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HAITI

December 2025

SECOND REVIEW UNDER THE STAFF-MONITORED PROGRAM AND REQUEST FOR EXTENSION—PRESS RELEASE AND STAFF REPORT

In the context of the Second Review Under the Staff-Monitored Program and Request for Extension, the following documents have been released and are included in the package:

- A **Press Release**.
- The **Staff Report** prepared by a staff team of the IMF for the Executive Board's information following discussions that ended on October 8, with the officials of Haiti on economic developments and policies underpinning the Second Review Under the Staff-Monitored Program. Based on information available at the time of these discussions, the staff report was completed on December 1, 2025.
- A **Debt Sustainability Analysis** prepared by the staffs of the IMF and the World Bank.

The IMF's transparency policy allows for the deletion of market-sensitive information and premature disclosure of the authorities' policy intentions in published staff reports and other documents.

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International Monetary Fund
Washington, D.C.

IMF Management Approves the Second Review and Extends the Staff-Monitored Program with Haiti

FOR IMMEDIATE RELEASE

A Staff-Monitored Program (SMP) is an informal agreement between an IMF member country and IMF staff to monitor the member country's economic program. As such, SMPs do not entail endorsement by the IMF Executive Board. SMP staff reports are issued to the Board for information.

- *Management of the International Monetary Fund (IMF) has approved the second review of the Staff-Monitored Program (SMP) with Haiti, including the authorities' request for a nine-month extension of the SMP through September 19, 2026.*
- *Program implementation has been encouraging despite the challenging environment. All quantitative and indicative targets were met at the end-June test date, with monetary financing kept at zero and reserves accumulation exceeding the program target. The reform implementation has continued, though with delays in some areas.*
- *The SMP extension will allow the authorities to maintain policy continuity, consolidate recent progress, and complete and strengthen reforms, particularly in governance, anticorruption, revenue mobilization, and enhancing the social safety net.*

Washington, DC: Management of the International Monetary Fund (IMF) approved on November 25, 2025 the second review of Haiti's Staff-Monitored Program (SMP), including the authorities' request for a nine-month extension of the SMP through September 19, 2026. SMPs are informal agreements between country authorities and the IMF to monitor the implementation of the authorities' economic program and build a track record of policy implementation that could pave the way for financial assistance from the IMF's upper credit tranche (UCT). Haiti's SMP is tailored to its context of acute security challenges, institutional fragility, and capacity constraints. It supports the authorities' priorities of economic stabilization, improved governance, anticorruption, and strengthening the social safety net.

Economic conditions in Haiti remain fragile amid persistent domestic and external shocks, and rising uncertainty. Against the backdrop of intensifying gang violence, Real GDP contracted in FY2025 for the seventh consecutive year, while annual inflation remained high at around 32 percent. The expiration of the TPS for Haitians in the United States in February 2026, the non-renewal of the HOPE/HELP preferential trade agreement which ended in September 2025, and the impact of Hurricane Melissa in late October 2025—which caused significant loss of life and widespread damage to infrastructure and agricultural areas, exacerbating humanitarian needs and further constraining resources— are expected to further strain the Haitian economy.

Despite the challenging conditions, program implementation has been encouraging. All quantitative and indicative targets for the end-June test date were met. Monetary financing of the fiscal deficit has been maintained at zero, social spending reached the program's targets, and revenue performance stayed on track. International reserves continued to accumulate, supported by strong remittance inflows and foreign exchange purchases. Net international reserves reached almost US$ 1.5 billion by end July 2025. The reform agenda—covering governance, public financial management, safeguards, and data provision—continues to advance, although with delays in some areas. The authorities continue to demonstrate strong ownership and engagement, including through the high-level SMP Monitoring Committee.

The nine-month extension of the SMP through September 2026 will help support macroeconomic stability, preserve reform momentum, and allow for political and security conditions to stabilize. The extension will consolidate recent achievements and advance key priorities, including strengthening governance and institutional safeguards, enhancing revenue mobilization, and improving the efficiency of public financial management. The additional time will also allow for a more thorough assessment of the impact of ongoing international initiatives, including the United Nations' Gang Suppression Force and the Organization of American States' 'Haitian Led Road Roadmap for Recovery and Peace'.

While security remains the top priority, the SMP will continue to focus on key policy areas and reforms critical to Haiti, mainly:

Advancing governance reforms to overcome fragility. Reform efforts should be coordinated and anchored in the Governance Diagnostic Report, including (i) enhancing transparency and accountability in public financial management; (ii) mitigating corruption risks in revenue administration; and (iii) ensuring accountability for serious corruption, organized crime, and money laundering. The authorities are encouraged to complete the national assessment for money laundering and terrorist financing, and to continue addressing strategic deficiencies in Haiti's anti-money laundering/combating the financing of terrorism (AML/CFT) framework to support its exit from the Financial Action Task Force (FATF) grey list.

Mobilizing revenue and improving budget execution. Fiscal policy remains constrained by institutional weaknesses that hinder revenue mobilization and spending efficiency. Immediate priorities include operationalizing automated monthly data exchanges between the tax and customs systems and completing the rollout of tax declarations and payments services for all large taxpayers across all commercial banks. Strengthening budget execution—especially for social and security spending—is essential to adequately support vulnerable populations and advance critical infrastructure. This requires improved treasury cash management and robust project appraisal and budget prioritization, in line with the 2022 IMF Public Investment Management Assessment.

Strengthening the central bank's policy frameworks. Monetary policy credibility has improved with the elimination of monetary financing of the budget deficit. Given the challenging and uncertain environment, foreign exchange interventions should remain focused on supporting the accumulation of international reserves and preserving exchange rate stability. Advancing the financial system's regulatory and supervisory reform is essential, particularly by enhancing both on-site and off-site supervision.

Despite the authorities' continued efforts, Haiti requires international financial support to address its significant development needs. To safeguard debt sustainability and build on progress under the SMP, this support should come as grants rather than non-concessional loans. Grant financing is essential to meet immediate humanitarian, social, and economic needs, and to place the economy on a steady and sustainable medium- and long-term growth path, which is essential for improving living conditions for the Haitian people.

In line with the Fund's Strategy for Fragile and Conflict-Affected States, IMF staff will maintain close collaboration with Haiti's main development partners, particularly on governance and capacity development.

HAITI

December 1, 2025

STAFF REPORT FOR THE SECOND REVIEW UNDER THE STAFF-MONITORED PROGRAM AND REQUEST FOR EXTENSION

EXECUTIVE SUMMARY

Haiti continues to face exceptional challenges amid a deteriorating security environment and institutional fragility. Gang violence has intensified, undermining state authority and disrupting economic activity. Uncertainty persists over the political transition and the feasibility of holding general elections in 2026. The United Nations Security Council's authorization to deploy a new Gang Suppression Force and the establishment of a United Nations Support Office for Haiti mark a potential turning point for the country, though security gains will take time to materialize and will require international support.

Economic conditions remain fragile and external pressures are rising. Real GDP is estimated to have contracted by 3.1 percent in FY2025 and projected to contract by 1.2 percent in FY2026. Inflation remains high, at 31.9 percent in FY2025. Recent external policy shifts—including the expiration of the Temporary Protected Status for Haitians living in the United States, the termination of textile and apparel trade preferences, and a new cash remittance tax—are expected to reduce foreign inflows and increase external and fiscal pressures. Economic conditions may be further strained by the impact of Hurricane Melissa in late October—which caused significant loss of life and widespread damage to infrastructure and agricultural areas, exacerbating humanitarian needs and is likely to further constrain resources.

Program performance under the Staff-Monitored Program is progressing well. All end-June quantitative and indicative targets have been met. Monetary financing of the fiscal deficit has been maintained at zero, and international reserves continue to accumulate. The authorities remain strongly engaged through the high-level Staff-Monitored Program Monitoring Committee. Moreover, the reform agenda has advanced, as reflected in the implementation of most structural benchmarks, despite delays in some areas.

Staff recommended maintaining focus on the core priorities of the Staff-Monitored Program. These include strengthening governance and anti-corruption efforts in line with the Governance Diagnostic Report, safeguarding adequate reserve coverage, improving public financial management—including revenue mobilization and

expenditure efficiency—and, expanding targeted social assistance. To preserve macroeconomic stability, monetary financing of the deficit must remain at zero, and international reserves should be maintained at an adequate level while preserving the nominal anchor currently provided by the exchange rate. Domestic revenue mobilization efforts and governance reforms need to continue.

The authorities requested a nine-month extension of the Staff-Monitored Program, which staff proposes for Management's approval. The extension aims to support macroeconomic stability and preserve reform momentum, amid worsening security conditions and heightened political uncertainty. Staff hopes to see an improvement in the political and security conditions during this time. The extension will also allow for the completion of remaining structural benchmarks and will advance the governance and reform agenda through new structural benchmarks. Staff supports the request and proposes adjustments to the structural benchmarks accordingly to reinforce revenue collection, and enhance safeguards, accountability, and transparency.

Approved By
Dora Iakova (WHD) and Jay Peiris (SPR)

Policy discussions were conducted remotely during September 30-October 8, 2025. The team comprised Camilo E. Tovar (Head), Nathalie Pouokam, Gonzalo Huertas, and Maylin Sun (all WHD); Tatsuya Hasegawa (SPR); Abdoul Karim Sidibe (STA); Jinkyu Sung (FAD), and Gabriel Duvalsaint and Ralph Wata (Port-au-Prince office). Ben Aldersey (LEG) and Laurence Coste (LEG) provided support on governance and AML/CFT issues. Henrique Chociay (SPR) and Mher Barseghyan (STA) participated in earlier discussions and preparation for this mission. Ms. Toyosi Ojo provided research analysis, and Soungbe Coquillat and Brett Smith (all WHD) assisted with mission scheduling and the preparation of the report. Mr. André Roncaglia and Ms. Ludmilla Buteau Allien (both OEDBR) joined key policy discussions.

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APPENDIXES

Glossary

AGD	General Administration of Customs
AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism
BINUH	United Nations Integrated Office in Haiti
BOP	Balance of Payments
BRH	Bank of the Republic of Haiti
CA	Current Account
CAR	Capital Adequacy Ratio
CCRIF	Caribbean Catastrophe Risk Insurance Facility
CERC	Contingency Emergency Response Component
CNMP	National Commission for Public Procurement
CSCCA	Council of the Superior Court of Accounts and Administrative Disputes
DGB	General Directorate of the Budget
DGI	Directorate of General Taxes
DNFBP	Designated Non-Financial Businesses and Professions
DPC	Civil Pension Directorate
ECF	Extended Credit Facility
ELA	Emergency Liquidity Assistance
EU	European Union
FAES	Economic and Social Assistance Fund
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
FSW	Food Shock Window
FX	Foreign Exchange
GDR	IMF Governance Diagnostic Report
GDP	Gross Domestic Product
GIR	Gross International Reserves
GSF	Gang Suppressing Force
HELP	Haiti Economic Lift Program Act
HOPE	Hemispheric Opportunity through Partnership and Encouragement Act
IADB	Inter-American Development Bank
IHSI	Haitian Institute of Statistics and Informatics

IT	Indicative Target
IRFCL	International Reserves and Foreign Currency Liquidity
MCP	Multiple Currency Practice
MEF	Ministry of Economy and Finance
MSS	Multinational Support Mission
NFA	Net Foreign Assets
NFPS	Nonfinancial Public Sector
NIIP	Net International Investment Position
NIR	Net International Reserves
NPL	Nonperforming Loan
NAR	National Risk Assessment
OAS	Organization of American States
PIMA	Public Investment Management Assessment
PNPPS	National Social Protection and Promotion Policy
QT	Quantitative Target
REER	Real Effective Exchange Rate
RMS	Revenue Management System
SB	Structural Benchmark
SDR	Special Drawing Right
SIMAST	Information System of the Ministry of Social Affairs and Labor
SMP	Staff-Monitored Program
SYDONIA	Customs Automation System
TA	Technical Assistance
TMU	Technical Memorandum of Understanding
TPC	Transitional Presidential Council
TPS	Temporary Protected Status
TSA	Treasury Single Account
UCREF	Central Financial Intelligence Unit
UCT	Upper Credit Tranche
UN	United Nations
UNSOH	UN Support Office in Haiti
US	United States
USAID	United States Agency for International Development
WB	World Bank

CONTEXT

1. **Haiti continues to confront an acute security and humanitarian crisis**. Gang violence has intensified, with murder rates at record highs this year.[1] More than 1.4 million people were internally displaced as of September 2025—over three times as many as in December 2023—with hundreds of thousands more displaced abroad. Half the population (5.7 million) faces hunger. Gangs continue to undermine state authority, block roads, impose illicit tolls, and disrupt economic activity. International flights remain suspended in Port-au-Prince, and several ports face closures or restricted access.[2] Social unrest has escalated, with repeated attacks on the Péligre hydroelectric plant, causing major disruptions to the supply of electricity in the capital. In early August, upon taking office, the new head of the Transitional Presidential Council (TPC), Mr. Laurent Saint-Cyr, declared a three-month state of emergency in the central region to fight surging gang violence.

2. **Coordinated international action remains essential to address the multidimensional crisis.** In July this year, the United Nations (UN) Security Council extended the mandate of the UN Integrated Office (BINUH) until January 2026. In September, the UN Security Council issued a resolution authorizing the deployment of a new Gang Suppression Force (GSF)—for an initial period of 12 months and a force of up to 5,550 members—to replace the under-resourced Kenya-led Multinational Security Support mission, effective October 2. In addition, the resolution authorizes the establishment of a Support Office in Haiti (UNSOH) to assist the GSF, the BINUH, and the Haitian Police and Armed Forces. These initiatives complement other international initiatives to align efforts to address the multidimensional crisis in Haiti, among them is the Organization of American States (OAS) Haitian-led Roadmap for Stability and Peace to support long-term recovery and stability,[3] and the United States (US) designation of the Viv Ansanm and Gran Grif gangs as Foreign Terrorist Organizations and Specially Designated Global Terrorists—aiming to cut off their access to the US financial system.

3. **The implementation of Haiti's April 2024 political transitional map—security, constitutional and institutional reform, and elections—remains uncertain**. Persistent insecurity and logistical challenges undermine prospects for holding general elections—the first since 2016—and installing a new government before the TPC's mandate expires on February 7, 2026. With plans for a new constitution abandoned in early October 2025, elections are now expected to be held under the 1987 constitution, with the first round scheduled for late August 2026, and the second round in early December 2026, if security conditions are adequate.

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[1] Haiti reported 4,864 murders between October 2024 and June 2025. See BINUH and UN Human Rights report.

[2] The Port of Saint-Louis du Sud opened in January 2025 may help reroute essential imports (e.g., rice and cement).

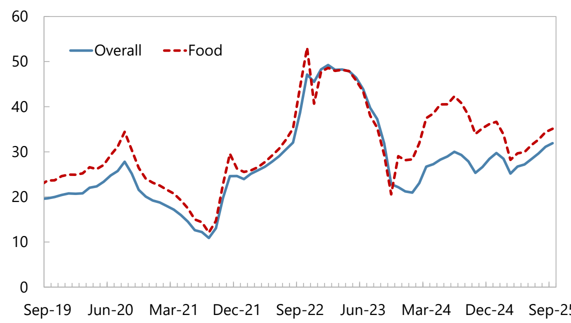
[3] The OAS plan is structured around five pillars and estimated cost of $2.6 billion: security stabilization and peace restoration ($1.3 billion), political consensus and governance support ($5.1 million), electoral process and institutional legitimacy ($104.1 million), humanitarian response ($908.2 million), and sustainable development and economic development ($256.1 million).

4. Economic conditions remain fragile amid persistent shocks and rising uncertainty. Haiti experienced its seventh consecutive year of economic contraction amid high inflation. Recent US policy changes—including the expiration of the *Temporary Protected Status* (TPS) for Haitians, the termination of textile and apparel trade preferences under the *Hemispheric Opportunity through Partnership and Encouragement* and *Haiti Economic Lift Program* (HOPE/HELP) acts, a new tax on cash remittances, and the reevaluation and realignment of foreign assistance, including from the US Agency for International Development—USAID (Annex I)—are expected to reduce remittances and exports. These developments—together with the 207,000 deportations of Haitians from the Dominican Republic since January 2025—are likely to compound the impact of the security crisis on domestic production, deepen the humanitarian and economic crisis, and increase fiscal pressures. The recent Hurricane Melissa which caused significant losses of lives and extensive damages to property and infrastructure, particularly in the Southern departments, could further exacerbate the humanitarian crisis and place additional strain on already limited resources. Against this backdrop, maintaining progress under the Staff Monitored Program (SMP) may prove challenging, despite the authorities' strong commitment.

RECENT DEVELOPMENTS

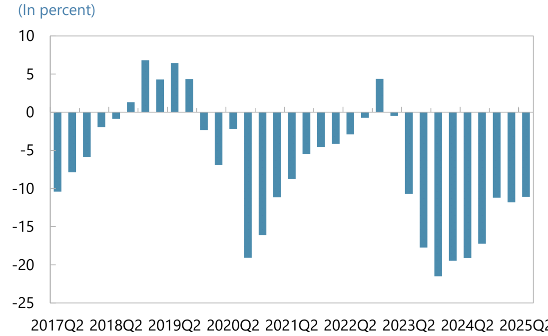
5. Economic activity remains weak, reflecting dire security conditions (Figure 1). The index of economic activity contracted by 2.4 percent over the first three quarters of FY2025 (October to June),[4] and real GDP is estimated to have declined by 3.1 percent for the full fiscal year—down from a 1.0 percent contraction projected in the 1st Review. Output has been adversely affected by persistent gang violence, roadblocks, and repeated attacks on the Péligre hydroelectric plant in Mirebalais—a vital electricity source for the country—alongside damage to transmission lines. Inflation reached 31.9 percent in FY2025, driven by supply-side pressures.

