



PRESS RELEASE

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Government of Malawi and EU agree on Capacity Building for Trade Development

The European Union (EU) and the Government of Malawi have signed today a new Capacity Building Programme for Trade and Private Sector Development. The new programme aims at contributing to poverty reduction through accelerating the growth of export oriented enterprises. The Financing Agreement has a total value of EUR 12 million (approximately MKW 2.8 billion).

The objective of the programme is to support the currently rather limited diversification of the Malawian economy, including by developing the mining sector, and to improve the environment for exports.

The programme is composed of three components. The first one focuses on enhancing the capacity of the relevant government departments to generate trade related information and statistics for policy making, to monitor trade performance and to improve the capacity to provide trade intelligence for the private sector. The second component supports the Standardization, Quality Assurance, Accreditation and Metrology infrastructure in Malawi to facilitate growth of non-traditional exports and consumer protection. The third component enhances the capacity of the core government departments mandated to regulate and oversee the development of the mineral sector through building of human capacity, strengthening of the mining sector regulatory framework and updating of geological mapping of Malawi.

"This programme illustrates the strong commitment of the EU to support the development of the Malawian capacity to trade even in the absence of any specific trade partnership with the EU itself. This is also demonstrated by the European Commission's last week's proposal for strengthening the effectiveness of the unilateral trade concessions granted by the EU to Malawi and other Least Developed Countries (LDCs) through the "Everything but Arms" (EBA) scheme and follows the recent improvements of the rules of origins under EBA", said EU's Ambassador to Malawi Alexander Baum.

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