



EU INTEREST: CREATING THE CONDITIONS FOR A SUSTAINABLE AND INCLUSIVE GROWTH

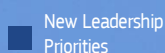
Helping Malawi in its path towards sustainable development (economic, environmental, social sustainability), while preserving its peace, stability and democratic credentials based on respect for human rights.

Political	Economic	Social	Environmental
Commitment to stabilising role in the region Destination for displaced people (DRC) Voting patterns in multilateral fora EU privileged relation, as main diplomatic and economic player	EU is Malawi's main export destination Growth of SMEs and foreign investors Regional integration to make Malawi's market part of broader region Increased investments might present opportunities for EU private sector	Altruistic interest (developm./humanitarian)	Shared Environmental/Climate Change interests

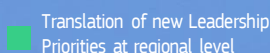
EU RESPONSE



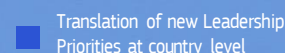
Flagship initiatives



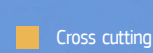
New Leadership Priorities



Translation of new Leadership Priorities at regional level



Translation of new Leadership Priorities at country level



Cross cutting

Green Deals

Alliances for Sustainable Growth and Jobs

Digital and Data Technologies

Migration Partnerships

Governance, Peace and Security

Deepening regional integration/access to regional markets, incl. transport

Promoting Regional Security, Peace and Stability

Restoring/Protecting Biodiversity, Wildlife and Climate

Env. Degradation (incl. Clean Cooking)/ preservation of natural resources (forests)

Support to a more diverse and dynamic private sector

Support resilience and response to disasters

Open business enabling environment/ transparency/EED agenda

Climate smart agriculture, VC development (farming skills, irrigation, research, access to market)

Development of tertiary sector (eco-tourism, agribusiness) and circular economy

Investment in infra/EIP opportunities for access to finance, agri, energy (IPPs)

Education and skills development

Support institutions in charge of check and balances and rule of Law

Continued Civic Education

Continued improvement of PFM and fight against Corruption

Address Violence against Women

Democracy / Human rights / Human capital

Preserving Malawi's peace, stability and democratic credentials based on respect for HR. despite substantial improvements in the preparation of the elections, major divisions remained and further investment would be needed in deepening democracy.

Multilateralism and Regional solutions

Other External Policy Objectives supporting a stronger European Union in the world

Investment in education and employability in particular for youth and women. Continue to invest in food and nutrition security and social protection to support resilience.



COUNTRY OVERVIEW

Key figures 	Key policies 	Vision 	Challenges 
LIC - One of the poorest countries (70,9% of population under 1,90 USD), low growth (1,5% av. btw. 1995-2015)	Malawi Growth and Development Strategy III (2017-2022)	By 2020 to become secure, democratically mature, env. sustainable, self-reliant with equal opportunities	Democratic tension during recent elections/need to increase citizens participation and education
Rapidly growing population – 2,94% (btw. 2010-2015), 51% under 18	Vision 2020 ending; New Vision 2063 being prepared	Having social services, vibrant cultural and religious values and being a technologically driven middle income country	Difficult political economy, weak accountability
Human Development Index 171/189 in 2018	NDC highlights importance of sustainable land management and need for climate-resilient agriculture	Key focus on: agriculture/water/CC; education; energy/industry/tourism; health/population management	Population growth, low progress on social sectors/ socio-economic gap between urban/rural poor
Gini Index: 45,5 in 2018, Gender Inequality Index of 0,619 in 2017 (148/160)			Lack of Skills
Mo Ibrahim Index for Governance 19 out of 54			Small landlocked market, poorly integrated in the region, with low connectivity
WB Doing Business 110/190 in 2018			Poor diversification, dependence on subsistence farming, unsustainable land use
83% living in rural areas, agriculture 85% of employment and 90% of forex earning			Environmental degradation and recurrent crisis/climate shocks
95% electricity from hydropower, 98% pop uses biomass			Need to consider China's presence in the digital sector