Inflation
(In percent, year-on-year)



Sources: Haitian Institute of Statistics and Informatics (IHSI), and Bank of the Republic of Haiti.

Credit to GDP Gap
(In percent)



Sources: Bank of the Republic of Haiti and IMF staff calculations.
Note: Credit-to-GDP deviation from trend, estimated with a one-sided HP filter.

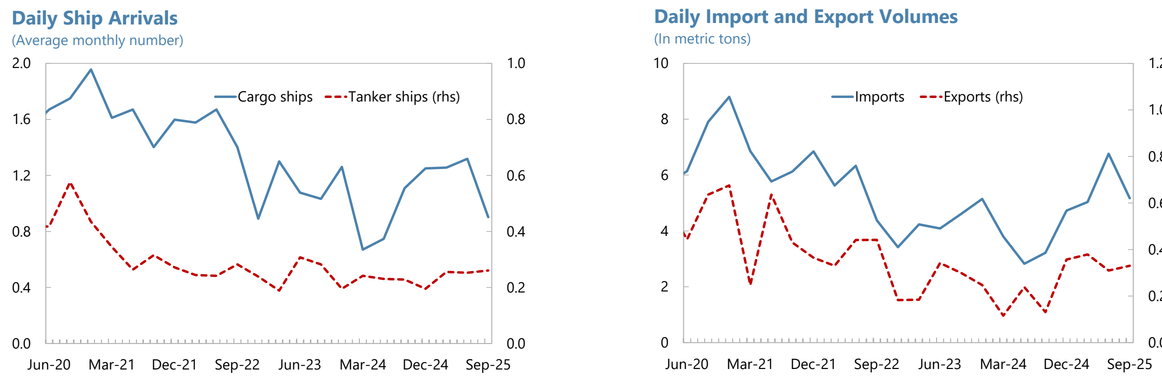
6. The banking sector remains vulnerable amid rising security risks. Banks have continued to reduce lending to the private sector, reflecting limited investment opportunities and challenges in collateral assessment due to the security crisis. Bank credit is estimated to have reached 3.1 percent of GDP in FY2025, down from 3.8 percent

[4] The fiscal year (FY) runs from October 1 to September 30.

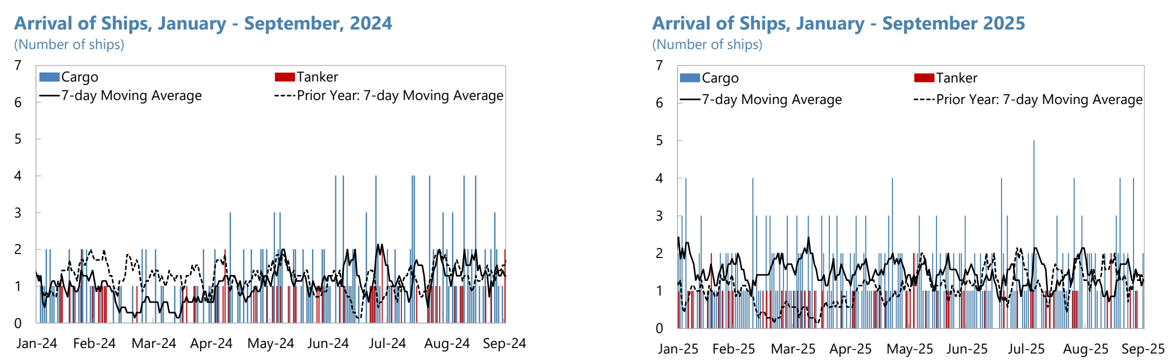
of GDP in FY2024. The credit-to-GDP gap reached -11 percent in June 2025. The commercial banking system continues to show signs of weakness, as nonperforming loans (NPLs) reached 14.2 percent in June 2025—from 13.7 percent in March. Provisions to gross NPLs also fell from 81.5 percent in December 2024 to 66.0 percent in June 2025. Return on assets has been stable but low, at 1.5 percent as of June 2025. Nonetheless, the system's capital adequacy ratio stood at 22.3 percent, well above the regulatory minimum of 12 percent, though with some variability across financial institutions.

Figure 1. Haiti: Monitoring Economic Activity Through Satellite-Based Port Data

Average daily ship arrivals and import volumes have declined in recent months, following a modest recovery since mid-2024. Total trade activity remains below pre-pandemic levels. Export volumes remain particularly weak, reflecting ongoing security conditions.



Cargo and tanker ship arrivals have shown a modest increase compared to 2024, but overall arrivals remain subdued.



Sources: IMF portwatch data; Port-au-Prince port.

7. **On September 23, the Government adopted a second supplementary budget for FY2025, aimed at supporting school reopening and protecting vulnerable households.** The overall spending envelope was set at 317.7 billion gourdes—1.8 percent lower than the April supplementary budget—reflecting revenue shortfalls and weak budget execution. At the same time,

about 3.8 billion gourdes were reallocated to social spending—including cash transfers to approximately 200,000 parents, improvements in school infrastructure, and the distribution of school kits to children from vulnerable families.[5]

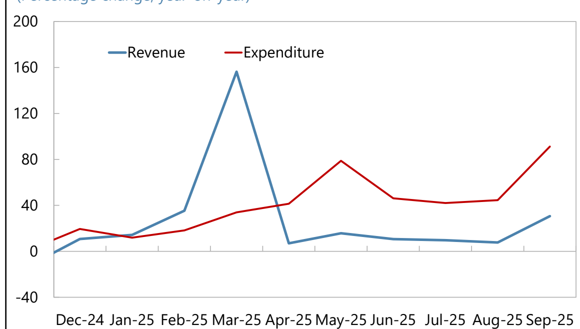
8. In FY2025, the fiscal position was balanced, reflecting both low revenue collection and low spending execution.[6] Revenues (Indicative Target, **IT**) rose by 12.8 percent, despite a three-month strike at the Directorate of General Taxes (DGI). However, the revenue-to-GDP ratio declined to 4.7 percent—0.6 percentage points below FY2024. Nominal expenditure increased by 39.6 percent. However, the execution of spending remained weak and concentrated towards the end of the fiscal year, reaching 72.1 percent of the total supplementary budget—with capital execution particularly low at 37.5 percent, due to inadequate project appraisal and limited administrative capacity.[7] Social spending (quantitative target, **QT**) rose 41.4 percent. Of the USD 105 million (15.6 billion gourdes) received under the 2023 IMF's Food Shock Window (FSW), about 91 percent (14.1 billion gourdes) had been executed by September, with the remainder (about 1.45 billion gourdes) carried over into the FY2026 budget.[8] Monetary financing (**QT**) remained at zero in FY2025, down from an average of 2 percent of GDP during FY2020-23. Public debt is estimated at 11.7 percent of GDP at end-FY2025, the lowest in the Latin America and Caribbean region.

Haiti: FY2025 Budget Allocation — Initial and Supplementary Budgets
(In percent of total budget)

Sector	Initial Budget	Supplementary Budget Apr. 2025	Supplementary Budget Sep. 2025	Difference (Apr. vs Sep.)
Economic Affairs	28.0	25.3	23.9	-1.4
Politics	21.6	23.1	24.0	0.9
Security 1/	13.9	15.1	15.5	0.4
Social Services	25.8	27.8	29.4	1.6
Culture	1.2	1.1	1.1	0.0
Other Administration	19.6	18.6	17.5	-1.1
Judicial and Legislative	2.1	2.4	2.3	0.0
Independent Organizations 2/	1.7	1.7	1.7	0.0
Total	100.0	100.0	100.0	

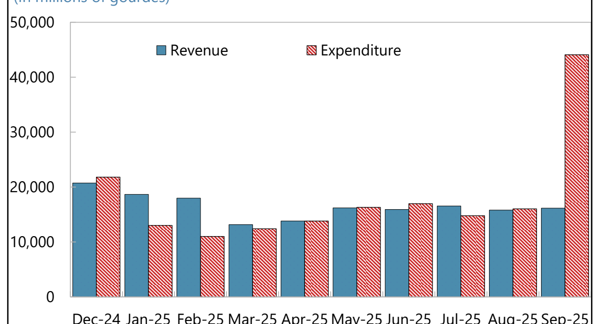
Sources: Ministry of Economy and Finance (MEF) and IMF staff estimates.
1/ Budget allocation for the Ministry of Defense and Ministry of Justice.
2/ Budget allocation for Superior Court of Auditors and Litigation, Electoral Council, State University of Haiti, and Academy of Haitian Creole.

Fiscal Revenues and Expenditures
(Percentage change, year-on-year)



Sources: Ministry of Economy and Finance, and IMF staff estimates.

Fiscal Revenues and Expenditures
(In millions of gourdes)



Sources: Ministry of Economy and Finance, and IMF staff estimates.

[5] In September 2025, 0.5 billion gourdes were executed for the distribution of textbooks to students, and 0.3 billion gourdes for school infrastructure improvement. In addition, Ministry of Social Affairs and Labor executed 3.4 billion gourdes to strengthen support for vulnerable groups, including cash transfers, food kits, hot meals, and water containers.

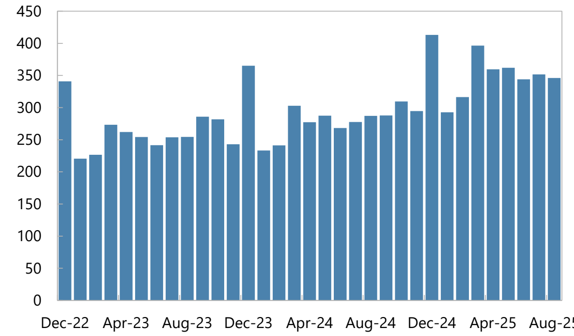
[6] Based on FY2025 fiscal data provided by the authorities on October 17, 2025.

[7] Expenditures amounted to 44.1 billion gourdes in September 2025, due to a temporary spike in cash payments and commitments during the final month of the FY.

[8] Preliminary September FSW execution, based on available data.

9. The external position has improved, supported by strong remittances. The current account (CA) recorded a moderate surplus in FY2025, following a deficit of 0.6 percent of GDP in FY2024. This reflected a sharp increase in net remittances—up about 24 percent (October-August) relative to the same period in FY2024—driven by the need to support relatives amid deteriorating security and economic conditions and, possibly, in anticipation of changes in U.S. migration policy. Higher remittances supported a recovery in imports from mid-2024 through mid-2025, as confirmed by satellite data (Figure 1), and helped offset falling exports—due to domestic production constraints—and a widening trade deficit.

Net Remittances
(In millions of US dollars)



Sources: Bank of the Repunblic of Haiti.

Text Table 1. Haiti: Exports, Imports, and Remittances [1/]

		Millions of US dollars			In percent of GDP [3/]			Percentage change	
		FY20-24 [2/]	FY24	FY25	FY20-24 [2/]	FY24	FY25	FY25 vs. FY20-24 [2/]	FY25 vs FY24
A. Cumulative									
Exports	October-June	731	574	520	3.6	2.3	1.6	-28.9	-9.4
Imports	October-July	3,618	3,553	3,858	18.0	14.1	11.9	6.6	8.6
Net Remittances	October-August	2,859	3,065	3,786	14.3	12.1	11.7	32.4	23.5
B. Latest Available									
Exports	June	82	73	61	...	...	...	-25.8	-16.5
Imports	July	369	387	377	...	...	...	2.2	-2.7
Net Remittances	August	272	287	346	...	...	...	27.3	20.5

Sources: Bank of the Republic of Haiti and IMF staff estimates.
1/ Net remittances.
2/ Average over the period.
3/ Calculations done using annual GDP data. FY2025 GDP is based on staff projections.

10. International reserve accumulation was strong during FY2025. The Bank of the Republic of Haiti (BRH) continued to purchase foreign exchange (FX), resulting in a NIR accumulation (**QT**) of US$567 million by end-June—well above the QT target of US$100 million. Gross international reserves remained adequate, exceeding US$3.1 billion (over 7 months of prospective imports) as of end-July. Despite the substantial FX purchases, the nominal exchange rate remained stable at around 130 gourdes per dollar throughout the FY—supported by sustained FX inflows from remittances—providing a nominal anchor for the economy. The real exchange rate is estimated to have appreciated over 30 percent during FY2025.

Text Table 2. Haiti: Net International Reserves - 2024 SMP Definition
(In millions of US dollars, unless otherwise noted)

	Mar 2024	Jun 2024	Sep 2024	Dec 2024	Mar 2025	Jun 2025	Jul 2025
A. Gross International Reserves	**2,425.3**	**2,447.3**	**2,522.2**	**2,718.6**	**2,924.5**	**3,105.1**	**3,120.4**
Monetary gold	128.9	135.7	153.1	151.9	181.3	191.4	192.0
Holdings of foreign currency	27.4	44.5	37.4	34.4	55.6	53.9	80.4
Demand deposits abroad	475.2	470.9	443.7	694.2	681.9	781.4	766.0
Investments abroad 1/	1,665.3	1,675.9	1,765.9	1,723.4	1,892.7	1,972.2	1,975.6
SDR holdings 2/	101.2	93.3	94.2	86.9	85.2	78.5	78.5
Reserve Position in the Fund 2/	27.2	27.0	27.9	27.9	27.9	27.9	27.9
B. Reserve Related Liabilities	**488.4**	**453.3**	**306.9**	**242.4**	**241.7**	**235.9**	**235.2**
Liabilities to the IMF 2/ 3/	244.7	237.7	245.1	239.8	239.8	234.7	234.7
Short-term loans from private non-residents 4/	242.9	213.4	60.2	0.0	0.0	0.0	0.0
Liabilities to IFIs	0.5	2.0	1.3	2.4	1.7	1.0	0.3
Certified checks in FX	0.3	0.3	0.3	0.3	0.3	0.3	0.3
C. FX Denominated Liabilities to Residents	**1,296.6**	**1,327.0**	**1,263.7**	**1,286.9**	**1,353.5**	**1,364.7**	**1,362.4**
Financial sector FX deposits in the central bank	1,263.7	1,294.5	1,231.0	1,254.2	1,320.8	1,333.0	1,331.3
Government FX deposit in transitory account (Venezuela debt)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Swaps with financial institutions	32.9	32.4	32.7	32.7	32.7	31.7	31.2
D. Other FX Liabilities	**17.8**	**18.1**	**35.2**	**33.9**	**34.0**	**21.6**	**38.4**
Off-balance sheet FX liabilities	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Project accounts	2.7	3.0	20.2	18.8	19.0	6.5	23.3
Special accounts	0.1	0.1	0.1	0.1	0.1	0.1	0.1
E. Net International Reserves, 2024 SMP definition (A - B - C - D)	**622.5**	**648.9**	**916.3**	**1,155.5**	**1,295.2**	**1,483.0**	**1,484.4**

Sources: Bank of the Republic of Haiti, International Financial Statistics, and Fund staff calculations.
1/ Following IMF technical assistance in July 2025, some assets were reclassified in line with international best practices.
2/ Based on IMF books. For the purposes of the 2024 SMP, between September 2024 and September 2026, the amounts in SDR will be converted to U.S. dollars using the exchange rate as of September 30, 2024 (1 USD = 0.737261 SDR).
3/ For program purposes, all outstanding Haiti liabilities to the IMF are considered, including the January 2023 Rapid Credit Facility (Food Shock Window), disbursed at a government account in the BRH, for an amount of SDR 81.9 million.
4/ This refers to a credit line used to facilitate the payment of the Venezuela debt operation in January 2024.

PROGRAM IMPLEMENTATION UNDER THE SMP

11. **The authorities are strongly committed to the SMP, and performance since the 1st Review has been encouraging, despite the challenging domestic environment**.

- **Quantitative and Indicative Targets**. The BRH has exceeded the end-June target for NIRs (QT), supported by strong remittances (Table 1a). All June QT/ITs on the nonfinancial public sector (NFPS) *primary balance*, *social spending*, and *central government fiscal revenue* were met. The June ceiling on *net central bank credit to the public sector* (QT) was also met, keeping monetary financing at zero. The authorities confirmed that no domestic or external arrears had been accumulated and that there are no plans to contract non-concessional loans (QT).

- **Structural Benchmarks.** Progress on advancing reforms on governance, data provision and transparency has been steady, with six of the eleven structural benchmarks (SBs) being met (Table 2a). Reflecting the authority's commitment to the implementation of the reform agenda, two additional SBs (SB4 and SB9) have been delivered albeit with some delay. Specifically:

  - The *Governance Diagnostic Report* was published in February 2025 (**SB1**, met).

- Procurement contracts continue to be published on the websites of the *National Commission for Public Procurement* (CNMP) and the *Ministry of Economy and Finance* (MEF), reflecting the government's commitment to transparency, but their publication has experienced some delays (**SB2**—continuous SB, not met).

- Food Shock Window (FSW) monthly execution reports (**SB3**, met) are regularly published on the websites of the *MEF* and the *General Directorate of the Budget* (DGB). The quarterly internal expenditure audits have generally been provided on time, although capacity constraints caused the end-September audit to be delayed by two weeks (**SB4**—continuous SB, not met but implemented with delay).

