

HAITI

GDP contracted for a seventh consecutive year in FY2025 amid persistent insecurity, which has displaced 1.4 million people. Hurricane Melissa compounded food insecurity and poverty, damaging crops. Following the dissolution of the Transitional Presidential Council, prospects hinge on the newly authorized Gang Suppression Force (GSF), progress toward elections planned for late 2026, and resolution of trade and migration policy uncertainties.

Key conditions and challenges

By late 2025, intensifying gang violence deepened an already severe humanitarian crisis. In late October 2025, Hurricane Melissa hit Haiti's southern departments, disrupting agricultural output in a region where about one-quarter of jobs are tied to the sector. The suspension of US commercial flights and intermittent border closures with the Dominican Republic have further isolated Haiti, constraining domestic resource mobilization. These shocks have compounded underlying structural challenges, including weak competition, an uncondusive business environment, and low human capital. While employment rates have been relatively stable since 2021, low productivity informal employment has limited economic security.

Political uncertainty remains elevated. The Transitional Presidential Council was dissolved as scheduled in February 2026, without having organized elections. The Prime Minister has assumed executive functions, notwithstanding a challenge to his mandate by departing council members. General elections are planned for August and December 2026, subject to adequate security conditions and funding. The authorization of a 5,500-member GSF by

Population ¹ million	Poverty ² millions living on less than \$3.00/day
11.9	4.1
Life expectancy at birth ³ years	School enrollment ⁴ primary (% gross)
64.9	184.0
GDP ⁵ current US\$, billion	GDP per capita ⁶ current US\$
32.1	2694.2

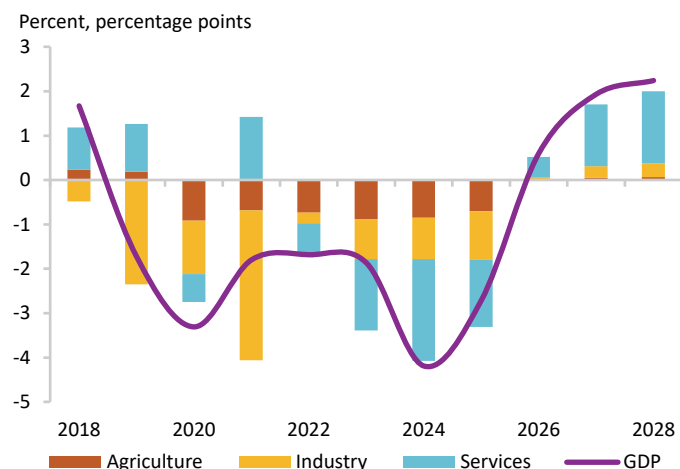
Sources: WDI, MFM, and official data. 1/ 2025. 2/ 2012 (2021 PPPs). 3/ 2023. 4/ 2016. 5/ 2025. 6/ 2025.

the United Nations Security Council marked a potential turning point, though its operationalization has been gradual. Haiti's preferential trade access for apparel exports to the United States was retroactively extended to end-2026 after lapsing, but a longer-term agreement to support investment and job creation has not yet been secured.

Recent developments

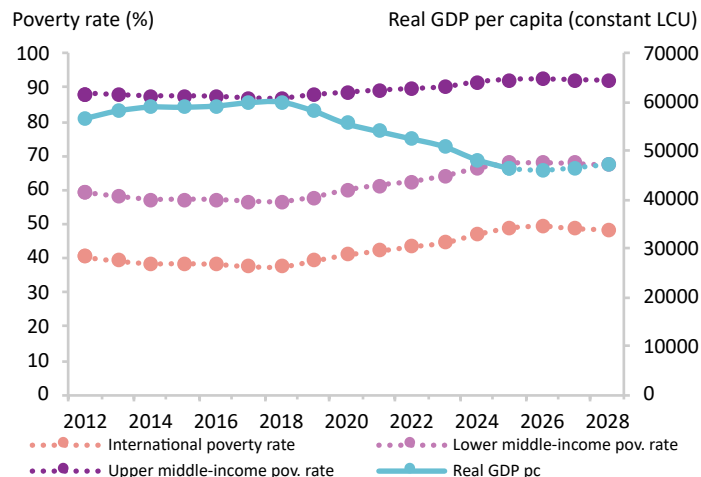
Real GDP contracted by 2.7 percent in FY2025, a seventh consecutive year of decline. GDP at factor cost fell by 3.6 percent, partly offset by higher net indirect tax collections. Industry contracted by 5.1 percent, the lapse in US preferential trade access weighed on apparel production. Agriculture declined by 4.8 percent amid persistent security-related logistics disruptions, and Hurricane Melissa damaged crops in early FY26. Services fell by 2.7 percent, led by the hospitality subsector, as insecurity depressed activity in the capital. The humanitarian crisis continued to deepen. Forced displacement doubled, from around 700,000 in September 2024 to 1.4 million a year later. An estimated 270,000 Haitians were forcibly returned in 2025, predominantly from the Dominican Republic. More than half the population faced Crisis, Emergency, or Catastrophic levels

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



Sources: Institut Haitien de Statistique et d'Informatique (FY18–FY25) and World Bank projections (FY26–28).

