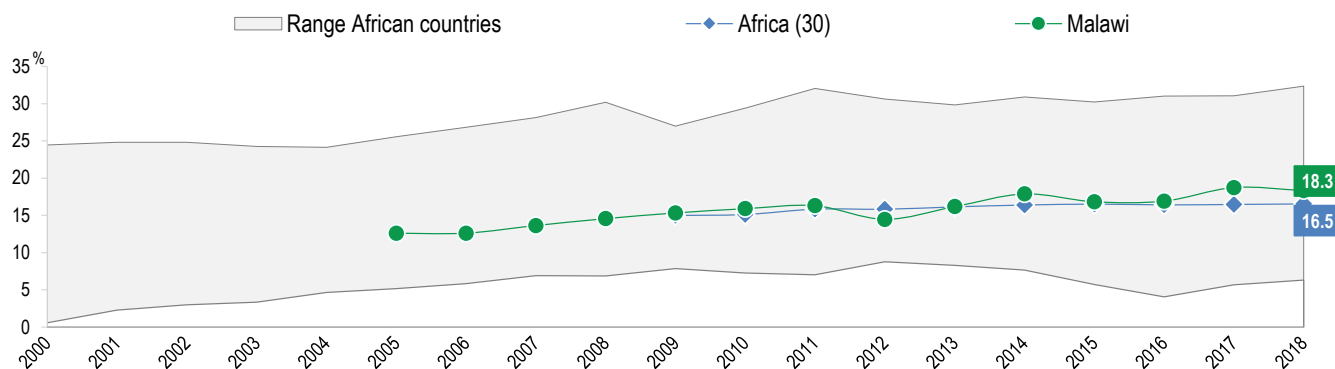


Revenue Statistics in Africa 2020 – Malawi

Tax revenues: tax-to-GDP ratio

Tax-to-GDP ratio over time

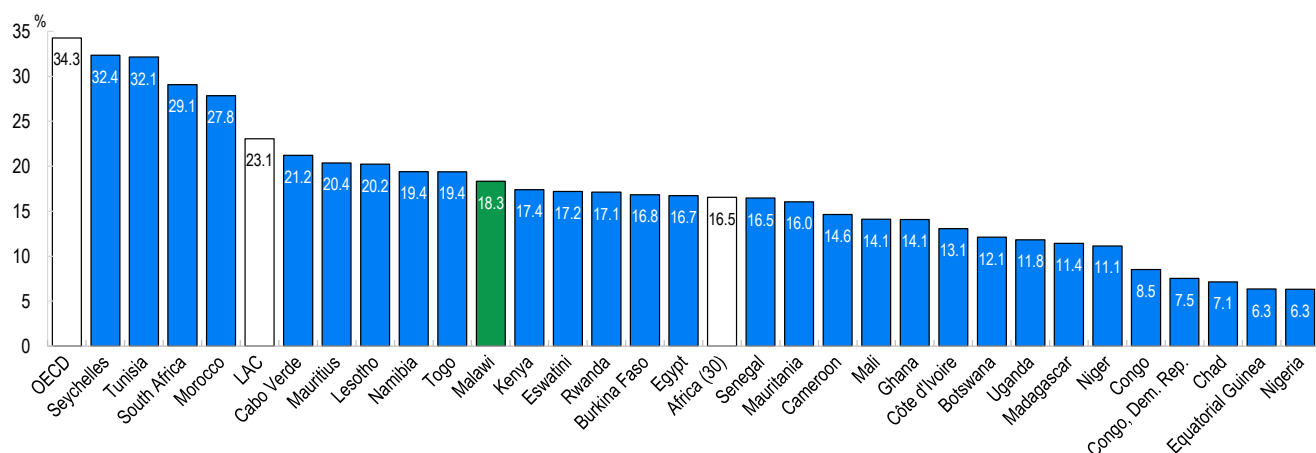
The tax-to-GDP ratio in Malawi¹ decreased by 0.4 percentage points from 18.7% in 2017 to 18.3% in 2018. In comparison, the average* for the 30 African countries increased by just under 0.1 percentage points over the same period, and was 16.5% in 2018. Since 2010, the average for the 30 African countries has increased by 1.4 percentage points, from 15.1% in 2010 to 16.5% in 2018. Over the same period, the tax-to-GDP ratio in Malawi has increased by 2.4 percentage points, from 15.9% to 18.3%. The highest tax-to-GDP ratio in Malawi was 18.7% in 2017, with the lowest being 12.6% in 2005 and 2006.



*The Africa (30) average was 16.5% in both 2017 and 2018 due to rounding. The Africa (30) average is not available before 2009 due to missing data in some countries. In 2009, it is calculated based on estimated tax-to-GDP ratios for Chad and Nigeria in that year, as data were not available prior to 2010 in these countries.

Tax-to-GDP ratio, 2018

Malawi's¹ tax-to-GDP ratio in 2018 (18.3%) was higher than the average of the 30 African countries in Revenue Statistics in Africa 2020 (16.5%) by 1.8 percentage points but lower than the Latin America and the Caribbean (23.1%).