- The *Superior Court of Auditors and Administrative Disputes* (CSCCA) has conducted and published the financial and operational compliance audit of FSW spending for FY2022-23, and is in the process of finalizing it for FY2023-24. However, the March 2025 target for this audit was missed (**SB5**—end-March target, not met).

- Quarterly reports on the operations and financial status of the *Economic and Social Assistance Fund* (FAES) are being published on the MEF's website (**SB6**—continuous SB, met).

- The administrative and technical cooperation protocol between the *Directorate of General Taxes* (DGI) and *General Administration of Customs* (AGD) for the interconnection of their IT systems was signed and published in June (**SB7**, met). However, the digitalization of tax declaration and payments through all commercial banks for the large taxpayers registered at the DGI remains to be completed due to technical challenges (**SB8**—end-September 2025 target, not met).

- The BRH audit report and audited financial statements for FY2023 were completed and published but with some delay relative to the original target date (**SB9**—end-August 2025 target, not met but implemented with delay).

- The Board of Directors of the BRH has approved a new reserve management framework with a new strategic asset allocation, updated investment policy and guidelines, and a medium-term plan for improving the composition of the investment portfolio (**SB10**—end September 2025 target, met).

- The BRH has consistently provided its full balance sheet to IMF staff on time, using the standardized reporting form (**SB11**—continuous SB, met).

OUTLOOK AND RISKS

12. Economic activity is expected to remain subdued in FY2026 and to gradually recover over the medium term, contingent on improving security. Real GDP is projected to decline by 1.2 percent in FY2026—down from the 1.0 percent increase expected in the 1st Review—and is likely to be further affected by the damages and losses inflicted by Hurricane Melissa.[9] Economic activity will be affected by the non-renewal of the HOPE/HELP act, which expired in September 2025. This will remove preferential trade access for Haitian textile and apparel exports to the US.[10] Conditional on steady security improvements in security conditions, economic activity is expected to grow by 0.5 percent in FY2027, and to gradually converge to 1.5 percent over the medium term. Inflation is projected to reach single digits by FY2029 as supply shocks ease, provided macroeconomic policies remain sound and credible.

13. Fiscal policy remains constrained by security challenges, institutional weaknesses, and limited fiscal space. Domestic revenue (excluding grants) is expected to reach 4.7 percent of GDP in FY2026, and to gradually rise to 6.0 percent by FY2030, following the implementation of reforms enhancing revenue collection (¶19). Total expenditure is projected to increase from 5.5 percent to 7.6 percent of GDP over the same period, reflecting higher social and infrastructure spending. As a result, the deficit is expected to widen from 0.2 percent of GDP in FY2026 to 1.5 percent in FY2030. Public debt, while currently low and sustainable, is projected to remain at about 11 percent of GDP over the medium term. Nevertheless, the risk of debt distress remains high, reflecting the sustained weakening of Haiti's production and export base due to the protracted security crisis (see 2025 Debt Sustainability Analysis).[11]

14. Staff assesses Haiti's external position in FY2024 as broadly in line with the level implied by fundamentals and desirable policies (Annex II). The CA gap is estimated at -0.9 percent of GDP. Over the medium term, the CA is projected to stabilize at around -2.0 percent of GDP. Remittances are projected to decline by about 3 percent of GDP in FY2026—down from 12.8 percent of GDP in FY2025—due to the termination of the TPS program in February 2026, and the introduction of a one-percent tax on certain types of cash remittances (Annex I). Remittances are projected to fall to 7 percent of GDP over FY2027-30. International reserve coverage is expected to remain adequate (at about 8 months of prospective imports by 2030).

15. Risks to the outlook are tilted to the downside. These include a rise in gang-related disruptions, escalation of violence and social unrest, all of which could deepen social and economic vulnerabilities. Also, further tightening of US trade and migration policies, reduced external financing, and political instability could undermine economic activity and the external and fiscal positions. On the upside, the UN Security Council's authorization to transition the Multinational Security Support mission in Haiti for a new multinational Gang Suppression Force—supported by the newly established UN Support Office for Haiti and the Organization of American States—could mark a

[9] Preliminary staff estimates as of end-October suggest that the disaster could potentially reduce real GDP growth in FY2026 by around 0.2 to 0.4 percentage points.

[10] Haiti's textile and apparel exports to the U.S. account for about 77 percent of total goods exports and generates over 27,000 formal jobs.

[11] Preliminary assessments of the impact of Hurricane Melissa indicate that the fiscal response could further heighten liquidity risks, underscoring the need to sustain efforts to improve donor aid coordination, as well as to enhance revenue collection and cash flow management. The portion of the 2023 IMF Food Shock Window's funds carried over into the FY2026 budget (1.45 billion gourdes) could be used to address food insecurity in the aftermath of the hurricane.

turning point in efforts to restore security in the country, rebuild institutions, and lay the foundations for economic growth and improved prospects for the Haitian people. A more rapid normalization of security conditions—if supported by sound policies and external financing—and a renewal of the HOPE/HELP Act could improve the outlook.[12]

16. Materialization of the downside risks could have long-lasting macroeconomic effects. Further deterioration of security and humanitarian conditions could severely deepen economic and social disruptions. Materialization of external risks, such as a decline in remittances, exports, and external grants, could increase the current account deficit by 1.4 percentage points, and lower real GDP growth by 0.9 percentage points in FY2026, relative to the baseline. This scenario would generate additional external financing needs of about $568 million, equivalent to 1.4 percent of GDP (Annex IV)—38 percent of NIRs.[13]

POLICY DISCUSSIONS

Discussions focused on implementation of the SMP, *particularly, boosting revenue mobilization to meet targets and expanding support to vulnerable households; maintaining zero monetary financing of government spending; accumulating NIR; strengthening governance; and sustaining the reform agenda.*

A. Fiscal Policy

17. The SMP aims to strengthen the fiscal framework through domestic revenue mobilization and better-quality spending. These objectives are critical for maintaining stability amid security challenges. The balanced fiscal position in FY2025 reflects mostly under-execution of spending.[14] While nominal revenues increased in line with the program objectives, the ratio of revenues to GDP has continued to decline, underscoring the urgent need for sustained efforts to safeguard and boost revenue performance (Figure 2). Weak budget execution limits the impact of these gains, making it urgent to improve execution, particularly in sectors critical for recovery and social development. At the same time, it is important to ensure high-quality investment spending (e.g., schools, health, infrastructure) that supports employment and growth.

18. The FY2026 budget is broadly consistent with the SMP objectives. It maintains zero monetary financing of the deficit, strengthens domestic revenue mobilization, and safeguards critical social spending.[15] The global envelope at 345.5 billion gourdes—a 8.8 percent increase compared to

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[12] For example, the Inter-American Development Bank (IADB) is working on a Medium-Term Recovery and Development Plan 2025-2030, with three pillars (i) economic development and the role of the private sector; (ii) basic services and human development; and (iii) institutional development.

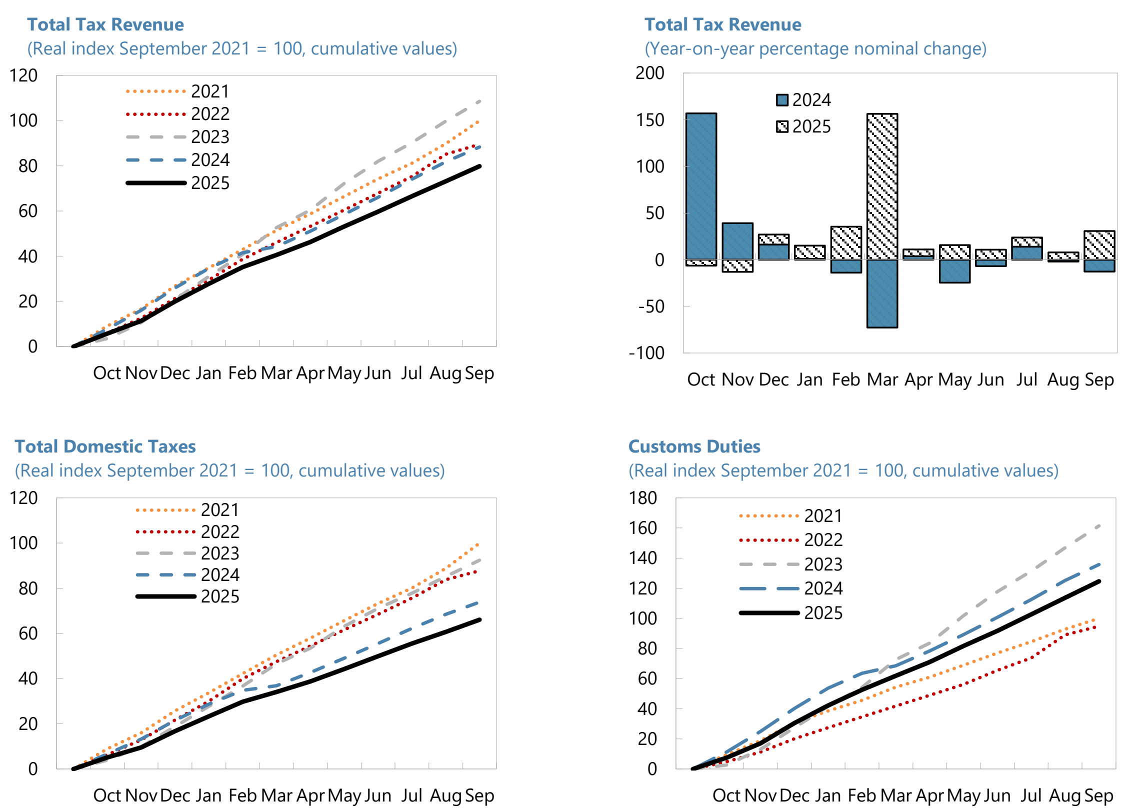
[13] If this scenario materializes, additional financing may be needed to supplement a drawdown of reserves.

[14] A sustainable tax level for Haiti is at least 10 percent of GDP, with international benchmarks suggesting 12.5 percent of GDP is needed for basic state capacity. See Annex VI in Haiti's 2024 Article IV, [IMF Country Report No. 2024/333](#).

[15] The FY2026 budget was adopted on October 10, 2025.

the second supplementary budget—aims to address the security crisis, support the political transition, and promote economic recovery. Domestic revenues are projected at 250.4 billion gourdes (4.7 percent of GDP), supported by measures to strengthen the digitalization of tax and customs administrations and to enhance the capacity to conduct risk assessments of large taxpayers, as well as the implementation of the AGD reform (¶19). Public expenditures are projected at 328.5 billion gourdes (6.2 percent of GDP), with allocations for security, elections, industrial support, and assistance to vulnerable Haitians. In particular, capital expenditures are projected at 115.0 billion gourdes (2.2 percent of GDP), with a focus on improving execution rates. The authorities' budget projects an overall fiscal balance at -0.3 percent of GDP in FY2026.

Figure 2. Haiti: Revenue Performance, FY2021–25



Sources: Ministry of Economy and Finance and IMF staff calculations.

19. Strengthening domestic revenue mobilization remains a priority. The implementation of the new tax code has been postponed to October 2026 to complete key administrative and legal tasks and to ensure adequate engagement with the private sector. Meanwhile, the authorities are advancing high-impact measures to boost revenue collection, particularly through the digitalization of tax and customs administration. The digitalization of tax declarations and payments through commercial banks for all large taxpayers is underway (end-September 2025 **SB8**, proposed to be reset to end-March 2026, ¶39). These efforts are being complemented by: (i) interconnecting the Tax Administration System and the customs automation system (**SB12; TA**); and (ii) operationalizing the

AGD reform for strengthening governance and integrity. The AGD reform, which is expected to become effective during the first half of FY2025-26, will focus on developing human capital, enhancing revenue mobilization and controls, upgrading technology, reinforcing border security and coordination, and engaging stakeholders.

20. Staff welcomes the authorities' plan to implement budget execution reforms aimed at improving spending efficiency and restoring fiscal credibility. Budget execution is a complex process, involving procurement, cash management, internal controls, compliance, and administrative procedures—all requiring strong institutional capacity and robust governance frameworks, as captured by the SMP's SBs (e.g., **SB 2 to 6**). Staff commends the authorities' efforts to (i) curb large end-of-year transfers to ministries; (ii) expand the use of executing agencies to accelerate capital spending; (iii) streamline procurement procedures in the security and defense sectors; and (iv) strengthen treasury cash management and advance the integration into the Treasury Single Account (TSA) through the closure of provincial accounts and the piloting of donor-financed project accounts. These measures, supported by TA, will enhance treasury operations, reduce fragmentation, and improve fiscal transparency.

21. But further efforts are needed to consolidate progress and address remaining budget execution challenges. Particularly, ensuring timely and well-targeted social and security spending to reach vulnerable groups and support essential security activities. Also, enhancing investment practices by prioritizing the completion of ongoing projects and ensuring rigorous appraisal before inclusion in the budget, as recommended by the 2022 Public Investment Management Assessment (PIMA). A follow-up PIMA TA mission will focus on project appraisal, selection, and multiyear investment planning (¶22). Finally, ensuring that public-private partnerships (PPPs) comply with transparent and competitive procurement procedures.

22. Anchoring fiscal policy in a medium-term framework will enhance resource allocation and planning, reinforcing fiscal discipline, transparency, and accountability. A multiyear framework will improve spending quality and calibrate the pace for development spending. This requires adopting a budgetary control guide, updating the expenditure execution manual, and refining investment planning tools. Staff underscores the need to strengthen medium-term fiscal planning and investment management by refining the fiscal framework, publishing multi-year fiscal goals, and developing a prioritized three-year public investment plan supported by stronger project appraisal and selection tools. The authorities agreed on the importance of these reforms but noted challenges stemming from security conditions, capacity constraints, and procurement delays.

Social Assistance

23. Providing social protection is critical to help address Haiti's humanitarian crisis. Despite challenging conditions, social spending reached 1.2 percent of GDP (52.0 billion gourdes) in FY2025—a 41.4 percent increase from FY2024. Although the authorities initially planned to fully execute the remaining FSW funds within FY2025, about 9.3 percent of the total (1.45 billion gourdes) remain unexecuted due to administrative bottlenecks and security constraints, which delayed field operations and procurement. These resources are included in the FY2026 budget.[16] The CSCCA has published the audit for FY2022–23 but not yet for FY2023–24 (**SB5**, end March 2025), and the FY2024–25 audit is being proposed to be conducted by end March 2026 (proposed **new SB**, ¶39).

Text Table 3. Haiti: Execution of Social Spending

	FY2022		FY2023		FY2024		FY2025	
Ministry	In percent of GDP	In millions of gourdes	In percent of GDP	In millions of gourdes	In percent of GDP	In millions of gourdes	In percent of GDP	In millions of gourdes
Agriculture	0.09	1,953	0.07	2,031	0.06	1,882	0.05	2,285
Education	0.96	20,767	0.90	25,151	0.77	25,779	0.81	34,339
Health	0.30	6,433	0.26	7,327	0.22	7,217	0.31	13,198
MAST 1/	0.18	3,964	0.12	3,301	0.06	1,937	0.05	2,227
Total	1.53	33,117	1.35	37,810	1.10	36,815	1.23	52,048

Sources: Ministry of Economy and Finance (MEF) and Fund staff estimates.

1/ MAST is the Ministry of Social Affairs and Labor.

24. Targeting resources to the most vulnerable is essential amid extreme poverty and food insecurity. The *Information System of the Ministry of Social Affairs and Labor* (SIMAST) database covers 0.8 million households—3.3 million individuals across 92 communes, about 30 percent of the population. However, its coverage is insufficient given that 5.7 million Haitians live in poverty. Security conditions continue to hinder the implementation of the *National Social Protection and Promotion Policy* (PNPPS), which aims to develop a more coordinated social protection framework. Social programs also face technical constraints, including unstable internet connectivity, reliance on two telecom providers (Digicel, Natcom), limited digital and mobile coverage in rural areas, insufficient IT equipment and local maintenance, non-interoperable systems, and weak civil registration and identification systems. In FY2026, the authorities plan to expand SIMAST to 11 additional communes, covering around 60,000 new households and to introduce community-based targeting in areas where door-to-door surveys are not feasible. However, administrative capacity constraints and security-related restrictions on field access will make it difficult to achieve this target. The authorities are also reviewing the vulnerability assessment methodology to identify alternative data collection techniques and improve targeting accuracy, in collaboration with development partners.

[16] The IMF disbursed SDR 81.9 million (about USD 105 million) under the FSW in 2023.