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



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

of food insecurity according to the latest Integrated Food Security Phase Classification analysis. Social assistance programs reached less than 1 in 10 Haitians in 2025.

The bleak business environment contributed to weak tax revenues. Total government revenue declined from 5.4 to 4.8 percent of GDP, including grants. Recurrent expenditure, primarily wages, performed broadly in line with the budget, but capital spending was constrained by weak procurement, inadequate project execution, and insecurity. Interest expenditure declined following the resolution of PetroCaribe obligations with Venezuela in early 2024, contributing to a small fiscal surplus in FY2025. Monetary financing of the fiscal deficit was maintained at zero in FY2025. The gourde appreciated slightly, supported by remittances equivalent to around 16 percent of GDP. The strength of the currency combined with high domestic inflation has eroded trade competitiveness. Net international reserves have trended upward since late 2024, though levels differ significantly depending on the definition applied.

Inflation averaged 28.3 percent in FY2025, up from 25.8 percent in FY2024, driven primarily by food and housing amid persistent supply disruptions linked to insecurity and displacement. The impact fell disproportionately on poorer households, which devote a larger share of income to these essentials. The estimated FY2025 current account deficit narrowed to 0.3 percent of GDP, as weak exports and resilient imports were offset by sustained remittances. The estimated share of Haitians living on less than US\$3.00/day 2021 PPP increased from 42.2 percent in 2021 to 49.0 percent in 2025.

Outlook

Modest GDP growth is projected in FY2026 (0.6 percent) as the expanded GSF supports gradual improvements in security, accelerating to 1.9 percent in FY2027 and 2.2 percent in FY2028 following completion of elections. Average inflation is expected to moderate to 22.0 percent in FY2026, anchored by an International Monetary Fund Staff-Monitored Program. Exports are projected to recover gradually, contingent on sustained market access. Current expenditure is expected to rise in the context of elections, while capital spending remains constrained by security conditions in the near term. The share of Haitians living on less than US\$3.00/day 2021 PPP is projected to decline from 49.0 percent in 2025 to 47.4 percent by 2028.

The outlook is subject to significant downside risks, most notably the feasibility of general elections in late 2026 and potential escalation in violence. External pressures are also intensifying. Uncertainty over the migration status of Haitian nationals in the United States poses additional risks to remittance flows, a critical source of household income and foreign exchange. Preferential trade access for apparel exports through the end of 2026 provides too short a horizon to anchor investment decisions. Higher oil and commodity prices associated with the conflict in the Middle East may contribute to inflationary pressure. Over the medium term, security is required to return to inclusive growth, which will also require strengthening the business environment, expanding social protection, and improving domestic revenue mobilization.

Recent history and projections

	2022/23	2023/24	2024/25e	2025/26f	2026/27f	2027/28f
Real GDP growth, at constant market prices	-1.9	-4.2	-2.7	0.6	1.9	2.2
Private consumption	0.1	-5.2	-2.3	-0.5	1.1	1.4
Government consumption	3.3	1.6	9.4	8.7	6.4	6.9
Gross fixed capital investment	-17.6	-36.8	-15.3	-5.6	6.3	7.7
Exports, goods and services	-9.6	-31.0	-2.0	0.5	3.5	4.9
Imports, goods and services	-0.4	-16.2	1.5	0.1	2.4	3.2
Real GDP growth, at constant factor prices	-3.6	-4.4	-3.6	0.6	1.9	2.2
Agriculture	-5.6	-5.6	-4.8	0.1	0.4	0.4
Industry	-4.2	-4.4	-5.1	0.3	1.3	1.5
Services	-2.8	-4.1	-2.7	0.8	2.5	2.9
Employment rate (% of working-age population, 15 years+)	55.8	55.4	55.4	55.4	55.4	55.4
Inflation (consumer price index)	44.1	25.8	28.3	22.0	15.5	13.1
Current account balance (% of GDP)	-3.5	-0.6	-0.3	-0.3	-0.1	0.0
Net foreign direct investment inflow (% of GDP)	-0.1	-0.1	-0.1	0.0	-0.1	-0.1
Fiscal balance (% of GDP)	-2.1	-0.1	0.6	-0.1	-0.2	-0.6
Revenues (% of GDP)	7.5	6.3	5.5	5.5	6.0	6.3
Debt (% of GDP)	25.1	15.6	10.4	8.8	7.7	7.3
Primary balance (% of GDP)	-1.8	0.2	0.9	0.1	0.0	-0.5
International poverty rate (\$3.00 in 2021 PPP)^{1,2}	44.6	47.1	49.0	49.5	48.8	48.5
Lower middle-income poverty rate (\$4.20 in 2021 PPP)^{1,2}	64.2	66.4	67.9	68.1	67.8	67.3
Upper middle-income poverty rate (\$8.30 in 2021 PPP)^{1,2}	90.0	91.5	92.2	92.3	92.1	91.9
GHG emissions growth (mtCO₂e)	-1.5	-0.7	1.3	1.3	1.4	4.0

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/ Calculations based on CONLAC harmonization, using 2012-ECVMAS. Actual data: 2012. Nowcast: 2013-2025. Forecasts are from 2026 to 2028.

2/ Projection using neutral distribution (2012) with pass-through = 0.87 (Med (0.87)) based on GDP per capita in constant LCU.