¹ Social security contributions for Malawi are deemed to be null as they do not meet the criteria to be classified as social security contributions set out in in OECD Interpretative Guide

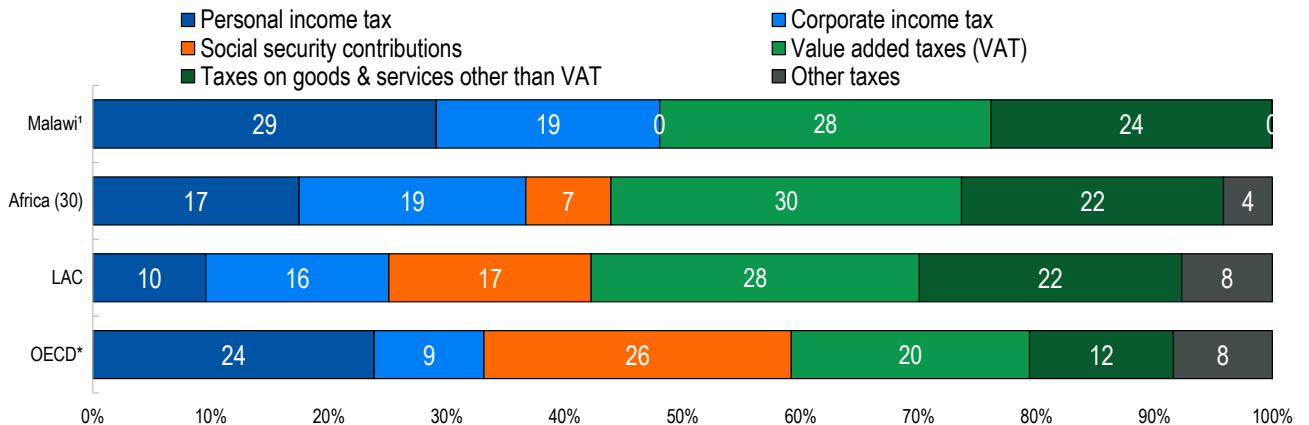
In the OECD classification the term "taxes" is confined to compulsory unrequited payments to general government. Taxes are unrequited in the sense that benefits provided by government to taxpayers are not normally in proportion to their payments. Non-tax revenues are all other government revenues that are not classified as taxes. <http://www.oecd.org/tax/tax-policy/oecd-classification-taxes-interpretative-guide.pdf>

The LAC average refers to the *Revenue Statistics in Latin America and the Caribbean 2020* publication. oe.cd/revenue-statistics-in-latin-america-and-the-caribbean



Tax revenues: structure

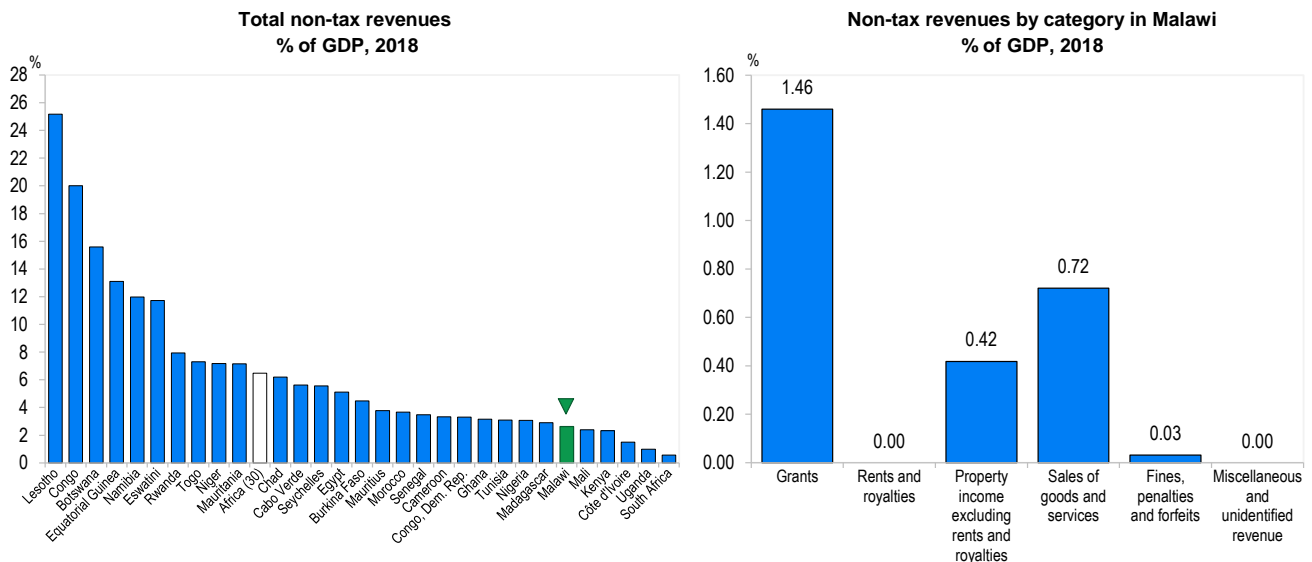
Tax structure refers to the share of each tax in total tax revenues. The highest share of tax revenues in Malawi¹ in 2018 was contributed by personal income tax (29%). The second-highest share of tax revenues in 2018 was derived from value added taxes (VAT) (28%).



¹ Social security contributions for Malawi are deemed to be null as they do not meet the criteria to be classified as social security contributions set out in in OECD Interpretative Guide
*The data for the OECD are for 2017 as the data for 2018 are not available.

Non-tax revenues

In 2018, Malawi's non-tax revenues amounted to 2.6% of GDP. This was lower than the average non-tax revenues for the 30 African countries (6.5% of GDP). Grants represented the largest share of non-tax revenues in 2018, amounting to 1.5% of GDP and 55.5% of non-tax revenues.



Source: Revenue Statistics in Africa 2020



With financial support from the governments of Ireland, Japan, Luxembourg, Norway, Sweden and the United Kingdom.

For more information see oe.cd/revenue-statistics-in-africa