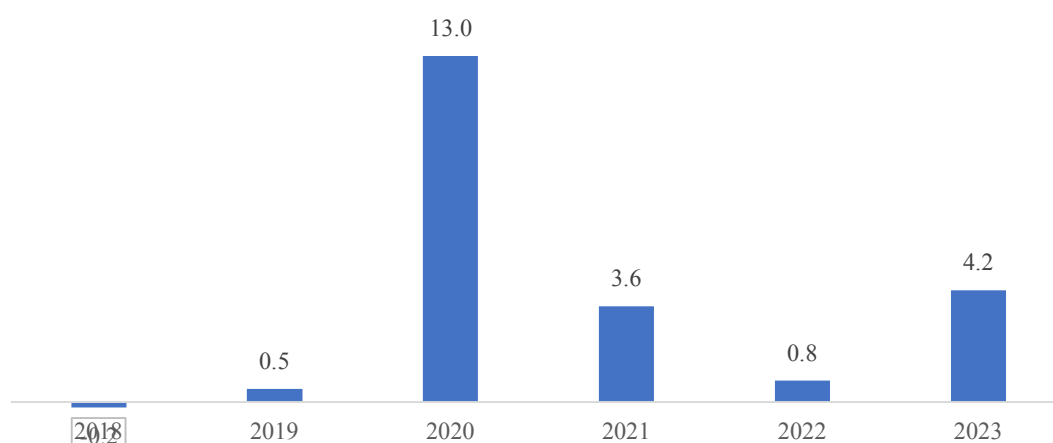
GDP estimated by the expenditure approach (GDP-E) is derived as the sum of the final uses of goods and services (all uses except intermediate consumption) + Gross Capital Formation + Net Exports.

6.31 Final Consumption Expenditure (FCE)

Final Consumption Expenditure comprises three components namely; Government Final Consumption Expenditure (GFCE), Household Final Consumption Expenditure (HFCE) and Non-Profit Institutions Final Consumption Expenditure (NPISH-FCE).

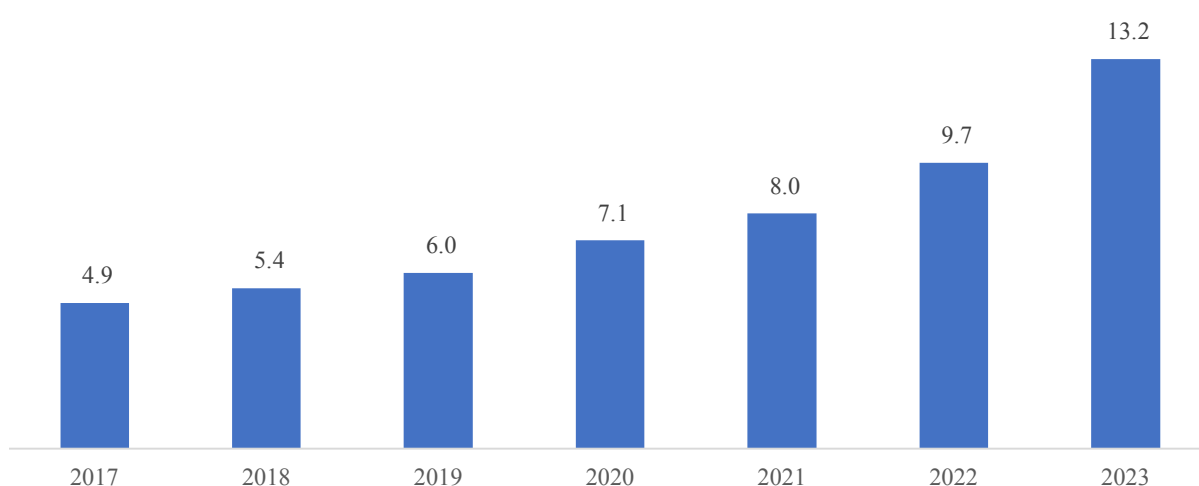
6.311 Private Final Consumption Expenditure

Private final consumption expenditure includes final consumption by households and NPISH. The latter is less than one per cent of the total and is calculated similarly to government final consumption.

Figure 1: Private FCE at 2017 Constant Prices, Growth rates (%)

Source: NSO, GDP by Expenditure, 2023

The growth rate of private Final Consumption Expenditure (FCE) in constant prices recorded the highest in 2020 with a 13.0% growth rate, followed by 2023 with 4.2%, then 2021 at 3.6%. The lowest growth rate recorded was -0.2% in 2018. There is a steep growth in FCE for 2020 as the figures are computed by using some endogenous data and some assumptions into a model which forces the SUT to balance. This can sometimes lead to results that are affected unexpectedly by some inputs into the model, in this case value added, exports, imports and figures from government accounts. (Figure 1).

Figure 2: Private FCE at Current Prices (MK' Trillion)

Source: NSO, GDP by Expenditure, 2023

The Final Consumption Expenditure at current prices depicts a consistent increase from 2017 to 2023. This trend reflects the combined effects of population growth, inflation and steady household demand (Figure 2).