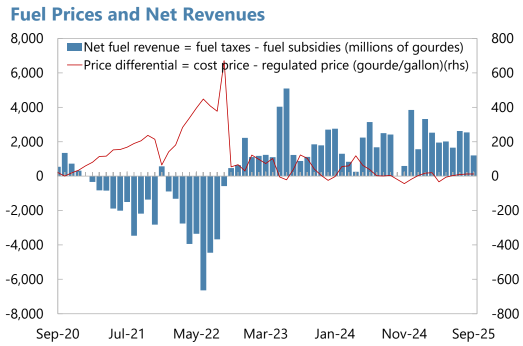
Table 1. Haiti: Food Shock Window Spending Priorities Indicated by the Authorities
(In millions of gourdes)

Institution	Purpose	Measure	Original allocation 1/	Spent		
				FY2023	FY2024	FY2025 2/
Fonds d'Assistance Economique et Social (FAES)	Food security	Reactivation of community restaurants and mobile canteens	2,000	-	115	713
		Distribution of food to vulnerable households (*paniers de solidarité*)	500	1,134	310	373
	Cash distribution to vulnerable population	Cash transfer to vulnerable households	2,500	-	588	-
		Cash to workers in subcontracting industries	1,500	1,113	614	-
Ministry of National Education and Vocational Training	Cash transfer to vulnerable households to encourage school attendance	Support to parents	7,500	442	5,155	-
Ministry of Social Affairs and Labor	Support plan for internally displaced persons		-	-	-	345
	Strengthening MAST reception centers		-	-	-	16
Ministry of Trade and Industry	Grants/subsidies to public transportation drivers	Fuel cards for drivers	1,600	400	-	-
	Support for Micro, Small and Medium sized enterprises with difficulties	Establishment of a seed funding mechanism to finance businesses	-	-	-	47
Ministry of Women's Affairs and Women's Rights	Feeding Women in Detention		-	-	-	50
Ministry of Public Works, Transportation and Communication	Implementation of High Labor Intensity Works (HIMO) throughout the 10 geographical departments of the country		-	-	-	124
Total			15,600	3,089	6,782	1,668

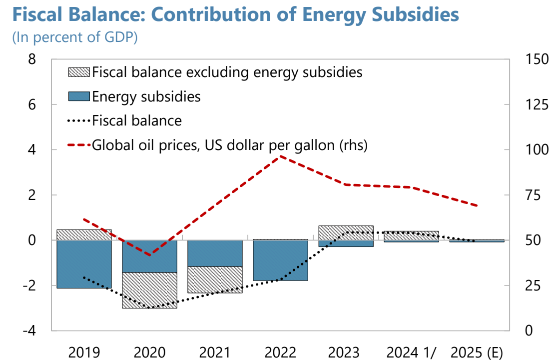
Source: Ministry of Economy and Finance.
1/ Allocated under the FY23 budget.
2/ Spending up to August 2025.

Fiscal Risks and Contingency Planning

25. Establishing a market-based fuel pricing mechanism is vital for mitigating fiscal risks. While recent fuel price adjustments and lower international oil prices have generated net fuel revenue, future price surges could renew fiscal pressures and constrain resources available for social assistance. To mitigate this risk—and given political and social sensitivities—the authorities plan to gradually transition to a market-based retail fuel pricing system that adjusts and smooths retail prices in response to changes in international oil prices and the exchange rate. This reform would protect the budget, strengthen public financial management, promote efficient fuel use, and support medium-term fiscal sustainability (TA). Staff emphasize the need for clear communication to support its implementation. Establishing a regulatory framework for the petroleum-products sector and strengthening related regulatory institutions also remains critical.



Sources: Ministry of Economy and Finance, and IMF staff estimates.



Sources: World Economic Outlook (WEO) and IMF staff estimates.
1/ Excludes in FY2024 debt cancellation from Petrocaribe (Venezuela).

26. A potential increase in deportations from abroad could worsen the humanitarian crisis and heighten fiscal pressures. In anticipation of the expiration of the TPS in February 2026, the authorities have prepared a two-phased response plan. An emergency phase to manage the immediate influx (February-April 2026), and a stabilization and reintegration phase (May-July 2026). Staff estimates the plan would cost about 0.2 percent of GDP (8.3 billion gourdes), if fully implemented. The National Office for Migration will lead the implementation in coordination with key ministries. To address urgent financing needs, the authorities plan to draw on the emergency fund (Fonds d'Urgence) and are preparing a digital registration and tracking system for returnees.

27. Contingency planning for natural disasters needs strengthening. The emergency fund—about 0.07 percent of GDP (3.1 billion gourdes)—has limited operational effectiveness due to weak allocation, monitoring, and execution protocols. Improving these systems is essential for a transparent and timely response. Haiti also relies on multilateral support, including the World Bank's (WB) *Contingency Emergency Response Component* (CERC), which enables the rapid reallocation of funds following earthquakes and hurricanes, and the catastrophe risk insurance coverage through the *Caribbean Catastrophe Risk Insurance Facility* (CCRIF). The authorities have reaffirmed their commitment to maintaining CCRIF coverage and are exploring options to secure timely and sustainable premium payments—building on past support from partners such as the Caribbean Development Bank—to institutionalize these payments and strengthen disaster resilience.

B. Enhancing Governance and Transparency

28. Strengthening governance is essential for overcoming Haiti's fragility. Effective governance and anti-corruption reforms can reduce leakages in public spending, improve the impact of external assistance, enhance revenue mobilization, and lay the institutional foundation for sound fiscal management. The authorities have reaffirmed their commitment to these objectives. Going forward, reform efforts should be anchored in the priority recommendations of the Governance

Diagnostic Report (GDR), particularly, reinforcing transparency and accountability in public financial management, reducing corruption risks in revenue administration, and ensuring accountability for serious corruption, organized crime, and money laundering. Recent steps to mitigate corruption risks include initiating the operationalization of the anti-corruption task force, enhancing coordination among oversight institutions, and advancing the development of a comprehensive long-term anti-corruption strategy. While the task force is focused on coordinating anti-corruption efforts, the GDR recommends establishing an Anti-Corruption Pole—a more robust platform to enable prosecution of high-level corruption, money-laundering, and organized crime.

29. Strengthening public financial management is central to the governance agenda. Reforms should aim to improve fiscal reporting, transparency, and accountability. These objectives can be achieved by limiting unspecified budget allocations to 3-5 percent of spending; reinstating the financial controller's authority over public investment spending; adopting and implementing a revised expenditure execution manual; revising the procurement law to streamline controls and enhance competitiveness and transparency; strengthening internal and external audits, including by producing annual public reporting by the Inspectorate General of Finance and the CSCCA; and improving accounting and fiscal reporting, notably by revising the accounting decree, and integrating off-budget accounts into the TSA.

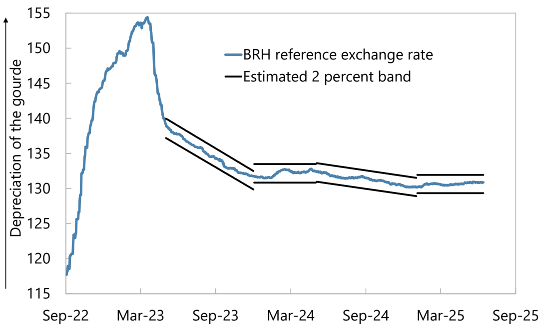
30. Staff commends the efforts to strengthen the governance and transparency of foreign reserves, which is crucial to safeguard the BRH's credibility. The BRH is aligning its governance, foreign reserves management, and investment policy with international practices. The BRH's Board of Directors recently approved the institution's revised investment framework, which includes a new strategic asset allocation, updated investment policy and guidelines, and a high-level transition plan to improve portfolio composition. The Fund supported these efforts with TA aimed at helping assess the liquidity profile of FX reserves and supporting the transition to a sound asset allocation framework and governance structure. However, the guidelines should be strengthened. Going forward, some necessary aspects of the internal controls that should underpin the implementation of this framework and its completeness will need to be formalized. Staff also encourages the authorities to continue developing a governance corporate culture for reserve management, by establishing delegation protocols, escalation procedures and committee charters. Staff also urges the BRH to continue implementing measures to enhance safeguards (**new SB**, ¶39) without delay, particularly the recommendations from the 2024 safeguards monitoring mission.

31. The use of Special Drawing Rights (SDR) must continue to remain transparent. A portion of the SDR allocation was converted into US dollars to service external obligations, and SDR holdings have been used to meet IMF obligations. Transfers from the BRH to the government are made in gourde equivalent and governed by a memorandum of understanding for retrocession agreement. The authorities have reaffirmed their commitment to transparent and accountable use of SDRs, supported by clear institutional arrangements. Staff recommended minimizing gaps between SDR holdings and allocations and emphasized that conversions of SDRs into freely usable currencies should be published on the BRH or MEF websites.

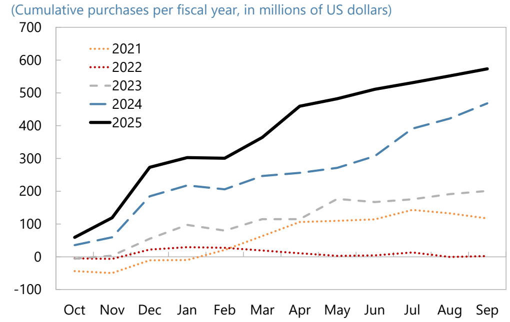
C. Strengthening the Monetary and Exchange Rate Policy Framework

32. The BRH's policy credibility has improved with the elimination of monetary financing. Delivering on this commitment for a second consecutive year has been key to helping contain inflation.[17] However, price pressures remain elevated, driven by security conditions and supply-side constraints.[18] The real exchange rate continues to appreciate, given the stable nominal exchange rate. Despite a negative real interest rate (-11 percent in FY2025 on average), credit growth remains subdued. The authorities have firmly reiterated both the importance and their commitment to maintaining the zero ceiling on credit to the NFPS to preserve macroeconomic stability.

Bilateral Exchange Rate
(Gourde per US dollar)



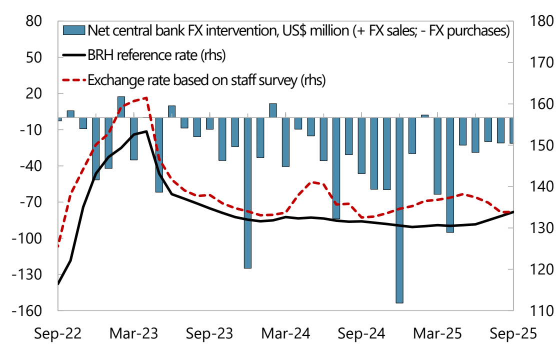
Foreign Exchange Interventions
(Cumulative purchases per fiscal year, in millions of US dollars)



Sources: Bank of the Republic of Haiti and IMF staff calculations.

33. FX intervention is warranted for reserve accumulation and to preserve exchange rate stability. In the context of persistent inflation and weak monetary transmission in Haiti, exchange rate stability continues to serve as a nominal anchor. FX interventions aimed at preserving exchange rate stability are justified, provided reserve adequacy is maintained. The authorities acknowledge the importance of maintaining a stable nominal anchor, particularly in the face of external shocks.[19] However, FX interventions must continue to be conducted in a manner consistent with Haiti's obligations to remain in compliance with the IMF's Article VIII on multiple currency practices (MCPs) and restrictions on current international transactions. The authorities reported that no changes in the foreign exchange system

Exchange Rate and Foreign Exchange Interventions



Sources: Bank of the Republic of Haiti and IMF staff estimates.

[17] See Annex VII of the 2024 Article IV Consultation Staff Report.

[18] See Annex XI of the 2024 Article IV Consultation Staff Report.

[19] Since January 2024 the *de jure* exchange rate is floating and the *de facto* exchange rate is classified as stabilized (see Annex II and 2024 Article IV, ¶37.

have been made since the 1st Review that would give rise to new MCPs or exchange restrictions on the payments and transfers for international transactions.

D. Safeguarding Financial Sector Stability

34. The commercial banking system continues to show vulnerabilities. The high gross NPL ratios reflect deteriorating credit quality (¶6). Capital adequacy ratios (CAR) remain above the 12 percent regulatory minimum, though they are uneven across institutions. Some banks may need to strengthen buffers further given elevated credit risks, and the financial environment could deteriorate if a considerable number of substandard loans deteriorate into doubtful or loss loans. Citigroup's exit—announced in July 2024 and now complete, pending surrender of its license to the BRH—reduces international banking presence, and may slightly narrow competition and institutional diversity, even though it accounted for only 2 percent of banking sector assets as of June 2024.[20]

35. The authorities are advancing regulatory and supervisory reforms. The BRH has adopted and published revised regulations on credit risk concentration and plans to publish the final version on *credit risk classification and provisioning* by end-November 2025, following an internal review. It has advanced risk-based supervision, by testing new risk assessment grids and rating matrices on three banks, with two more underway. In collaboration with Fund staff, the BRH is also assessing banks' risk profiles. Staff underlined the importance of continuing and expanding off-site supervision, as well as the annual on-site inspection program. The risk assessment grid framework should be integrated into the BRH Banking Supervision Software. The authorities concurred on the importance of strengthening the BRH's bank-wide IT security (proposed **new SB**, ¶39).

36. Anti-money laundering/combating the financing of terrorism (AML/CFT) measures must be sustained. The Board of the Central Financial Intelligence Unit (UCREF) is expected to be appointed by February 2026, enabling full implementation of the 2023 decree aligning UCREF's governance framework with international financial compliance standards. Finalizing the National Risk Assessment (NRA)—expected by December 2025— is also critical to developing a comprehensive understanding of money laundering/financing of terrorism (ML/TF) risks and, including those related to the laundering of proceeds of serious crimes and cross-border illicit finance financial flows. The authorities expressed their intention to assign supervisory responsibility for designated non-financial businesses and professions (DNFBPs) to UCREF. Staff emphasized the importance of ensuring UCREF is adequately resourced to effectively fulfill this function.

E. Data Adequacy and Other Issues

37. The reliability and transparency of BRH's data hinges, in part, on the timely and regular publication of its annual audited financial statements. Staff commends the BRH on the finalization and publication of the FY2023 audit (**SB9**, end-August), which required reconstituting and

[20] The banking system will now be composed of 7 banks (2 public and 5 private). The two largest private banks hold over 60 percent of the banking system's assets.

validating data lost during the 2023 cyber incident. Staff encourages the authorities to promptly remedy the auditor's qualified opinion on certain balances ahead of the FY2024 audit. Moreover, staff recommends continuously strengthening internal controls to prevent similar reservations for subsequent audits. Staff welcomes the BRH' efforts to initiate without further delay the FY2024 audit report and their commitment to publication by mid-2026 (proposed **new SB**, ¶39).

38. Data provision has improved, supported by ongoing TA, but challenges remain. The authorities have reported monetary and financial statistics (MFS) to IMF staff monthly through standardized report forms. They remain committed to maintaining the timeliness of MFS data provision and strengthening the compilation of external sector statistics in line with TA recommendations. The authorities also welcomed the recent TA on International Reserves and Foreign Currency Liquidity (IRFCL) and have proactively incorporated its recommendations into the MFS. The authorities concurred on the urgency of compiling and reporting IRFCL data to the IMF. Staff encourages to align the reporting of financial soundness indicators with international standards. Finally, the authorities underscored their commitment to improving government accounts statistics by integrating extra-budgetary units with central government accounts, with support from IMF TA.

PROGRAM ISSUES

39. Staff supports the authorities' request for a nine-month extension of the SMP through September 19, 2026. The extension would support macroeconomic stability and preserve reform momentum amid worsening security conditions and heightened political uncertainty. Staff hopes to see an improvement in the political and security conditions during this time. The extension would also facilitate the implementation of the full structural reform agenda and provide space to assess the impact of ongoing international initiatives, including the GSF and the OAS *Haitian Led Road Roadmap for Recovery and Peace*. As elaborated in the attached *Letter of Intent*, the extension maintains current trajectories for the quantitative targets (Table 1b), modifies and reschedules some SBs (Table 2a), and introduces three new SBs to consolidate progress on key SMP objectives (Table 2b). Specifically, it is proposed to:

- **Modify SB5.** The proposed modification aims to align the SB with the new SMP's timeline and reinforce the authorities' commitment to transparency and accountability in public spending. Under the modified SB5, the authorities commit to publishing the FSW expenditure audit report for FY2025 by end March 2026.

- **Reschedule SB8.** The launch and implementation of digital tax declarations and payments (**SB8**) is rescheduled to end March 2026, given its importance for domestic revenue mobilization.

- **Introduce three new SBs to:**

    - *Strengthen domestic revenue mobilization,* by interconnecting the Tax Administration System and SYDONIA (a customs management software system), and having the DGI and AGD issue a joint communiqué committing to publish an aggregate analysis of the results on the MEF website (**SB12**, end March 2026). This SB would be supported with TA.

- *Enhance Safeguards*. (i) Adopt a framework and governance structure to strengthen the BRH's bank-wide IT security and business continuity arrangements (**SB13**, end June 2026); and (ii) Publish the BRH's external audit report and audited financial statements for FY2024 (**SB14**, end June 2026).

40. The objectives of the SMP remain achievable but deteriorating domestic and external conditions could make sustaining progress difficult. Despite the headwinds, staff will continue to support the authorities in maintaining macroeconomic stability, strengthening governance, and establishing a track record that could pave the way for financial assistance under the upper credit tranche (UCT). The third review will assess SBs 2 to 6, SB8, SBs11 to 12 (Tables 2a, 2b, and 2c), and end-December 2025 QTs, and will be completed by end April 2026. End-June 2026 QTs and SBs will be assessed during the fourth review which will be completed before the program end date (September 19, 2026).

STAFF APPRAISAL

41. Haiti is facing a multidimensional crisis that continues to deepen its fragility. Real GDP is estimated to have contracted amid high inflation. The expiration of the TPS for Haitians in the US (in February 2026), and the non-renewal of the HOPE/HELP preferential trade agreement which ended in September 2025, will weigh on the Haitian economy, which is expected to contract in FY2026. Risks to the outlook are tilted to the downside due to escalating gang violence and social unrest, political instability, reduced external financing, and further tightening of US trade and immigration policies. On the upside, the newly created multinational GSF could mark a turning point toward restoring security and enabling a sustainable recovery.

