BELIZE

Population[1] thousand	Poverty[2] thousands living on less than $8.30/ day
422.9	**75.0**
Life expectancy at birth[3] years	School enrollment[4] primary (% gross)
73.6	**96.5**
GDP[5] current US$, billion	GDP per capita[6] current US$
3.3	**7908.0**

Sources: WDI, MFMod, and official data. 1/ 2025. 2/ 2018 (2021 PPPs). 3/ 2023. 4/ 2024. 5/ 2025. 6/ 2025.

Belize's economy has stabilized but remains vulnerable to energy prices, climate risks, and business constraints. In 2025, growth slowed, fiscal balances weakened, but inflation eased, and unemployment fell. Poverty is declining but higher in rural areas and among children and Maya communities. A modest recovery, low inflation, narrower current account deficit, adequate reserves, and declining debt are expected in the medium term.

Key conditions and challenges

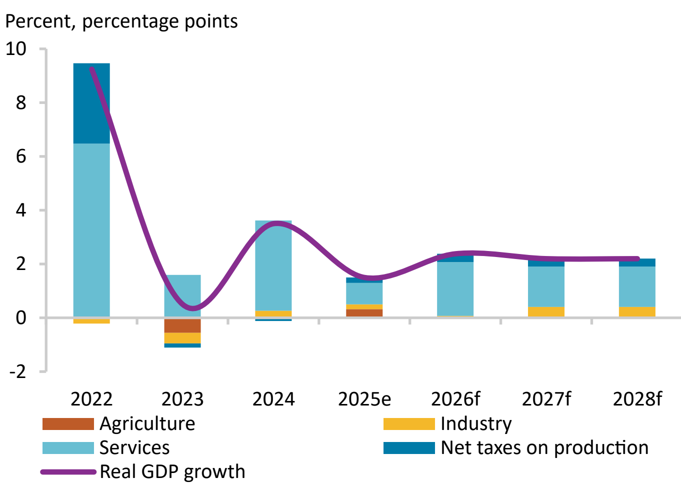
Belize is an upper-middle-income economy heavily reliant on tourism, agriculture, and remittances for foreign exchange. The United States is central to economic performance, serving as the main source of tourists and remittances, the leading export market, and a key investor. As a net oil and gas importer with a US-dollar peg, Belize is sensitive to energy price swings. The country also faces significant climate and natural disaster risks. Recent policy efforts have strengthened macroeconomic stability—fiscal discipline improved, public debt declined, and liabilities were restructured, including via the blue bond. However, constraints in the business environment persist, including limited access to credit, inadequate infrastructure, skills shortages, and crime.

The World Bank estimates that in 2025, 16.9 percent of Belizeans lived on less than US$8.30 a day (2021 PPP), the upper-middle-income poverty line, while the Statistical Institute of Belize reported that 19.1 percent were multidimensionally poor. Multidimensional poverty is more common in rural areas (27.8 percent) than in urban areas (6.5 percent), with Toledo being the most affected district (59.5 percent). Poverty is especially pronounced among households with children, Belizeans of Maya descent, larger families, and households where the head has no formal education. Women and youth continue to face challenges in the labor market. Women make up about two-fifths of the labor force. Informal work is widespread (35.9 percent), particularly in wholesale and retail trade and in agriculture.

Recent developments

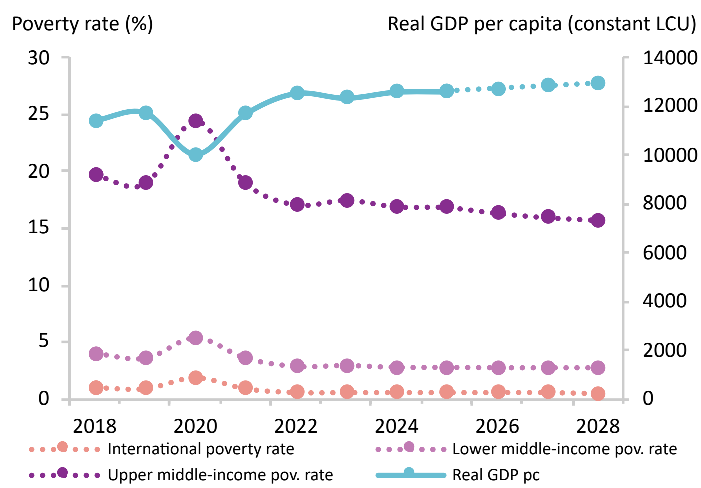
Growth softened in 2025 amid a mixed agricultural outturn and weaker services. Real GDP growth is estimated at 1.5 percent, down from 3.5 percent in 2024. Agriculture, livestock, fishing, and marine output strengthened, even as sugarcane production fell sharply due to Fusarium disease and weather disruptions. In contrast, services expansion moderated as tourism cooled, contributing to slower wholesale and retail trade and transportation activity. According to the Central Bank's latest review, stay-over arrivals declined by 2.9 percent in the first three quarters of the year, but cruise tourism remained robust, with disembarkations up 5.7 percent over the same period.

FIGURE 1 / Real GDP growth and sectoral contributions to real GDP growth



Sources: Central Bank of Belize and World Bank.