6.312 Household Final Consumption Expenditure (HFCE)

Household final consumption includes all expenditure by resident households on goods and services for the purpose of consumption. Durable goods such as cars and household equipment are included. Also, goods and services produced for own use are included, mainly food produced by agricultural households and imputed rentals for owner-occupied dwellings.

6.313 Final Consumption Expenditure by Non-Profit Institutions Serving Households

The non-market output of NPISHs was estimated through sum of cost method by summing the IC expenditure (e.g., electricity, gas, water, fuel, transport, rent, etc.), compensation of employees (COE), and consumption of fixed capital (CFC) reported by NGOs. That is,

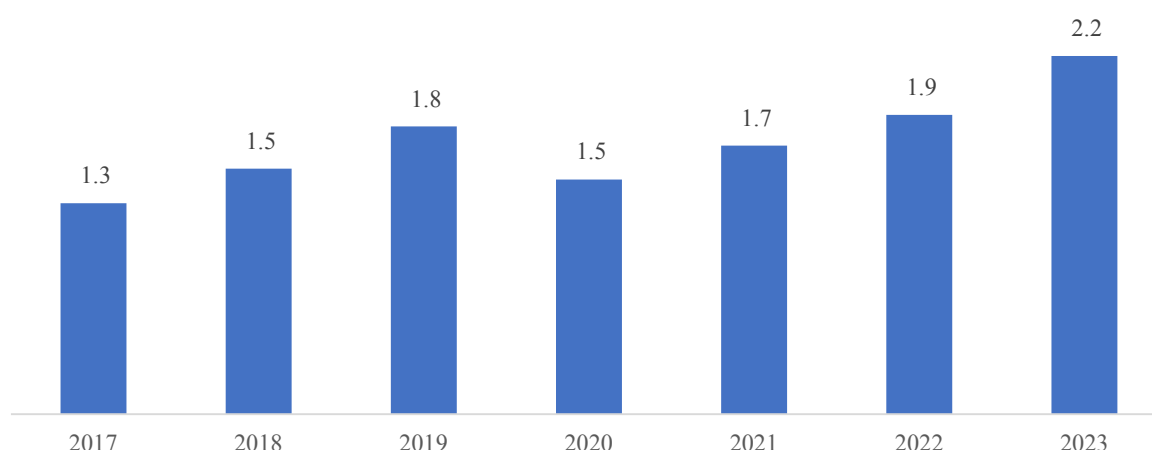
$$\text{Output} = \sum(\text{IC} + \text{CoE} + \text{Depreciation} + (\text{Taxes on production} - \text{Subsidies}))$$

6.32 Gross Capital Formation (GCF)

Gross Capital Formation constitutes Gross Fixed Capital Formation (GFCF), changes in Inventories and Acquisition less disposal of valuables. There was no substantial data on changes of inventories and Acquisition less disposal of valuables.

6.321 Gross Fixed Capital Formation

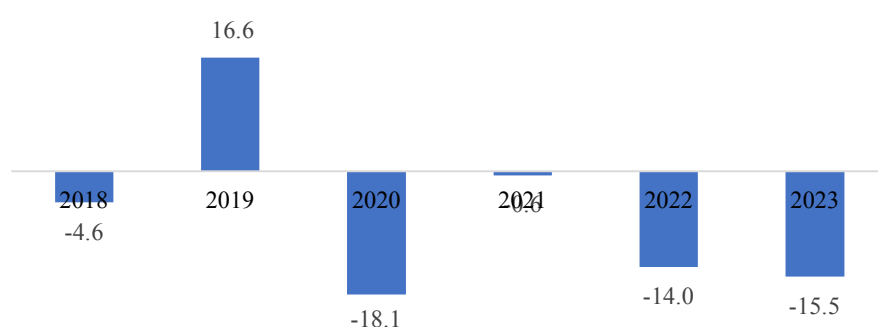
Figure 3: Gross Capital Formation in Current Prices (MK' Trillion)



Source: NSO, GDP by Expenditure, 2023

Results also show that there was an increase in Gross Capital Formation from 2017 to 2019, from 1.33 trillion to 1.81 trillion then a drop in 2020 to 1.47 trillion, followed by a smooth increase up to 2023 (Figure 3).

Figure 4: Gross Capital Formation in Constant Prices, Growth rates (%)



Source: NSO, GDP by Expenditure, 2023

The growth rate for Gross Capital Formation (GCF) in constant prices clearly depicts that 2019 recorded the highest growth at 16.6 percent, with 2020 registering the lowest growth rate at -18.1 percent (Figure 4). GCF in constant 2017 prices and corresponding shares follow a continuously declining trend in the latter part of the series under review. This is so as the figures are computed by using some endogenous data and assumptions into a model which forces the SUT to balance. This can sometimes lead to results that are affected unexpectedly by some inputs into the model, in this case value added, exports, imports and figures from government accounts.

Gross fixed capital formation (GFCF) is measured by the total value of producers' acquisitions less disposals of fixed assets during the accounting period plus certain additions to the value of non-produced assets. Fixed Assets are those which are used repeatedly or continuously used in the production process for more than one year. The data source for the private component was CEA supplemented by merchandise trade data. Government data was also an important source for the public component. GCF was predominantly categorized into Dwellings, Other buildings and structures and Machinery and equipment.