42. Despite challenging conditions in the country, program implementation has been broadly satisfactory. Staff commends the authorities for having full ownership and commitment to the SMP, and for remaining actively engaged with IMF staff through the bi-weekly high-level Program Monitoring Committee. All QT/IT targets for the end-June test date have been met: monetary financing of the fiscal deficit was kept at zero, social spending reached program's targets, revenue performance stayed on track, and reserve accumulation exceeded expectations. Reform momentum was maintained, with 6 out of the 11 SBs met—covering publication of the GDR (**SB1**), publication of monthly reports of FSW execution (**SB3**), publication of quarterly FAES operations reports (**SB6**), a protocol between the DGI and the AGD for the interconnection of their IT systems (**SB7**), approval of a new BRH investment strategy (**SB10**), and monthly provision of the BRH's full balance sheet to the IMF (**SB11**). Two additional SBs were completed with delay—publication of the BRH audit (**SB9**) and reporting quarterly FSW internal audits across all ministries to the CSCCA (**SB4**).

43. The fiscal stance remains broadly consistent with the objectives of the SMP, but implementation challenges continue to hinder effective policy execution. In FY2025, nominal revenue performance improved, yet it declined as percentage of GDP, underscoring weaknesses in tax administration and limited fiscal space. The authorities reallocated resources toward security and social priorities, but budget execution remained weak—particularly for capital expenditure—due to persistent security constraints and administrative bottlenecks. The FY2026 budget is anchored in the SMP's core priorities: fiscal discipline, enhanced revenue mobilization, and protection of key social and investment spending. However, further efforts are needed to strengthen revenue mobilization, improve budget transparency, and align investment practices with international standards.

44. Strengthening Haiti's fiscal position requires sustained efforts to boost domestic revenue mobilization. The authorities aim to reverse the downward revenue trend in FY2026 through targeted measures (e.g., enhancing risk-based audits for large taxpayers and digitalizing tax filing and payment systems). Staff welcomes these initiatives and encourages swift implementation of the new tax code, improved coordination between tax and customs agencies, and expansion of the taxpayer base. Strengthening revenue performance is essential for creating fiscal space for priority spending and ensuring long-term fiscal sustainability.

45. Improving spending efficiency and execution capacity is critical. Staff supports the authorities' reform agenda to strengthen cash and procurement management, advance TSA integration, and align public investment practices with PIMA recommendations—initiatives that will be supported by TA. PPPs should follow transparent and competitive procurement processes to safeguard fiscal integrity and contain risks.

46. Staff welcomes the authorities' efforts to strengthen contingency planning given Haiti's exposure to multiple fiscal risks. Continued gradual implementation of fuel price reforms, accompanied by clear communication and targeted support for vulnerable groups is recommended. The timely adoption of a response plan to address humanitarian needs arising from the arrivals of Haitian nationals living abroad is appropriate, given the elevated social vulnerabilities. The continued access to the Caribbean Catastrophe Risk Insurance Facility (CCRIF) and the World Bank's Contingency Emergency Response Component (CERC) further enhances preparedness for natural disasters. Sustained efforts to anchor fiscal policy in a credible medium-term framework and to reinforce public financial management will be essential for safeguarding stability and promoting inclusive growth.

47. Exchange rate stability has served as a nominal anchor in the context of heightened uncertainty and supply-chain disruptions linked to gang-related violence. Given the challenging and uncertain environment, foreign exchange interventions should focus on preserving exchange rate stability, conditional on maintaining an adequate level of international reserves. Continued commitment to zero monetary financing and gradual normalization of security conditions are key for containing inflationary pressures.

48. The BRH needs to enhance its strategy for mitigating financial risks in the commercial banking sector. Staff welcomes progress made by the BRH in advancing supervisory reforms, including the adoption of a new chart of accounts, enhanced risk-based supervision, and improved regulatory oversight for microfinance institutions. The authorities are encouraged to conduct regular bank risk assessments to assess the resilience of the financial system to ongoing security and economic conditions, potential shocks, and other operational challenges.

49. Staff encourages the authorities to continue addressing remaining gaps in the AML/CFT framework. Completion of the NRA for money laundering and terrorist financing is critical for developing a comprehensive understanding of ML/TF risks, including those related to the laundering of proceeds of serious crimes and cross-border illicit financial flows, and for identifying gaps in the AML/CFT framework. Assigning supervisory responsibility for DNFBPs to UCREF will require ensuring that UCREF is provided with appropriate resources.

50. The authorities have taken steps to advance governance reforms, though further efforts are needed to effectively combat corruption. Once fully operational, the anti-corruption task force could serve as a platform for driving structural reforms enabling the establishment of an Anti-Corruption Pole, in line with GDR recommendations. These reforms may include strengthening the judiciary by enhancing its capacity to investigate and prosecute corruption and organized crime. Restoring trust is essential to mobilizing development financing, including with increased donor support and sustained foreign direct investment inflows.

51. The authorities have made progress and remain committed to improving the quality and timeliness of economic and financial data provision. The BRH continues to deliver its full balance sheet to IMF staff in standardized format and is working to further improve the reporting of monetary statistics. Also, it is enhancing external sector statistics and the IRFCL template. Staff encourages the BRH to align FSI reporting with international standards. Staff also welcomes the authorities' commitment to improving the integration of extra-budgetary units with central government accounts with IMF TA.

52. Staff supports the authorities request for a nine-month extension of the SMP. This offers a window to advance on the reform agenda for revenue mobilization, governance, and the AML/CFT framework. It will help consolidate recent macroeconomic gains, finalize key reform measures to increase accountability and strengthen governance, and advance reforms to boost domestic mobilization and enhance safeguards. IMF TA and coordination with Haiti's development partners, in line with the IMF Strategy for Fragile and Conflict-Affected States, continue to be instrumental in supporting the SMP and advancing reforms.

53. Staff supports the completion of the second review and commends the authorities' commitment to strengthening macroeconomic stability and institutional building amid very difficult circumstances. Risks to implementation include Haiti's fragile security environment, political risks, institutional capacity constraints, and vulnerability to external shocks affecting remittances, trade, and official aid. Sustained reform momentum will require continued political commitment, enhanced coordination across government agencies, and timely support from development partners to mitigate these risks and safeguard program objectives. The third review will be completed by end-April 2026 and the fourth review by September 19, 2026 (program end-date).

Table 1a. Haiti: Quantitative and Indicative Targets, December 2024–September 2025

	Actual stock at end-September 2024	Cumulative flows from September 2024														
		end-December 2024					end-March 2025				end-June 2025				end-September 2025	
		Quantitative target	Adjusted target	Actual	Adjusted Actual	Status	Indicative target	Adjusted target	Actual	Status	Quantitative target	Adjusted target	Actual	Status	Indicative target	Actual
I. Periodic Quantitative Targets																
Net international reserves (NIR) of the central bank (in millions of U.S. dollars)—floor 1/ 2/	916	60	60	239		Met	80	80	379	Met	100	98	567	Met	120	
Primary balance of the nonfinancial public sector (NFPS, in millions of gourdes)—floor 1/		-239		7,625		Met	-479		21,560	Met	-718	-1,037	20,654	Met	-958	
Net central bank credit to the nonfinancial public sector (in millions of gourdes)—ceiling 1/ 3/ 4/	239,850	0	3,000	-5,901	-5,901	Met	0	9,266	-465	Met	0	9,508	4,073	Met	0	
Central government 4/	244,922	0	3,000	-5,267		Met	0	9,266	498	Met	0	9,508	6,391	Met	0	
Other nonfinancial public sector entities	-5,072	0	0	-634		Met	0	0	-963	Met	0	0	-2,318	Met	0	
Budget allocations for social expenditure (in millions of gourdes)—floor 5/		11,000		11,884		Met	19,810		20,687	Met	29,714		34,081	Met	39,619	
											0				0	
II. Continuous Quantitative Targets																
Accumulation of domestic arrears by the central government (in millions of gourdes)—ceiling	0	0				Met	0			Met	0			Met	0	
Accumulation of external arrears by the public sector (in millions of U.S. dollars)—ceiling	0	0				Met	0			Met	0			Met	0	
Contracting or guaranteeing by the public sector of new nonconcessional external debt (in millions of U.S. dollars)—ceiling	0	0				Met	0			Met	0			Met	0	
III. Indicative Target																
Central government fiscal revenue, excluding grants (in millions of gourdes)—floor 6/		40,000		48,003		Met	90,000		97,792	Met	140,000		143,723	Met	200,000	
Memorandum Items																
Provision for undisbursed FY24 expenditures (in millions of gourdes)	9,200			6,200					0				0			
Food Shock Window resources held in the central bank, but not yet transferred to the TSA (in millions of gourdes)	1,549			1,549					1,549				1,549			
Undisbursed resources received from the IMF Catastrophe Containment and Relief Trust (CCRT, in millions of gourdes)	1,541			1,541					1,475				1,475			
Budget support (in millions of U.S. dollars) 7/		0		0			0				21		19		39	
Gross international reserves (in millions of U.S. dollars) 2/	2,522			2,719					2,924				3,105			
Gross international reserves (in months of imports of goods and services of the following fiscal year)	6.3			6.9					6.8				7.3			

Sources: Ministry of Finance, Bank of the Republic of Haiti (BRH), and IMF staff estimates.

1/ The program includes an asymmetric adjustor on the floor for the NFPS primary balance and net international reserves (NIR) for external budget support below the planned amounts.

2/ For program monitoring purposes, the program exchange rate for the period September 2024 to September 2026 is SDR 0.737261 per U.S. dollar (exchange rate as of September 30, 2024).

3/ The Quantitative Target is met if the total is met.

4/ The program includes adjustors to increase the net credit to the NFPS target by the amount of drawdowns in central government assets (i.e., central bank liabilities) related to: (i) payments for settlement of FY24 expenses not yet disbursed by end-September 2024, out of provisioned funds and (ii) use of remaining resources from the 2023 Food Shock Window and resources released as a result of debt relief under the CCRT. The program also includes an adjustor to increase the net credit to the NFPS target by the amount of the increase in central government liabilities (i.e., central bank assets) caused by exchange rate differences in the central bank account 172160 ("Avance difference de change FMI").

5/ Budget envelope allocated to social affairs and labor (MAST), education, agriculture, and public health. The floor corresponds to the sum of the budget allocations to the MAST, Ministry of Education, Ministry of Agriculture, and Ministry of Public Health.

6/ Includes domestic taxes on enterprises, personal income, and sales; and customs duties.

7/ EU budget support (€19.5 million) to be included in the end April 2025 data.

Table 1b. Haiti: Quantitative and Indicative Targets, December 2025–June 2026

	Cumulative flows from September 2024 /8		
	end-December 2025	end-March 2026	end-June 2026
	Quantitative target	Indicative target	Quantitative Target
I. Periodic Quantitative Targets			
Net international reserves (NIR) of the central bank (in millions of U.S. dollars)—floor 1/ 2/	140	160	180
Primary balance of the nonfinancial public sector (NFPS, in millions of gourdes)—floor 1/	-470	-939	-1,409
Net central bank credit to the nonfinancial public sector (in millions of gourdes)—ceiling 1/ 3/ 4/	0	0	0
Central government 4/	0	0	0
Other nonfinancial public sector entities	0	0	0
Budget allocations for social expenditure (in millions of gourdes)—floor 5/	12,625	25,250	37,875
II. Continuous Quantitative Targets			
Accumulation of domestic arrears by the central government (in millions of gourdes)—ceiling	0	0	0
Accumulation of external arrears by the public sector (in millions of U.S. dollars)—ceiling	0	0	0
Contracting or guaranteeing by the public sector of new nonconcessional external debt (in millions of U.S. dollars)—ceiling	0	0	0
III. Indicative Target			
Central government fiscal revenue, excluding grants (in millions of gourdes)—floor 6/	50,000	100,000	163,800
Memorandum Items			
Provision for undisbursed FY24 expenditures (in millions of gourdes)			
Food Shock Window resources held in the central bank, but not yet transferred to the TSA (in millions of gourdes)			
Undisbursed resources received from the IMF Catastrophe Containment and Relief Trust (CCRT, in millions of gourdes)			
Budget support (in millions of U.S. dollars) 7/			
Gross international reserves (in millions of U.S. dollars) 2/			
Gross international reserves (in months of imports of goods and services of the following fiscal year)			

Sources: Ministry of Finance, Bank of the Republic of Haiti (BRH), and IMF staff estimates.

1/ The program includes an asymmetric adjustor on the floor for the NFPS primary balance and net international reserves (NIR) for external budget support below the planned amounts.

2/ For program monitoring purposes, the program exchange rate for the period September 2024 to September 2026 is SDR 0.737261 per U.S. dollar (exchange rate as of September 30, 2024).

3/ The Quantitative Target is met if the total is met.

4/ The program includes adjustors to increase the net credit to the NFPS target by the amount of drawdowns in central government assets (i.e., central bank liabilities) related to: (i) payments for settlement of FY24 expenses not yet disbursed by end-September 2024, out of provisioned funds and (ii) use of remaining resources from the 2023 Food Shock Window and resources released

5/ Budget envelope allocated to social affairs and labor (MAST), education, agriculture, and public health. The floor corresponds to the sum of the budget allocations to the MAST, Ministry of

6/ Includes domestic taxes on enterprises, personal income, and sales; and customs duties.

7/ EU budget support (€19.5 million) to be included in the end April 2025 data.

8/ Fiscal variables (primary balance of NFPS, budget allocations for social expenditure, central government fiscal revenue) accumulate from September 2025.

Table 2a. Haiti: Structural Benchmarks Under the 2024 SMP

1R | 2R		Measure	Purpose	Target date	Status
		Governance, including Public Financial Management			
1R	1	Publish on the website of the Ministry of Economy and Finance (MEF) the report on the Governance Diagnostic Assessement and an associated action plan agreed by the authorities.	Enhance governance.	End February 2025.	Met
1R | 2R	2	Publish, on the websites of the National Commission for Public Procurement (CNMP) and the Ministry of Economy and Finance (MEF), all new public procurement contracts, including beneficial ownership information (name and nationality of the beneficial owners) on contracts awarded to successful bidders, within 45 days after the contract was awarded, starting from the monthly report for contracts awarded in December 2024 for which publication is due by mid-February 2025.	Increase transparency of public spending.	Monthly starting from December 2024.	Not met
1R | 2R	3	The Ministry of Finance will publish, on the websites of the MEF and the General Directorate of the Budget (DGB), all monthly reports on execution of fiscal expenditure through Haiti Food Shock Window account since its first disbursement by February 2025; and for future disbursements no later than 45 days after the end of the reference period, starting from the monthly fiscal expenditure report for December 2024 for which the publication is due by mid-February 2025).	Increase transparency of public spending.	Monthly starting from December 2024.	Met
1R | 2R	4	Through the General Finance Inspectorate, conduct and complete quarterly internal expenditure audits of all ministries involved in the use of the Haiti Food Shock Window account, and report these internal audits to the Superior Court of Accounts and Administrative Disputes (CSCCA), within three months from the end of the reference period, starting from the quarter covering July-September 2024 for which the report should be received by the CSCCA by December 2024.	Increase transparency of public spending.	Quarterly starting from end December 2024.	Not met (implemented with delay)
1R	5	Have the CSCCA conduct a financial and operational compliance audit of all expenditure in connection with the Rapid Credit Facility Food Shock Window for the 2022-23, 2023-24 and 2024-25 fiscal years, and publish the audit report on the websites of the Superior Court of Auditors and Administrative Disputes (CSCCA), the MEF, and the General Directorate of the Budget (DGB).	Improve accountability and increase transparency of public spending.	End March 2025 (Proposed to be modified. New target date March 2026)	Not met
1R | 2R	6	Publish on the web site of the Ministry of Economy and Finance (MEF) (i) quarterly reports (with one quarter lag) on operations and financial status of the Economic and Social Assistance Fund (FAES), including regular reports from its quarterly meetings of the board of directors, from the quarterly report for July-September, for which publication is due by end-December 2024.	Increase transparency of public spending.	Quarterly starting from end December 2024.	Met
2R	7	Sign and publish on the MEF and DGB websites an administrative and technical cooperation protocol between the Directorate of General Taxes (DGI) and General Administration of Customs (AGD) for the interconnection of their IT systems.	Strengthen domestic revenue mobilization.	End June 2025.	Met
2R	8	The launch and implementation of the digitalization of tax declarations and payments through all commercial banks for the large taxpayers registered at the DGI.	Strengthen domestic revenue mobilization.	End September 2025 (Proposed to be rescheduled for end March 2026).	Not met
		Governance and safeguards			
2R	9	Publish, on the BRH's web site, the BRH audit report and audited financial statements for FY2023 (ending in September 2023) conducted by an independent international audit firm.	Enhance transparency of Central Bank's operations.	End August 2025.	Not met (implemented with delay)
2R	10	Approval by the BRH Board of Directors of: (i) a medium-term plan for improving the composition of the investment portfolio (ii) new strategic asset allocation, (iii) updated investment policy, and (iv) updated investment guidelines, in close consultation with IMF staff.	Align the Central Bank's reserve management framework with sound governance arrangements and safety and liquidity principles.	End September 2025.	Met
		Governance, data provision, transparency, and dissemination of economic data			
1R | 2R	11	Provide to IMF staff the full balance sheet of the central bank according to the internationally accepted standardized reporting form (SRF-1SR, with 1SR referring to the central bank) to also include detailed data on government deposit accounts, with two-month lag from the end of the reference period, starting from the balance sheet for end-December 2024, which should be provided by end-February 2025.	Strengthen transparency of Central Bank's balance sheet.	Monthly periodicity and two-month lag, starting to be provided to IMF staff by end February 2025.	Met

Note: Red box indicates structural benchmarks assesed during the second review, while the blue box is for those structural benchmarks assesed during the first review.