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



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

Labor market conditions improved modestly: unemployment reached a record low of 1.9 percent (down from 2.1 percent in 2024). Labor force participation rose to 58.1 percent in September, from 56.3 percent a year earlier. Job creation was strongest in tourism and transportation, storage and communication—expanding these sectors' combined share in total jobs by 4 percentage points—and construction (share expanded by 1.2 percentage points). Despite these improvements, female and youth participation rates remain low (47.2 and 41.3 percent, respectively).

Inflation eased alongside lower fuel prices (to 1.4 percent in 2025 from 3.3 percent in 2024), reducing pressure on real incomes. Estimated declines in the monetary poverty rate slowed from 0.5 percentage points in 2024 to 0.1 percentage points in 2025. Nonetheless, multidimensional poverty continued its rapid decline, dropping 3.0 percentage points in 2025.

The current account deficit is estimated to have narrowed slightly to 1.5 percent of GDP, as lower fuel import costs and remittances offset softer tourism receipts. It continues to be financed primarily by tourism-related foreign direct investment and official project financing. Fiscal balances deteriorated with slower growth and higher spending: the primary surplus is estimated at 1.1 percent of GDP, and the overall deficit at 1.2 percent of GDP. Public debt continued to decline.

Financial sector indicators remain sound. The non-performing loan ratio declined to 1.6 percent, excess liquidity stayed high, and credit to the private sector expanded by 4.8 percent.

Outlook

Growth is projected to increase in the near term and then moderate. Real GDP is expected to rise to 2.4 percent in 2026, supported by a gradual recovery in tourism and steady primary-sector activity, before easing to 2.2 percent, as tourism activity normalizes. Average inflation is expected to peak at 2.4 percent in 2026, lifted by higher energy prices, and decline to 1.3 percent by 2028. Sustained growth is expected to support social gains: poverty is projected to fall to 15.8 percent by 2028.

External buffers should remain adequate, with international reserves staying at about 4 months of imports, and the current account deficit is expected to remain contained unless both higher import prices and a sharper-than-expected moderation in growth of tourism services materialize.

Fiscal outcomes are likely to deteriorate mildly as growth accelerates only moderately while spending pressures persist. The primary surplus is projected to decline and the overall deficit to widen modestly. Provided growth stabilizes and fiscal discipline is maintained, public debt is expected to continue its gradual decline.

Risks are tilted to the downside: higher-than-expected energy prices because of the conflict in the Middle East, weaker global growth, tighter financial conditions, climate shocks, and delays to investment could deteriorate households' income generation potential and slow down poverty reduction. Stronger reform and investment execution could lift the outlook.

Recent history and projections	2023	2024	2025e	2026f	2027f	2028f
Real GDP growth, at constant market prices	0.5	3.5	1.5	2.4	2.2	2.2
Private consumption	1.5	2.8	0.3	2.9	1.6	1.6
Government consumption	2.9	2.5	0.7	3.4	2.6	2.6
Gross fixed capital investment	5.4	-1.2	1.3	5.2	0.8	0.8
Exports, goods and services	10.9	-1.3	-2.9	0.5	3.4	3.4
Imports, goods and services	-2.4	5.0	0.8	2.7	2.0	2.0
Real GDP growth, at constant factor prices	0.8	4.2	1.5	2.4	2.2	2.2
Agriculture	-6.2	-0.1	4.0	0.0	0.5	0.5
Industry	-2.5	1.7	1.1	0.5	2.5	2.5
Services	2.6	5.3	1.3	3.1	2.3	2.3
Employment rate (% of working-age population, 15 years+)	57.0	57.7	57.7	57.7	57.7	57.7
Inflation (consumer price index)	4.4	3.3	1.4	2.4	1.6	1.3
Current account balance (% of GDP)	-0.6	-1.6	-1.5	-0.8	-1.3	-1.2
Net foreign direct investment inflow (% of GDP)	0.5	-2.5	-2.5	-2.4	-2.3	-2.2
Fiscal balance (% of GDP)[1]	-3.4	-0.3	-1.2	-1.2	-1.8	-1.8
Revenues (% of GDP)	23.5	25.3	24.7	25.3	24.0	24.0
Debt (% of GDP)[1]	67.1	63.8	60.4	59.3	59.1	57.1
Primary balance (% of GDP)[1]	-1.1	1.6	1.1	1.1	0.5	0.5
International poverty rate ($3.00 in 2021 PPP)[2,3]	0.6	0.6	0.6	0.6	0.6	0.6
Lower middle-income poverty rate ($4.20 in 2021 PPP)[2,3]	3.0	2.8	2.8	2.8	2.8	2.8
Upper middle-income poverty rate ($8.30 in 2021 PPP)[2,3]	17.5	17.0	16.9	16.4	16.0	15.8
GHG emissions growth (mtCO2e)	-0.2	0.0	-0.1	-0.1	-0.1	-0.1

Source: World Bank, Fiscal Policy & Growth Department. Emissions data sourced from CAIT and OECD.
Notes: e = estimate, f = forecast. Data in annual percent change unless indicated otherwise.
1/ Fiscal balances are reported in fiscal years (April 1st -March 31st).
2/ Projection using neutral distribution (2018) with pass-through = 0.87 (Med (0.87)) based on GDP per capita in constant LCU.
3/ Calculations based on CONLAC harmonization, using 2018-HBS. Actual data: 2018. Nowcast: 2019-2025. Forecasts are from 2026 to 2028.