Table 6: GCF by Type of Assets (MK' Million)

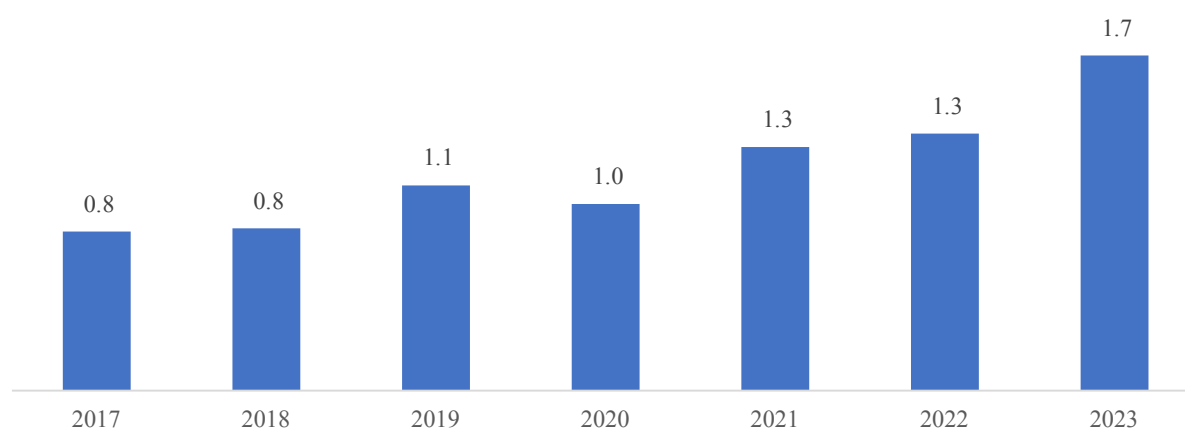
	2017	2018	2019	2020	2021	2022	2023
GCF by Type of Assets (Million MK)	1,325,010	1,539,299	1,805,454	1,474,116	1,687,417	1,879,379	2,247,263
Dwellings	497,000	571,756	630,656	1,059,082	1,167,446	1,388,980	1,677,366
Other buildings and Structures	470,520	563,635	664,175	32,129	34,219	32,013	30,032
Machinery and Equipment	357,490	403,907	510,624	382,905	485,752	458,386	539,866

Source: NSO, GDP by Expenditure, 2023

6.33 Exports and Imports of Goods and Services

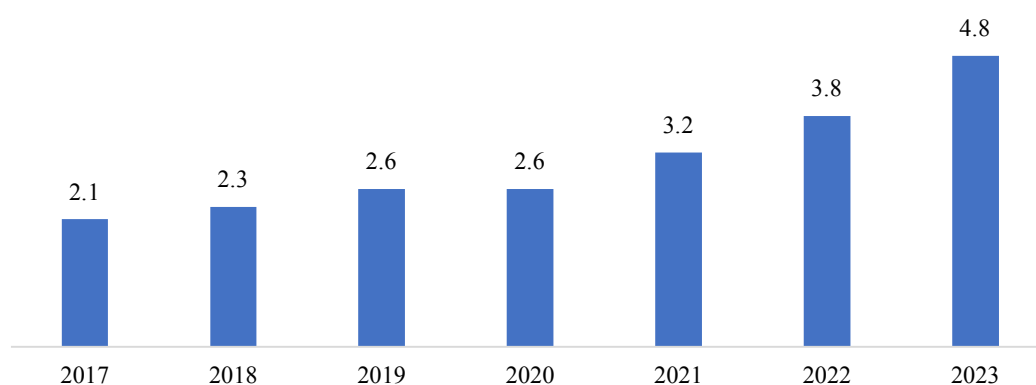
The estimates were aligned with the balance of payments. Balance of payments also provided data for both exports and imports of services. Change of HS codes to CPC was done using the correspondence mechanism.

Figure 5: Exports of Goods and services in current prices (MK' Trillion)



Source: NSO, GDP by Expenditure, 2023

Figure 5 illustrates a general increase in exports of goods and services over the years with a slight dip in 2020.

Figure 6: Imports of Goods and services in current prices (MK' Trillion)

Source: NSO, GDP by Expenditure, 2023

The economy experienced a gentle increase of imports of goods and services over the years with 2023 recording the highest value at MK4.8 trillion. It should also be noted that for all the years, the economy recorded a persistent trade deficit (Figure 6).

7.0 CONCLUSION

The rebasing of Malawi's GDP to the 2017 base year marks a significant advancement in the country's National Accounting framework, providing more accurate and comprehensive economic data. By employing both the production and expenditure approaches, the National Statistical Office (NSO) has ensured consistency in GDP estimation, leveraging robust methodologies and high-quality data sources. The integration of Supply and Use Tables (SUT) has further refined the estimates, enhancing the reliability of economic indicators. With the balancing of Supply and Use Tables complete, the GDP expenditure approach offers a reliable alternative to GDP estimation by analyzing final consumption expenditure components.

8.0 APPENDIX

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