HAITI

Population[1] million	Poverty[2] millions living on less than $2.15/day
11.8	2.9
Life expectancy at birth[3] years	**School enrollment** primary (% gross)
63.7	..
GDP[4] current US$, billion	**GDP per capita[5]** current US$
25.2	2142.7

Sources: WDI, MFMod, and official data. 1/ 2024. 2/ 2012 (2017 PPPs). 3/ 2022. 4/ 2024. 5/ 2024.

GDP contracted by 4.2 percent in 2024 amid gang violence and an ongoing political-institutional crisis. Agriculture has been the most severely impacted sector, disproportionately reducing the incomes of the poor and vulnerable: nearly 4 in 10 Haitians now live on less than US$2.15/day 2017 PPP. Despite these challenging conditions, tight monetary policy and continued fiscal consolidation strengthened the macro-economic framework, helping to reduce inflation.

Key conditions and challenges

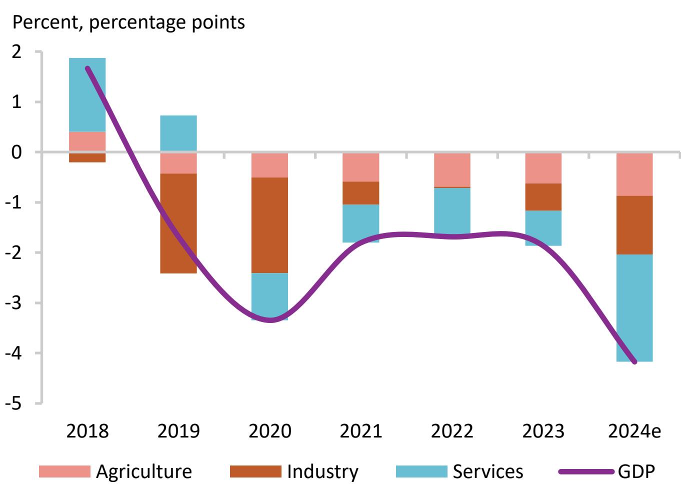
Deep structural challenges including state capture and an unconducive business environment continue to hamper economic growth and poverty reduction. Underdeveloped financial markets and weak competition have contributed to a large informal economy. Indefinite suspension of US commercial flights to the main airport and continued border shutdown with the Dominican Republic isolate Haiti and constrain domestic resource mobilization. Economic mobility is hampered by a weak labor market, dominated by low quality, poorly remunerated jobs, especially for women. Indicators of human capital are weak with limited access to quality healthcare and education: just 4 in 10 children are born in health facilities and learning-adjusted years of schooling (at 6.1) are below the regional average.

Haiti faces a deepening fragility trap, as structural challenges, institutional crisis, persistent gang violence and a growing humanitarian crisis have undermined development prospects. Disaster risk management and response systems are inadequate to manage vulnerability to natural hazards and climate change. Economic priorities include an improved governance and justice system and infrastructure to connect rural communities to urban markets.

Recent developments

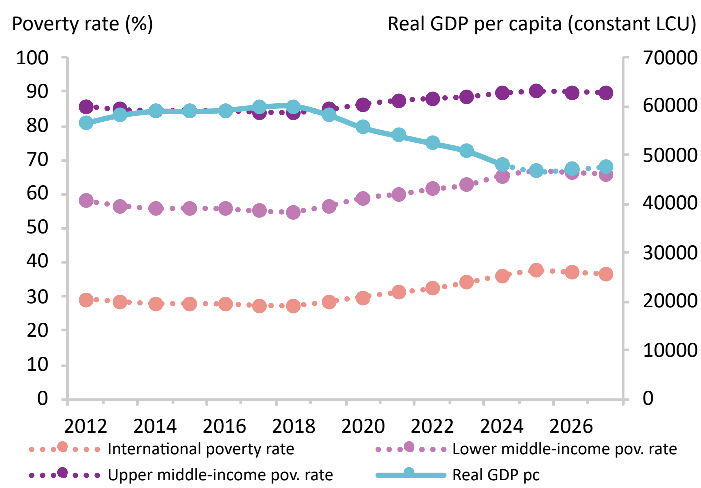
Political instability deepened and gang violence increased following Prime Minister Gary Conille's dismissal by the Transitional Presidential Council (CTP) in November 2024. Prime Minister Fils-Aimé replaced Conille with a mandate to restore security and organize elections. The underlying instability and gang violence depressed investor sentiment, and GDP contracted by 4.2 percent in 2024. Agriculture registered the largest decline (-5.6 percent), disproportionately affecting the poor and vulnerable, and deepening pre-existing inequalities. The industrial sector contracted by 4.7 percent due to the deteriorating business environment, with layoffs in the textile sector. The services sector shrank by 3.9 percent, led by the small trade and real estate subsectors. The current account deficit (CAD) narrowed from 3.3 percent of GDP in 2023 to 0.5 percent in 2024, as a 21.2 percent drop in exports was offset by lower imports and higher remittance inflows. Remittances have provided a lifeline to recipient households, helping mitigate food insecurity.

FIGURE 1 / Real GDP growth and sectoral contributions to real GDP growth (supply side)



Sources: Haiti Statistical Office (IHSI) and World Bank staff calculations.

FIGURE 2 / Actual and projected poverty rates and real GDP per capita



Source: World Bank. Notes: See footnotes in table on the next page.