Table 2b. Haiti: Structural Benchmarks Under the 2024 SMP—Proposed with the Extension

		Purpose	Target date	Status
	Governance, including Public Financial Management			
12	Interconnect the Tax Administration System and the customs automation system (SYDONIA), and publishing on the MEF website a joint communiqué by DGI and AGD, announcing: i) confirmation of the interconnection's operationalization; ii) commitment to producing a report by end December 2026 with an analysis of matched declarations and discrepancies over the July-September 2026 period, as well as corrective actions; iii) commitment to producing a short and aggregated analysis of the report in (ii), to be published on the MEF's website by end December 2026.	Strengthen revenue mobilization.	End March 2026.	
	Governance and safeguards			
13	Adoption by the BRH of a framework and governance structure to strengthen its bank-wide IT security and business continuity arrangements.	Enhance safeguards.	End June 2026.	
14	Publish, on the BRH website, the BRH audit report and audited financial statements for FY2024 (ending in September 2025) conducted by an independent international audit firm.	Enhance transparency of central bank operations.	End June 2026.	

Table 2c. Haiti: Schedule of Reviews

Date	Action
December 20, 2024	Approval of SMP
February 1, 2025	First review and assessment of end-December 2024 performance/continuous criteria
August 1, 2025	Second review and assessment of end-June 2025 performance/continuous criteria
April 1, 2026	Third review and assessment of end-December 2025 performance/continuous criteria
September 1, 2026	Fourth review and assessment of end-June 2026 performance/continuous criteria

Table 3. Haiti: Selected Economic and Financial Indicators, 2021–30
(Fiscal year ending September 30)

Nominal GDP (2025, est.): US$32.3 billion
Population (2025, est.): 11.9 million

GDP per capita (2025): US$2,936
Percent of population below poverty line (2021): 52.3

	FY2021	FY2022	FY2023	FY2024 Est.	FY2025 Prog.	FY2025 Proj.	FY2026 Proj.	FY2027 Proj.	FY2028 Proj.	FY2029 Proj.	FY2030 Proj.
	(Change over previous year; unless otherwise indicated)										
National Income and Prices											
GDP at constant prices	-1.8	-1.7	-1.9	-4.2	0.5	-3.1	-1.2	0.5	1.2	1.3	1.5
GDP deflator	19.3	29.8	31.5	24.4	23.2	31.3	27.0	16.8	13.5	7.4	7.3
Consumer prices (period average)	15.9	27.6	44.1	25.8	19.7	28.3	28.2	18.8	14.5	9.4	8.0
Consumer prices (end-of-period)	13.1	38.7	31.8	27.9	18.6	31.9	24.1	17.5	12.2	7.1	7.1
External Sector											
Exports (goods, valued in U.S. dollars, f.o.b.)	27.7	10.9	-23.8	-19.8	10.0	-9.5	-12.0	0.0	3.6	3.9	4.5
Imports (goods, valued in U.S. dollars, f.o.b.)	19.8	7.8	-1.0	-9.5	11.0	8.5	0.1	0.1	1.0	1.2	1.5
Remittances (valued in U.S. dollars)	22.5	-7.3	0.1	8.6	5.0	23.6	-4.9	-4.2	-4.4	-4.6	-4.8
Real effective exchange rate (eop; + appreciation) 1/	-4.8	13.9	11.0	28.0	…	30.2	…	…	…	…	…
Money and Credit (valued in gourdes)											
Credit to private sector	15.2	17.4	-6.2	-13.1	15.9	1.9	18.7	38.4	44.0	37.3	22.7
Base money	21.5	23.1	3.2	7.5	11.8	20.8	19.4	14.4	14.8	8.8	9.0
Broad money	38.2	21.1	4.7	3.0	12.7	12.6	14.9	16.4	18.7	15.5	13.2
	(In percent of GDP; unless otherwise indicated)										
Central Government											
Overall balance (including grants)	-2.5	-1.8	0.8	7.0	-0.1	0.0	-0.2	-0.8	-0.9	-1.2	-1.5
Domestic revenue	5.9	5.3	6.3	5.3	4.9	4.7	4.7	5.0	5.3	5.7	6.0
Grants	1.0	1.3	0.9	6.9	1.1	1.0	0.6	0.4	0.2	0.1	0.1
Expenditures	9.4	8.3	6.5	5.2	6.1	5.8	5.5	6.2	6.4	6.9	7.6
Current expenditures	7.4	6.8	4.8	4.0	4.2	4.1	4.1	4.0	4.1	4.2	4.3
Capital expenditures	2.0	1.6	1.6	1.3	1.9	1.6	1.4	2.2	2.3	2.7	3.3
Primary Balance of the nonfinancial public sector 2/	-2.1	-1.5	1.1	7.2	0.0	0.2	0.0	-0.6	-0.7	-0.9	-1.2
Overall balance of the nonfinancial public sector 3/	-2.3	-1.7	0.3	6.5	-0.1	-0.1	-0.2	-0.8	-0.9	-1.2	-1.5
Savings and Investment											
Gross investment	18.0	15.9	13.9	9.9	7.0	8.1	9.6	13.8	16.4	16.8	18.3
Of which: public investment	2.0	1.6	1.6	1.3	1.9	1.6	1.4	2.2	2.3	2.7	3.3
Gross national savings	18.5	13.4	10.4	9.4	6.4	8.8	9.3	13.0	15.0	14.9	16.0
External current account balance (incl. official grants)	0.4	-2.5	-3.5	-0.6	-0.6	0.7	-0.4	-0.8	-1.4	-1.9	-2.4
Net fuel exports	-3.1	-4.5	-4.2	-2.8	-2.2	-2.3	-2.1	-2.0	-2.1	-2.4	-2.7
Public Debt											
External public debt (medium and long-term, eop) 4/	12.9	12.3	12.9	2.2	1.4	1.5	1.1	1.7	2.5	3.6	5.1
Total public sector debt (end-of-period)	28.4	29.2	27.3	15.1	11.9	11.7	9.4	8.9	8.9	9.7	10.9
External public debt service (percent of exports) 5/	9.4	8.3	11.8	13.7	3.3	12.8	10.0	9.2	10.8	13.0	13.4
Memorandum Items:	(In millions of dollars, unless otherwise indicated)										
Net international reserves 6/	456	115	394	1,064	1,225	1,619	1,702	1,742	1,847	1,952	2,182
Gross international reserves	2,534	2,063	2,349	2,522	2,651	3,102	3,177	3,252	3,352	3,452	3,552
In months of imports of the following year	5.6	4.7	5.9	5.9	5.7	7.2	7.4	7.6	7.8	7.9	8.0
Nominal GDP (millions of gourdes)	1,699,209	2,168,223	2,798,324	3,336,428	4,294,144	4,245,133	5,324,753	6,251,737	7,178,078	7,812,183	8,512,108

Sources: Ministry of Economy and Finance; Bank of the Republic of Haiti; World Bank; Fund staff estimates and projections.
1/ The real effective exchange rate for FY2025 reflects appreciation/depreciation between October 2024 and August 2025.
2/ Includes grants and other transfers to EDH.
3/ Includes transfers to the state-owned electricity company (EDH), and unsettled payment obligations.
4/ The decline in public debt in FY2024 was due to debt forgiveness (PDVSA).
5/ In percent of exports of goods and nonfactor services. Includes debt service settled with debt relief. For FY2024, debt service includes estimates of all the principal of PDVSA debt originally due in FY2024 and the interest due to PDVSA for the first quarter of FY2024 (October-December 2023).
6/ Excludes banks' FX deposits, Venezuela escrow account, IMF liabilities (except Food Shock Window), and swaps.

Table 4a. Haiti: Non-Financial Public Sector Operations, 2021–30

(Fiscal year ending September 30; in millions of gourdes)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2025	FY2025	FY2025	FY2025	FY2026	FY2026	FY2027	FY2028	FY2029	FY2030
				Est.	Budget	1st Revised Budget	2nd Revised Budget	Prog.	Proj.	Budget	Proj.	Proj.	Proj.	Proj.	Proj.
Total Revenue and Grants	**118,340**	**142,478**	**202,171**	**407,371**	**302,860**	**292,754**	**287,004**	**259,314**	**243,044**	**314,839**	**281,285**	**337,838**	**393,341**	**451,600**	**518,456**
Domestic revenue	100,635	114,919	176,393	176,461	227,739	224,755	219,005	210,413	199,095	250,391	250,205	312,136	381,194	442,691	513,556
Domestic taxes	74,012	82,525	111,881	106,579	99,575	103,421	100,285	129,274	121,446	114,982	153,930	194,231	240,350	278,286	323,781
Customs duties	22,613	27,341	60,103	60,246	100,809	100,809	99,195	75,372	70,387	112,036	87,077	106,373	126,884	148,431	170,242
Of which: fuel taxes	0	0	20,312	23,452	23,848	29,904	30,404	31,036	27,638	34,940	34,667	40,702	46,733	50,861	55,418
Other current revenue	4,009	5,053	4,408	9,637	27,355	20,525	19,525	5,767	7,261	23,373	9,198	11,533	13,960	15,974	19,533
Grants	17,706	27,559	25,779	230,910	75,121	67,999	67,999	48,901	43,948	64,448	31,080	25,702	12,148	8,908	4,900
Budget support 1/	5,754	8,957	0	0	0	2,788	2,788	5,363	5,172	2,721	2,414	0	0	0	0
Project grants	11,951	18,602	25,779	25,071	75,121	65,211	65,211	43,538	38,777	61,727	28,666	25,702	12,148	8,908	4,900
Capital transfer 2/	0	0	0	205,839	0	0	0	0	0	0	0	0	0	0	0
Total Expenditure 3/	**160,039**	**180,515**	**180,689**	**175,138**	**301,065**	**303,371**	**300,932**	**261,969**	**244,524**	**328,523**	**292,883**	**387,481**	**460,253**	**542,448**	**643,815**
Current expenditure	126,058	146,603	135,684	132,799	175,498	184,691	185,572	178,646	175,689	213,564	216,425	252,446	295,981	329,843	366,379
Wages and salaries	55,130	63,030	73,846	74,907	92,530	102,169	101,359	96,366	91,621	112,078	114,922	137,116	159,946	176,810	195,204
Goods and services	35,472	32,504	38,597	39,608	51,912	56,732	55,054	51,655	56,093	60,518	70,359	84,796	99,873	111,429	123,967
Interest payments	6,014	6,596	7,975	7,628	1,228	1,228	1,228	1,697	12,023	7,496	9,863	11,205	13,970	16,670	20,039
Transfers and subsidies	28,843	44,474	15,266	10,656	24,109	18,842	22,212	23,959	15,952	25,071	15,132	19,329	22,193	24,935	27,169
Of which: Transfers to EDH	9,111	7,412	8,117	2,629	...	...	...	11,076	3,163	...	4,500	5,908	6,784	8,164	8,896
Of which: Fuel direct subsidies to oil companies	10,682	31,242	0	0	...	...	...	0	0	...	0	0	0	0	0
Exceptional expenditures 4/	600	0	0	0	5,720	5,720	5,720	4,970	0	8,400	6,150	0	0	0	0
Capital expenditure	33,980	33,913	45,005	42,339	125,567	118,680	115,360	83,323	68,835	114,959	76,458	135,035	164,272	212,605	277,436
Domestically financed	15,359	11,861	19,227	17,268	46,065	47,807	44,487	35,470	30,058	51,780	47,792	60,284	89,315	125,329	162,094
Foreign-financed	18,621	22,052	25,778	25,071	79,502	70,873	70,873	47,853	38,777	63,179	28,666	74,751	74,956	87,276	115,342
Central government balance incl. grants	**-41,698**	**-38,037**	**21,482**	**232,233**	**1,795**	**-10,617**	**-13,928**	**-2,655**	**-1,481**	**-13,684**	**-11,598**	**-49,643**	**-66,912**	**-90,849**	**-125,359**
Excluding grants and externally financed projects	-40,783	-43,544	21,482	26,394	1,795	-708	-11,054	-3,703	-6,652	-14,953	-14,012	-594	-4,103	-12,481	-14,917
Primary Balance of NFPS, incl. grants and other transfers to EDH	**-35,684**	**-31,442**	**29,457**	**239,861**	**3,023**	**-9,389**	**-12,700**	**-958**	**10,543**	**-6,188**	**-1,735**	**-38,438**	**-52,942**	**-74,179**	**-105,320**
Adjustment (unsettled payment obligations)	-2,031	-256	11,840	15,726	0	0	0	0	4,686	0	0	0	0	0	0
Overall Balance of NFPS, including grants	**-39,668**	**-37,781**	**9,642**	**216,507**	**1,795**	**-10,617**	**-13,928**	**-2,655**	**-6,166**	**-13,684**	**-11,598**	**-49,643**	**-66,912**	**-90,849**	**-125,359**
Overall Balance of NFPS, including grants (excl. capital transfer) 5/	-39,668	-37,781	9,642	10,668	1,795	-10,617	-13,928	-2,655	-6,166	-13,684	-11,598	-49,643	-66,912	-90,849	-125,359
Financing, NFPS	**39,668**	**37,780**	**-9,642**	**-216,507**	**-1,795**	**10,617**	**13,928**	**2,655**	**6,166**	**13,684**	**11,598**	**49,643**	**66,912**	**90,849**	**125,359**
External net financing	-4,046	-1,468	-11,695	-202,528	1,011	2,293	2,293	2,633	-9,560	-4,449	-2,390	46,613	60,139	75,446	107,451
Loans (net)	-821	-5,822	-11,695	-202,528	1,011	2,293	2,293	2,633	-9,560	-4,449	-2,390	46,613	60,139	75,446	107,451
Disbursements	6,670	3,450	-1	0	4,381	5,663	5,663	4,316	0	1,452	0	49,049	62,809	78,368	110,442
Amortization	-7,491	-9,272	-11,694	-202,528	-3,370	-3,370	-3,370	-1,683	-9,560	-5,901	-2,390	-2,436	-2,670	-2,922	-2,991
Arrears (net)	-3,225	4,354	0	0	0	0	0	0	0	0	0	0	0	0	0
Internal net financing	43,714	39,249	2,053	-13,979	-2,806	8,325	11,636	22	15,727	18,134	13,987	3,030	6,773	15,403	17,908
Banking system	50,483	52,437	20,580	-2,235	16,204	25,034	25,034	19,032	22,690	29,219	28,613	19,320	22,773	15,403	17,908
BRH (includes the FSW) 6/	46,731	41,274	19,599	-84	0	0	0	0	-2,716	0	0	0	0	0	0
Commercial banks	3,752	11,163	981	-2,151	16,204	25,034	25,034	19,032	25,406	29,219	28,613	19,320	22,773	15,403	17,908
Nonbank financing 7/	-6,769	-13,188	-18,527	-11,744	-19,010	-16,710	-13,399	-19,010	-6,963	-11,086	-14,626	-16,290	-16,000	0	0
Memorandum Items															
Forgone fuel taxes and fuel direct subsidies	31,984	62,553	11,657	5,010	...	...	...	0	3,139	...	3,938	4,623	5,309	5,777	6,295
o/w Forgone fuel taxes	21,302	31,311	11,657	5,010	...	...	...	0	3,139	...	3,938	4,623	5,309	5,777	6,295
o/w Fuel direct subsidies to oil companies	10,682	31,242	0	0	...	...	...	0	0	...	0	0	0	0	0
Health, education and agriculture spending	28,173	33,117	37,810	36,815	...	...	...	39,619	52,048	...	61,805	77,868	95,494	110,556	127,682
Nominal GDP	1,699,209	2,168,223	2,798,324	3,336,428	4,294,144	4,461,083	4,461,083	4,294,144	4,245,133	5,324,753	5,324,753	6,251,737	7,178,078	7,812,183	8,512,108

Sources: Ministry of Finance and Economy; and Fund staff estimates and projections.

1/ Includes previously-programmed multilateral budget support that could be delayed, as well as CCRT debt relief.

2/ For FY2024, includes debt forgiveness from Petrocaraibe (Venezuela).

3/ Commitment basis, except for domestically financed spending, which is reported on the basis of project account replenishments.

4/ Includes expenditures for electoral activities and support to political parties.

5/ Excludes a one-off capital transfer owing to the repayment of the debt to Petrocaraibe.

6/ Amounts include the full two-year debt-relief under the CCRT for FY2021-22, and the RCF/FSW disbursement for FY2023.

7/ Includes the net change in the stock of government securities held by non-banks, of checks that are not yet cashed, of supplier credits and of domestic arrears.

