



Tanzania – Malawi Trade Relations.

A Position Paper on the Elimination of Non-Tariff Barriers to Foster Regional Integration.

May 2025

**Prepared by NTBs Expert
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1. BACKGROUND

Trade between Tanzania and Malawi plays a pivotal role in advancing the economic integration of the Southern African region. In 2023, Tanzania maintained a positive trade balance with exports to Malawi amounting to US\$210.99 million, according to the UN Comtrade Database. Over the past five years, Tanzanian exports to Malawi have grown at an impressive annualized rate of 25.1%. Conversely, Malawi's exports to Tanzania totaled US\$104.76 million in the same year. Despite this encouraging trade performance, recent developments have strained bilateral trade relations due to the emergence of non-tariff barriers (NTBs). Key among these are Malawi's administrative directive restricting the importation of Tanzanian agricultural products and Tanzania's issuance of a Prohibition Notice on plant and plant product imports from Malawi, citing phytosanitary concerns.

Following such precarious situation on Trade, the Joint Ministerial Meeting on Trade was held on 2nd May 2025, in Dodoma, aiming at addressing these issues through bilateral dialogue and mutual cooperation. Significant progress was made toward resolving trade barriers that have hindered bilateral economic cooperation where the Joint Communique was issued. A key outcome was Tanzania's agreement to **lift the Prohibition Notice on the Importation of Plants and Plant Products from Malawi, coupled with Malawi's commitment to issue an administrative instrument** to streamline import-export processes.

This policy brief highlights the background, implications, and recommendations stemming from these decisions, which are expected to enhance cross-border trade, improve food security, and stimulate agricultural sector growth in both countries

2. KEY AGREEMENTS REACHED

- **Lifting of Prohibition Notice by Tanzania :** Tanzania has agreed to lift the Prohibition Notice restricting the importation of Plants and Plant products from Malawi. This decision follows Malawi's assurances that the Plants and Plant Products from Malawi are compliant to the plant health and phytosanitary standards.
- **Malawi to Issue Administrative Instrument :** Malawi committed to issuing an official administrative instrument directing relevant national authorities (customs, trade, agriculture) to facilitate both imports from Tanzania and exports to Tanzania. This measure aims to enhance compliance and reduce bureaucratic delays at border points.

3. POTENTIAL IMPACT OF THE RESOLVED NON TARRIF BARRIERS

- **3.1 Economic Impact**
 - **Boost in Agricultural Trade:** Lifting the ban opens up Tanzania's market to Malawian agricultural products, particularly maize, Banana and horticulture among others.
 - **Reduced Costs for Traders:** Streamlined border processes will lower transaction costs and increase profit margins for traders.
 - **Enhanced Investment Climate:** Predictable and transparent trade regulations attract agribusiness investment and cross-border joint ventures.

● 3.2 Social Impact

- **Food Security :** Improved availability of food commodities across borders will help stabilize food prices and reduce shortages, especially in border regions.
- **Job Creation :** Enhanced trade is expected to support job growth in farming, transport, and agro-processing sectors.

● 3.3 Political & Diplomatic Impact

- **Strengthened Bilateral Relations :** The decisions reflect a commitment to good neighborliness and mutual economic development.
- **Regional Integration :** This outcome supports the objectives of SADC and the African Continental Free Trade Area (AfCFTA).

4. RECOMMENDATIONS

In order to effect the agreed areas, the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) through this policy brief recommends the following:

- To establish a bilateral task force on elimination of NTBs to monitor the implementation of agreed measures and resolve emerging issues promptly.
- To Conduct sensitization and training to Border officials to exhibit trade Facilitative approach as they implement the agreed areas to ensure seamless execution.

CONCLUSION



The outcome of the Tanzania–Malawi Joint Ministerial Meeting marks a significant step forward in removing trade barriers and deepening regional economic ties. Successful implementation of the agreed decisions will not only benefit Tanzania and Malawi but also serve as a model for resolving trade disputes through diplomacy and cooperation.



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