Tax revenues plummeted from 6.3 percent in 2023 to 5.2 percent in 2024 as the economy contracted. However, a retrenchment of capital spending and cuts in non-priority current expenditures helped contain the fiscal deficit, which narrowed from 2.1 percent of GDP in 2023 to 0.1 percent in 2024. The combined effect of tight fiscal policy and a better anchored monetary policy stance, with zero monetary financing of the fiscal deficit by the central bank (BRH), helped ease price pressures. The gourde appreciated by 1.6 percent against the US dollar in 2024 owing to tight fiscal and monetary policy, strong remittance inflows, and weak imports.

Consumer price inflation declined from an average of 44.2 percent in 2023 to 25.8 percent in 2024. High food inflation (averaging 34.7 percent in 2024) disproportionately affected the poor and vulnerable, who spend a larger share of income on food. The share of Haitians living on less than US$2.15/day 2017 PPP is estimated to have climbed to 36.2 percent in 2024, from 31.1 percent in 2021.

Outlook

GDP is forecast to contract by 2.2 percent in 2025. The lingering political crisis and gang violence are expected to depress private investment, while high inflation dampens private consumption. Modest GDP growth is expected by 2026 as investment increases from a low baseline, assuming improvements on the political and security fronts. Trade policy changes may further depress textile exports, compounding existing security and business challenges, but the full impact of the recent measures is difficult to gauge as policy shifts may continue to unfold. Exports are forecast to accelerate in 2026 assuming greater clarity on a potential extension of a preferential trade agreement on textiles with the USA. A resumption of GDP growth would gradually reverse poverty trends, with the share of Haitians living on less than US$2.15/day 2017 PPP projected to drop slightly from 37.6 percent in 2025 to 36.7 percent by 2027.

A balanced current account in 2025 is forecast to move into deficit by 2026 as growth resumes and imports pick up. Increased government spending ahead of planned elections and weak agricultural productivity are expected to contribute to inflationary pressure in 2025, moderating over the medium as security conditions improve. Tax revenue collection is set to improve gradually as a new general tax code goes into effect. However, the fiscal deficit will widen from 0.1 percent of GDP in 2024 to 1.2 percent in 2025 owing to larger security and elections-related spending.

The path ahead remains fraught with downside risks and depends on an effective political transition and improvements in security. A credible budgetary framework and an appropriate mix of fiscal and monetary policy will remain key to reducing inflation and strengthening growth prospects. Inclusive growth will require strengthening the business environment, expanding social protection, and enhancing the institutional framework for disaster risk management, including better preparedness and response systems.

Recent history and projections	2021/22	2022/23	2023/24e	2024/25f	2025/26f	2026/27f
Real GDP growth, at constant market prices	-1.7	-1.9	-4.2	-2.2	2.0	2.5
Private consumption	-0.7	0.1	-5.2	-4.6	1.6	1.1
Government consumption	17.6	3.3	1.6	35.0	2.7	6.7
Gross fixed capital investment	-9.9	-17.6	-36.3	-50.0	62.7	50.3
Exports, goods and services	2.4	-9.6	-31.9	-24.5	5.5	6.1
Imports, goods and services	4.9	-0.4	-16.2	-4.8	6.5	7.3
Real GDP growth, at constant factor prices	-1.8	-3.6	-4.4	-2.2	2.0	2.5
Agriculture	-4.5	-5.6	-5.6	-3.2	1.0	2.0
Industry	-0.4	-3.8	-4.7	-1.7	2.5	3.4
Services	-1.6	-2.9	-3.9	-2.2	2.0	2.3
Employment rate (% of working-age population, 15 years+)	55.8	55.8	55.8	55.8	55.8	54.9
Inflation (consumer price index)	27.6	44.2	25.8	29.7	20.3	14.1
Current account balance (% of GDP)	-2.4	-2.6	-0.6	0.0	-1.1	-1.2
Net foreign direct investment inflow (% of GDP)	0.2	0.1	0.2	0.2	0.1	0.1
Fiscal balance (% of GDP)	-3.2	-2.1	-0.1	-1.2	-0.1	0.1
Revenues (% of GDP)	6.6	7.4	6.0	6.4	7.0	7.4
Debt (% of GDP)	26.6	24.8	15.0	16.2	16.3	16.0
Primary balance (% of GDP)	-2.9	-1.8	0.2	-0.9	0.1	0.4
International poverty rate ($2.15 in 2017 PPP)[1,2]	32.3	34.1	36.2	37.6	37.2	36.7
Lower middle-income poverty rate ($3.65 in 2017 PPP)[1,2]	61.4	62.6	65.4	66.7	66.4	65.9
Upper middle-income poverty rate ($6.85 in 2017 PPP)[1,2]	88.0	88.4	89.5	90.0	89.9	89.7
GHG emissions growth (mtCO2e)	0.6	-0.4	-0.4	0.1	1.8	2.5

Source: World Bank, Poverty and Economic Policy Global Departments. Emissions data sourced from CAIT and OECD.
Notes: e = estimate, f = forecast. Data in annual percent change unless indicated otherwise.
1/ Calculations based on SEDLAC harmonization, using 2012-ECVMAS. Actual data: 2012. Nowcast: 2013-2024. Forecasts are from 2025 to 2027.
2/ Projection using neutral distribution (2012) with pass-through = 0.87 (Med (0.87)) based on GDP per capita in constant LCU.