Table 4b. Haiti: Non-Financial Public Sector Operations, 2021–30

(Fiscal year ending September 30; in percent of GDP)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2025	FY2025	FY2025	FY2025	FY2026	FY2026	FY2027	FY2028	FY2029	FY2030
						1st Revised	2nd Revised								
				Est.	Budget	Budget	Budget	Prog.	Proj.	Budget	Proj.	Proj.	Proj.	Proj.	Proj.
Total Revenue and Grants	**7.0**	**6.6**	**7.2**	**12.2**	**7.1**	**6.6**	**6.4**	**6.0**	**5.7**	**5.9**	**5.3**	**5.4**	**5.5**	**5.8**	**6.1**
Domestic revenue	5.9	5.3	6.3	5.3	5.3	5.0	4.9	4.9	4.7	4.7	4.7	5.0	5.3	5.7	6.0
Domestic taxes	4.4	3.8	4.0	3.2	2.3	2.3	2.2	3.0	2.9	2.2	2.9	3.1	3.3	3.6	3.8
Customs duties	1.3	1.3	2.1	1.8	2.3	2.3	2.2	1.8	1.7	2.1	1.6	1.7	1.8	1.9	2.0
Of which: fuel taxes	0.0	0.0	0.7	0.7	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Other current revenue	0.2	0.2	0.2	0.3	0.6	0.5	0.4	0.1	0.2	0.4	0.2	0.2	0.2	0.2	0.2
Grants	1.0	1.3	0.9	6.9	1.7	1.5	1.5	1.1	1.0	1.2	0.6	0.4	0.2	0.1	0.1
Budget support 1/	0.3	0.4	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Project grants	0.7	0.9	0.9	0.8	1.7	1.5	1.5	1.0	0.9	1.2	0.5	0.4	0.2	0.1	0.1
Capital transfer 2/	0.0	0.0	0.0	6.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenditure 3/	**9.4**	**8.3**	**6.5**	**5.2**	**7.0**	**6.8**	**6.7**	**6.1**	**5.8**	**6.2**	**5.5**	**6.2**	**6.4**	**6.9**	**7.6**
Current expenditure	7.4	6.8	4.8	4.0	4.1	4.1	4.2	4.2	4.1	4.0	4.1	4.0	4.1	4.2	4.3
Wages and salaries	3.2	2.9	2.6	2.2	2.2	2.3	2.3	2.2	2.2	2.1	2.2	2.2	2.2	2.3	2.3
Goods and services	2.1	1.5	1.4	1.2	1.2	1.3	1.2	1.2	1.3	1.1	1.3	1.4	1.4	1.4	1.5
Interest payments	0.4	0.3	0.3	0.2	0.0	0.0	0.0	0.0	0.3	0.1	0.2	0.2	0.2	0.2	0.2
Transfers and subsidies	1.7	2.1	0.5	0.3	0.6	0.4	0.5	0.6	0.4	0.5	0.3	0.3	0.3	0.3	0.3
Of which: Transfers to EDH	0.5	0.3	0.3	0.1	...	...	...	0.3	0.1	...	0.1	0.1	0.1	0.1	0.1
Of which: Fuel direct subsidies to oil companies	0.6	1.4	0.0	0.0	...	...	...	0.0	0.0	...	0.0	0.0	0.0	0.0	0.0
Exceptional expenditures 4/	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.2	0.1	0.0	0.0	0.0	0.0
Capital expenditure	2.0	1.6	1.6	1.3	2.9	2.7	2.6	1.9	1.6	2.2	1.4	2.2	2.3	2.7	3.3
Domestically financed	0.9	0.5	0.7	0.5	1.1	1.1	1.0	0.8	0.7	1.0	0.9	1.0	1.2	1.6	1.9
Foreign-financed	1.1	1.0	0.9	0.8	1.9	1.6	1.6	1.1	0.9	1.2	0.5	1.2	1.0	1.1	1.4
Central government balance incl. grants	**-2.5**	**-1.8**	**0.8**	**7.0**	**0.0**	**-0.2**	**-0.3**	**-0.1**	**0.0**	**-0.3**	**-0.2**	**-0.8**	**-0.9**	**-1.2**	**-1.5**
Excluding grants and externally financed projects	-2.4	-2.0	0.8	0.8	0.0	0.0	-0.2	-0.1	-0.2	-0.3	-0.3	0.0	-0.1	-0.2	-0.2
Primary Balance of NFPS, incl. grants and other transfers to EDH	**-2.1**	**-1.5**	**1.1**	**7.2**	**0.1**	**-0.2**	**-0.3**	**0.0**	**0.2**	**-0.1**	**0.0**	**-0.6**	**-0.7**	**-0.9**	**-1.2**
Adjustment (unsettled payment obligations)	-0.1	0.0	0.4	0.5	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Overall Balance of NFPS, including grants	**-2.3**	**-1.7**	**0.3**	**6.5**	**0.0**	**-0.2**	**-0.3**	**-0.1**	**-0.1**	**-0.3**	**-0.2**	**-0.8**	**-0.9**	**-1.2**	**-1.5**
Overall Balance of NFPS, including grants (excl. capital transfer) 5/	-2.3	-1.7	0.3	0.3	0.0	-0.2	-0.3	-0.1	-0.1	-0.3	-0.2	-0.8	-0.9	-1.2	-1.5
Financing, NFPS	**2.3**	**1.7**	**-0.3**	**-6.5**	**0.0**	**0.2**	**0.3**	**0.1**	**0.1**	**0.3**	**0.2**	**0.8**	**0.9**	**1.2**	**1.5**
External net financing	-0.2	-0.1	-0.4	-6.1	0.0	0.1	0.1	0.1	-0.2	-0.1	0.0	0.7	0.8	1.0	1.3
Loans (net)	0.0	-0.3	-0.4	-6.1	0.0	0.1	0.1	0.1	-0.2	-0.1	0.0	0.7	0.8	1.0	1.3
Disbursements	0.4	0.2	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.8	0.9	1.0	1.3
Amortization	-0.4	-0.4	-0.4	-6.1	-0.1	-0.1	-0.1	0.0	-0.2	-0.1	0.0	0.0	0.0	0.0	0.0
Arrears (net)	-0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Internal net financing	2.6	1.8	0.1	-0.4	-0.1	0.2	0.3	0.0	0.4	0.3	0.3	0.0	0.1	0.2	0.2
Banking system	3.0	2.4	0.7	-0.1	0.4	0.6	0.6	0.4	0.5	0.5	0.5	0.3	0.3	0.2	0.2
BRH (includes the FSW) 6/	2.8	1.9	0.7	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Commercial banks	0.2	0.5	0.0	-0.1	0.4	0.6	0.6	0.4	0.6	0.5	0.5	0.3	0.3	0.2	0.2
Nonbank financing 7/	-0.4	-0.6	-0.7	-0.4	-0.4	-0.4	-0.3	-0.4	-0.2	-0.2	-0.3	-0.3	-0.2	0.0	0.0
Memorandum Items															
Forgone fuel taxes and fuel direct subsidies	1.9	2.9	0.4	0.2	...	...	...	0.0	0.1	...	0.1	0.1	0.1	0.1	0.1
o/w Forgone fuel taxes	1.3	1.4	0.4	0.2	...	...	...	0.0	0.1	...	0.1	0.1	0.1	0.1	0.1
o/w Fuel direct subsidies to oil companies	0.6	1.4	0.0	0.0	...	...	...	0.0	0.0	...	0.0	0.0	0.0	0.0	0.0
Health, education and agriculture spending	1.7	1.5	1.4	1.1	...	...	...	0.9	1.2	...	1.2	1.2	1.3	1.4	1.5
Nominal GDP (millions of gourdes)	1,699,209	2,168,223	2,798,324	3,336,428	4,294,144	4,461,083	4,461,083	4,294,144	4,245,133	5,324,753	5,324,753	6,251,737	7,178,078	7,812,183	8,512,108

Sources: Ministry of Finance and Economy; and Fund staff estimates and projections.

1/ Includes previously-programmed multilateral budget support that could be delayed, as well as CCRT debt relief.

2/ For FY2024, includes debt forgiveness from Petrocaraibe (Venezuela).

3/ Commitment basis, except for domestically financed spending, which is reported on the basis of project account replenishments.

4/ Includes expenditures for electoral activities and support to political parties.

5/ Excludes a one-off capital transfer owing to the repayment of the debt to Petrocaraibe.

6/ Amounts include the full two-year debt-relief under the CCRT for FY2021-22, and the RFC/FSW disbursement for FY2023.

7/ Includes the net change in the stock of government securities held by non-banks, of checks that are not yet cashed, of supplier credits and of domestic arrears.

Table 5a. Haiti: Balance of Payments, 2021–30

(In millions of U.S. dollars on a fiscal year basis 1/; unless otherwise indicated)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
				Est.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
Current account	**88**	**-492**	**-683**	**-145**	**224**	**-152**	**-376**	**-666**	**-892**	**-1123**
Goods (net)	-3,286	-3,508	-3,759	-3,499	-3,936	-4,021	-4,024	-4,048	-4,082	-4,123
Exports of goods (credit)	1,130	1,254	956	767	694	610	610	632	657	687
of which: Assembly industry	*1,071*	*1,195*	*880*	*696*	*629*	*554*	*554*	*574*	*596*	*623*
Imports of goods (debit)	4,416	4,762	4,715	4,266	4,630	4,632	4,634	4,680	4,739	4,810
of which: Fossil fuels	*643*	*890*	*815*	*699*	*758*	*837*	*903*	*1,014*	*1,139*	*1,279*
Services (net)	-490	-587	-449	-421	-439	-440	-434	-431	-430	-430
Exports of services (credit)	142	101	139	96	67	58	59	61	64	67
Imports of services (debit)	632	689	588	517	507	499	493	493	494	496
Primary income (net)	23	24	4	4	5	7	7	8	8	8
Secondary income (net)	3,840	3,580	3,522	3,771	4,594	4,303	4,074	3,806	3,613	3,423
General government (net)	164	189	181	190	314	257	188	82	55	27
Personal transfers (net)	3,316	3,072	3,076	3,341	4,130	3,926	3,762	3,598	3,434	3,271
Other current transfers (net)	360	318	265	240	150	120	123	126	124	125
Capital Account	**65**	**70**	**60**	**1,854**	**56**	**70**	**79**	**83**	**82**	**81**
Debt forgiveness	10	7	3	1,805	3	4	4	5	5	4
Other capital transfers	55	63	57	49	52	66	74	78	77	77
Financial Account	**-105**	**-204**	**40**	**2,482**	**280**	**-83**	**-297**	**-583**	**-810**	**-1042**
Direct Investment	-51	-39	-24	-20	-21	-26	-72	-104	-150	-95
Other Investment	-146	-63	-223	2,330	-279	-132	-301	-579	-760	-1047
Net acquisition of financial assets	182	-127	-122	62	26	33	0	0	0	0
Central bank	27	-26	-1	0	0	0	0	0	0	0
Deposit-taking corporations, except the central bank	160	-50	-23	155	26	33	0	0	0	0
General government	0	0	0	0	0	0	0	0	0	0
Other sectors	-5	-51	-98	-93	0	0	7	0	0	0
Net incurrence of liabilities	328	-64	101	-2,268	305	164	301	579	760	1047
Central bank	16	-68	103	46	-70	-23	-31	-52	-68	-67
Deposit-taking corporations	-1	-14	-3	0	0	0	0	0	0	0
General government	78	27	3	-2,314	-45	-14	338	394	452	589
Other sectors	13	-9	-1	0	420	201	-7	237	377	525
Special drawing rights	223	0	0	0	0	0	0	0	0	0
Reserve assets	92	-101	286	172	580	75	75	100	100	100
Errors and Omissions	**-258**	**218**	**662**	**773**	**0**	**0**	**0**	**0**	**0**	**0**
Memorandum Items										
Net incurrence of credit and loans with the IMF	-11	-11	98	-11	-10	-30	-26	-33	-44	-44
Accumulation of arrears (general government)	90	93	97	23	0	0	0	0	0	0
Repayment of arrears (general government)	0	0	0	-500	0	0	0	0	0	0
Debt service (in percent of exports of goods and services)	9.4	8.3	11.8	13.7	12.8	10.0	9.2	10.8	13.0	13.4

Sources: Bank of the Republic of Haiti; and Fund staff estimates and projections.

1/ Fiscal year ends on September 30.

Table 5b. Haiti: Balance of Payments, 2021–30

(In percent of GDP on a fiscal year basis1/, unless otherwise indicated)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
				Est.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
Current account	**0.4**	**-2.5**	**-3.5**	**-0.6**	**0.7**	**-0.4**	**-0.8**	**-1.4**	**-1.9**	**-2.4**
Goods (net)	-15.6	-17.7	-19.2	-13.8	-12.2	-9.9	-8.8	-8.4	-8.5	-8.7
Exports of goods (credit)	5.4	6.3	4.9	3.0	2.1	1.5	1.3	1.3	1.4	1.4
of which: Assembly industry	*5.1*	*6.0*	*4.5*	*2.8*	*1.9*	*1.4*	*1.2*	*1.2*	*1.2*	*1.3*
Imports of goods (debit)	21.0	24.0	24.1	16.9	14.3	11.4	10.1	9.7	9.9	10.1
of which: Fossil fuels	*3.1*	*4.5*	*4.2*	*2.8*	*2.3*	*2.1*	*2.0*	*2.1*	*2.4*	*2.7*
of which: Food products	*3.4*	*3.9*	*6.0*	*4.7*	*4.0*	*3.1*	*2.7*	*2.5*	*2.5*	*2.5*
Services (net)	-2.3	-3.0	-2.3	-1.7	-1.4	-1.1	-0.9	-0.9	-0.9	-0.9
Exports of services (credit)	0.7	0.5	0.7	0.4	0.2	0.1	0.1	0.1	0.1	0.1
Imports of services (debit)	3.0	3.5	3.0	2.0	1.6	1.2	1.1	1.0	1.0	1.0
Primary income (net)	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Secondary income (net)	18.3	18.1	18.0	14.9	14.2	10.6	8.9	7.9	7.5	7.2
General government (net)	0.8	1.0	0.9	0.8	1.0	0.6	0.4	0.2	0.1	0.1
Personal transfers (net)	15.8	15.5	15.7	13.2	12.8	9.7	8.2	7.4	7.2	6.9
Other current transfers (net)	1.7	1.6	1.4	0.9	0.5	0.3	0.3	0.3	0.3	0.3
Capital Account	**0.3**	**0.4**	**0.3**	**7.3**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**
Debt forgiveness	0.0	0.0	0.0	7.1	0.0	0.0	0.0	0.0	0.0	0.0
Other capital transfers	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Financial Account	**-0.5**	**-1.0**	**0.2**	**9.8**	**0.9**	**-0.2**	**-0.6**	**-1.2**	**-1.7**	**-2.2**
Direct Investment	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2	-0.3	-0.2
Other Investment	-0.7	-0.3	-1.1	9.2	-0.9	-0.3	-0.7	-1.2	-1.6	-2.2
Net acquisition of financial assets	0.9	-0.6	-0.6	0.2	0.1	0.1	0.0	0.0	0.0	0.0
Central bank	0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	0.8	-0.3	-0.1	0.6	0.1	0.1	0.0	0.0	0.0	0.0
General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	0.0	-0.3	-0.5	-0.4	0.0	0.0	0.0	0.0	0.0	0.0
Net incurrence of liabilities	1.6	-0.3	0.5	-9.0	0.9	0.4	0.7	1.2	1.6	2.2
Central bank	0.1	-0.3	0.5	0.2	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1
Deposit-taking corporations	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General government	0.4	0.1	0.0	-9.2	-0.1	0.0	0.7	0.8	0.9	1.2
Other sectors	0.1	0.0	0.0	0.0	1.3	0.5	0.0	0.5	0.8	1.1
Special drawing rights	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reserve assets	0.4	-0.5	1.5	0.7	1.8	0.2	0.2	0.2	0.2	0.2
Errors and Omissions	**-1.2**	**1.1**	**3.4**	**3.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Memorandum Items										
Net incurrence of credit and loans with the IMF	**-0.1**	**-0.1**	**0.5**	**0.0**	**0.0**	**-0.1**	**-0.1**	**-0.1**	**-0.1**	**-0.1**
Accumulation of arrears (general government)	0.4	0.5	0.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of arrears (general government)	0.0	0.0	0.0	-2.0	0.0	0.0	0.0	0.0	0.0	0.0

Sources: Bank of the Republic of Haiti; and Fund staff estimates and projections.

1/ Fiscal year ends on September 30.

Table 6. Haiti: Summary Accounts of the Banking System, 2021–30

(In millions of gourdes on a fiscal year basis1/; unless otherwise indicated)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2025	FY2026	FY2027	FY2028	FY2029	2030
				Est.	Prog.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
						I. Central bank					
Net Foreign Assets	**146,005**	**131,774**	**186,549**	**265,436**	**311,781**	**349,716**	**363,551**	**395,562**	**453,669**	**519,455**	**594,001**
(In millions of U.S. dollars)	1,499	1,120	1,389	2,019	2,206	2,660	2,765	2,865	2,988	3,110	3,233
Of which: Gross International Reserves (US$ Mil)	2,534	2,063	2,349	2,522	2,651	3,102	3,177	3,252	3,352	3,452	3,552
Of which: Net Intl. Reserves (nonresidents) (US$ Mil.)	1,969	1,526	1,803	2,440	2,627	3,081	3,186	3,287	3,409	3,531	3,654
Of which: Net international reserves (US$ Mil.) (Res FX+Nonres) 2/	456	115	394	1,064	1,225	1,619	1,702	1,742	1,847	1,952	2,182
Of which : Commercial bank forex deposits (in millions of U.S. dollars)	1,324	1,255	1,262	1,227	1,256	1,313	1,336	1,397	1,413	1,431	1,324
Net Domestic Assets	**42,096**	**99,713**	**52,338**	**-8,558**	**-25,376**	**-39,392**	**7,075**	**28,468**	**33,190**	**10,413**	**-16,660**
Net credit to the nonfinancial public sector	166,625	237,927	250,389	249,050	249,221	246,334	246,334	246,334	246,334	246,334	246,334
Of which: Net credit to the central government 3/	168,899	242,311	259,456	254,122	254,297	251,406	251,406	251,406	251,406	251,406	251,406
Claims on central government	207,676	292,786	326,904	349,544	349,591	346,827	346,827	346,827	346,827	346,827	346,827
Central government deposits	38,777	50,475	67,448	95,421	95,294	95,421	95,421	95,421	95,421	95,421	95,421
Of which: IMF CCRT debt relief	-2,634	-2,087	-2,198	-2,166	-3,005	-3,005	-3,005	-3,005	-3,005	-3,005	-3,005
Liabilities to commercial banks (excl. gourde deposits)	138,460	157,540	177,874	194,921	209,998	214,274	213,197	227,425	245,201	267,608	269,814
BRH bonds/Open market operations	3,525	2,630	4,007	29,302	28,202	37,302	33,302	30,302	26,302	24,302	22,302
Commercial bank forex deposits	134,935	154,909	173,868	165,620	181,796	176,973	179,896	197,123	218,899	243,306	247,513
Other	-18,134	-11,484	-41,891	-85,226	-87,434	-86,747	-83,423	-95,807	-106,736	-114,006	-122,559
Base Money	**188,101**	**231,487**	**238,887**	**256,878**	**286,405**	**310,324**	**370,626**	**424,029**	**486,859**	**529,868**	**577,341**
Currency in circulation	108,670	133,411	146,605	156,938	177,872	204,390	260,458	311,011	350,874	371,344	404,614
Commercial bank gourde deposits	79,431	98,076	92,282	99,940	108,533	105,934	110,168	113,019	135,985	158,524	172,727
						II. Consolidated banking system					
Net Foreign Assets	**205,868**	**203,605**	**257,947**	**342,802**	**411,179**	**431,027**	**454,722**	**491,292**	**558,972**	**631,112**	**702,124**
(In millions of U.S. dollars)	2,114	1,730	1,921	2,607	2,909	3,278	3,459	3,559	3,681	3,778	3,821
Of which: Commercial banks NFA (in millions of U.S. dollars)	615	610	532	588	703	618	693	693	693	668	588
Net Domestic Assets	**305,095**	**415,028**	**389,877**	**324,561**	**339,201**	**320,547**	**408,837**	**513,658**	**633,833**	**746,545**	**856,696**
Credit to the nonfinancial public sector	206,497	296,664	316,168	314,912	334,119	337,602	366,215	385,535	408,307	423,710	441,618
Of which: Net credit to the central government 3/	202,659	293,987	314,288	313,356	332,563	336,046	364,659	383,979	406,752	422,155	440,062
Claims on central government	259,300	362,559	400,005	427,943	447,023	450,633	371,334	390,654	413,427	428,830	446,737
Central government deposits	56,641	68,572	85,717	114,587	114,460	114,587	6,675	6,675	6,675	6,675	6,675
Credit to the private sector	138,572	161,957	152,470	133,484	153,755	135,851	160,133	219,466	313,573	428,489	524,260
In gourdes	72,552	77,196	69,435	53,963	64,613	56,787	68,930	97,560	143,599	201,436	247,072
In foreign currency	60,926	79,521	77,520	73,762	83,405	73,306	85,444	116,148	164,216	221,295	271,430
Other	-66,770	-75,172	-114,151	-159,026	-183,476	-187,709	-152,314	-126,146	-122,850	-140,458	-143,985
Broad Money	**510,963**	**618,633**	**647,824**	**667,363**	**750,380**	**751,574**	**863,559**	**1,004,950**	**1,192,805**	**1,377,657**	**1,558,821**
Currency in circulation	98,150	123,511	123,960	131,694	152,621	179,146	235,214	285,766	325,630	346,099	379,369
Gourde deposits	134,373	157,616	166,698	177,373	207,712	197,949	248,766	310,153	409,801	517,120	681,745
Foreign currency deposits	270,986	329,793	348,280	348,892	383,710	372,966	387,139	424,707	472,784	526,823	534,725
(In millions of U.S. dollars)	2,782	2,802	2,594	2,654	2,714	2,837	2,945	3,076	3,113	3,154	3,201
						(12-month percentage change)					
Currency in circulation	14.9	25.8	0.4	6.2	15.4	36.0	31.3	21.5	13.9	6.3	9.6
Base money	21.5	23.1	3.2	7.5	11.8	20.8	19.4	14.4	14.8	8.8	9.0
Broad money (M3)	38.2	21.1	4.7	3.0	12.7	12.6	14.9	16.4	18.7	15.5	13.2
Gourde deposits	17.3	17.3	5.8	6.4	17.1	11.6	25.7	24.7	32.1	26.2	31.8
Foreign currency deposits	64.0	21.7	5.6	0.2	10.0	6.9	3.8	9.7	11.3	11.4	1.5
Credit to the private sector	15.2	17.4	-6.2	-13.1	15.9	1.9	18.7	38.4	44.0	37.3	22.7
Credit in gourdes	3.1	6.4	-10.1	-22.3	19.7	5.2	21.4	41.5	47.2	40.3	22.7
Credit in foreign currency	33.9	30.5	-2.5	-4.8	13.1	-0.6	16.6	35.9	41.4	34.8	22.7
Memorandum Items:											
Foreign currency deposits (% of total private deposits)	67.4	68.3	69.4	67.9	64.9	65.3	60.9	57.8	53.6	50.5	44.1
Foreign currency credit to private sector (% of total)	45.5	50.5	52.4	57.3	56.3	56.3	55.3	54.3	53.3	52.3	52.3
Commercial banks' credit to private sector (% of GDP)	7.9	7.2	5.3	3.8	3.4	3.1	2.9	3.4	4.3	5.4	6.1
Real private credit sector growth	1.9	-15.3	-28.9	-32.0	-2.7	-22.8	-4.4	17.9	28.3	28.2	14.5
Private sector credit (% of GDP)	7.9	7.2	5.3	3.7	3.4	3.4	3.3	3.3	3.2	3.2	3.2

Sources: Bank of the Republic of Haiti and Fund staff estimates and projections.

1/ Fiscal year ends on September 30.

2/ In statistical definition. Excludes banks' FX deposits, Venezuela escrow account, IMF liabilities (except Food Shock Window), and swaps.

3/ Changes in stocks of net claims on government differ from domestic financing data in Table 2a due to differences in accounting practices (cash vs. accrual) and in the recording of revaluations of positions denominated in foreign exchange.

Table 7. Haiti: External Financing Requirements and Sources

(In millions of U.S. dollars on a fiscal year basis 1/; unless otherwise indicated)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
				Est.	Proj.	Baseline	Adverse Scenario 2/
Requirements	**582**	**692**	**1,150**	**2,837**	**725**	**528**	**988**
Current account (excluding official transfers)	77	681	863	335	90	409	869
Other Investment (General government)	-	-	-	2,314	45	14	14
Other Investment (Net repayments to the IMF)	11	11	-	11	10	30	30
Other Investment (Other net outflow)	143	-	-	5	-	-	-
Increase in reserve assets	92	-	286	172	580	75	75
Errors and omissions (negative)	258	-	-	-	-	-	-
						-	-
Sources	**582**	**692**	**1,150**	**2,837**	**725**	**528**	**419**
Official current transfers	164	189	181	190	314	257	148
Current project grants	*148*	*170*	*181*	*190*	*296*	*218*	*109*
Budget support	*16*	*19*	-	-	*19*	*39*	*39*
Official capital transfers	65	70	60	1,854	56	70	70
Capital project grants	*55*	*63*	*57*	*49*	*52*	*66*	*66*
Debt forgiveness	*10*	*7*	*3*	*1,805*	*3*	*4*	*4*
Foreign direct investment	51	39	24	20	21	26	26
Other Investment (Other net inflow)	-	48	123	-	334	176	176
Other Investment (General government)	78	27	3	-	-	-	-
Other Investment (Net IMF financing)	-	-	98	-	-	-	-
Other Investment (SDR allocation)	223	-	-	-	-	-	-
Drawdown of reserve assets	-	101	-	-	-	-	-
Errors and omissions (positive)	-	218	662	773	-	-	-
BoP Needs							**568**

Sources: Bank of the Republic of Haiti; and Fund staff estimates and projections.

1/ Fiscal year ends on September 30.

2/ Adverse scenario assumes (a) 10 percent drop in exports, (b) 10 percent drop in net personal transfers, and (c) 50 percent drop in project grants. For further details, see Annex III.

Table 8. Haiti: Financial Soundness Indicators, September 2023 – June 2025
(In percent; unless otherwise indicated)

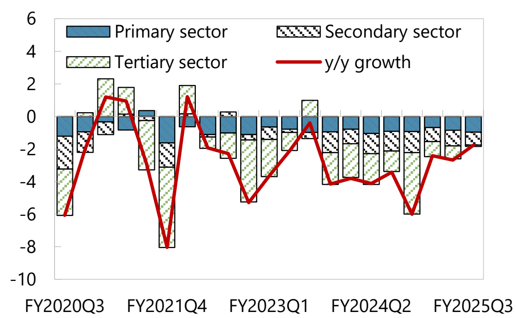
	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
Size and Growth								
Asset volume (in US$ millions)	4,718	4,780	4,885	4,879	4,917	5,106	5,190	5,292
Deposit volume (in US$ millions)	3,849	3,868	3,944	3,985	4,023	4,151	4,246	4,312
Asset growth (in gourde terms), y/y	4.2	-7.6	-7.5	-0.3	1.8	5.7	4.7	7.3
Credit growth (net, in gourde terms), y/y	-9.6	-22.4	-22.5	-18.8	-15.2	-6.8	-8.0	-6.6
Capital Adequacy								
Regulatory capital to risk-weighted assets	20.4	20.3	20.3	21.4	22.2	22.3	22.3	22.3
Regulatory capital to assets	7.0	7.0	7.0	7.4	7.4	7.7	7.6	7.3
Asset Quality and Composition								
Loans (net) to assets	21.3	20.0	19.1	18.3	17.7	17.7	16.8	16.0
NPLs to gross loans	8.5	8.8	12.8	12.0	10.4	10.4	13.7	14.2
Provisions to gross NPLs	79.4	84.7	59.5	66.1	82.8	81.5	65.2	66.0
Earnings and Profitability								
Cumulative since beginning of calendar year								
Return on assets (ROA)	1.4	1.5	1.1	0.8	1.6	1.2	1.4	1.5
Return on equity (ROE)	15.0	14.4	11.1	7.7	15.8	11.6	13.7	15.2
Net interest income to gross income	61.0	59.8	61.6	64.1	54.6	60.2	57.7	58.6
Operating expenses to net profits	65.0	65.2	70.9	74.0	67.6	73.4	70.3	66.4
Efficiency								
Interest rate spread 1/	12.9	11.4	10.5	10.7	10.7	10.0	9.3	9.4
Liquidity								
Liquid assets to total assets 2/	48.5	48.0	48.3	49.3	51.0	50.2	52.0	52.2
Liquid assets to deposits 2/	59.4	59.3	59.9	60.3	62.3	61.7	63.6	64.1
Dollarization								
Foreign currency loans to total loans (net)	54.1	53.5	56.5	58.1	60.2	61.1	61.2	61.1
Foreign currency deposits to total deposits	68.7	67.7	68.5	68.8	67.1	65.1	66.2	65.6
Foreign currency loans to foreign currency deposits	20.5	19.5	19.5	19.0	19.4	20.4	18.9	18.3

Sources: BRH Banking System Financial Summary and IMF staff calculations. These indicators reflect the aggregated results of the eight licensed banks in operation in Haiti; thus figures in this table may not exactly match the information in Table 4, which reflect the consolidated banking
1/ Defined as the difference between average lending rate and average fixed deposit rate in the banking system.
2/ Liquid assets comprise cash and central bank bonds.

Figure 3. Haiti: Real Sector Developments, 2019–25

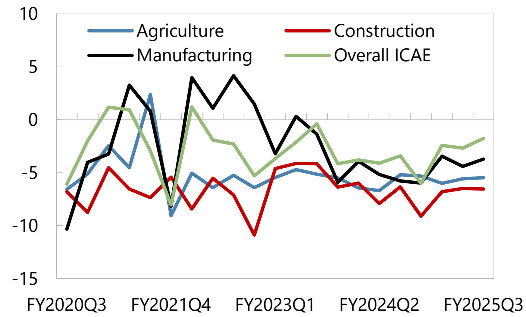
Economic activity continues to decline across all sectors,...

Economic Activity : Contribution to Growth
(In percent, year-on-year)



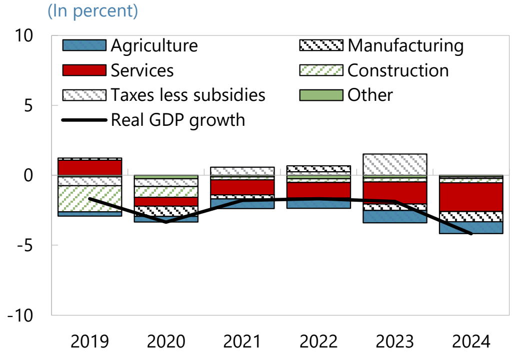
...including agriculture, construction, and manufacturing.

Conjunctural Indicator of Economic Activity
(In percent, year-on-year)



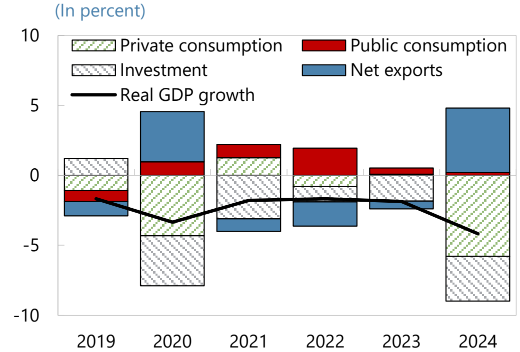
Real GDP has contracted continuously since 2019 ...[1]

Contribution to GDP Growth: Supply-side
(In percent)



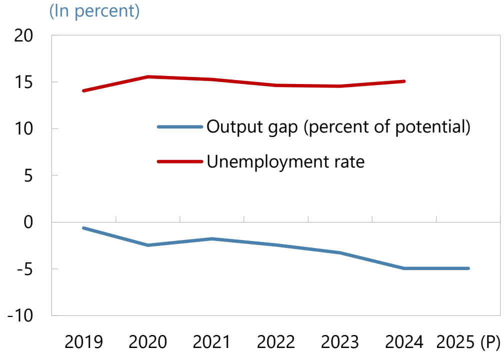
...mostly reflecting declines in consumption and investment.

Contribution to GDP Growth: Demand-side
(In percent)



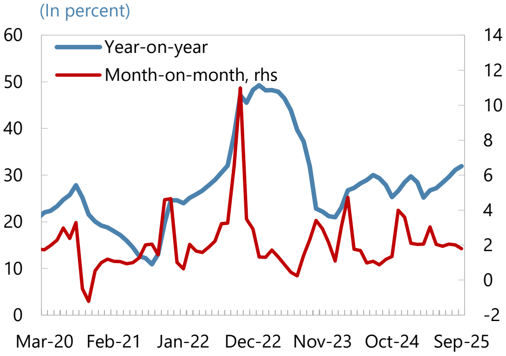
The output gap continues to widen.

Potential Growth and Unemployment
(In percent)



Inflation remains high and persistent.

Inflation
(In percent)

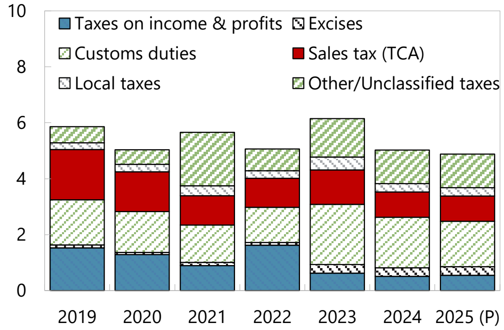


Sources: Haitian Institute of Statistics and Informatics (IHSI), Bank of the Republic of Haiti, World Development Indicators, and IMF staff calculations.
1/ On a fiscal year basis, running from October 1 to September 30.

Figure 4. Haiti: Fiscal Sector Developments, 2019–25

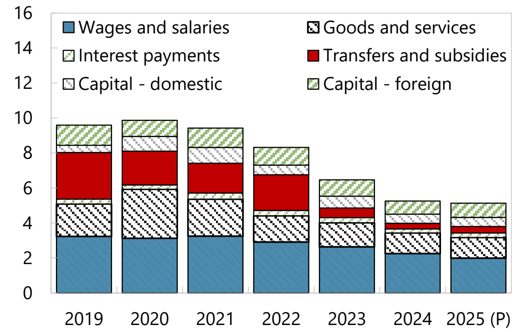
Tax revenues are extremely low.

Taxes
(In percent of GDP)



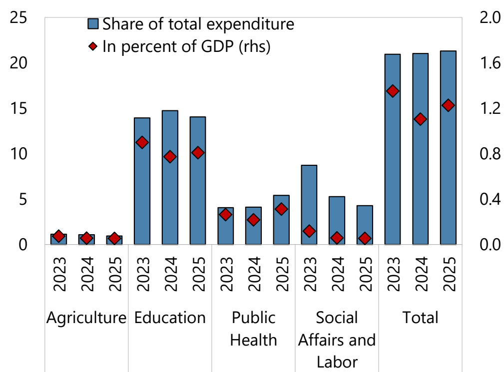
Spending has declined…

Total Expenditure
(In percent of GDP)



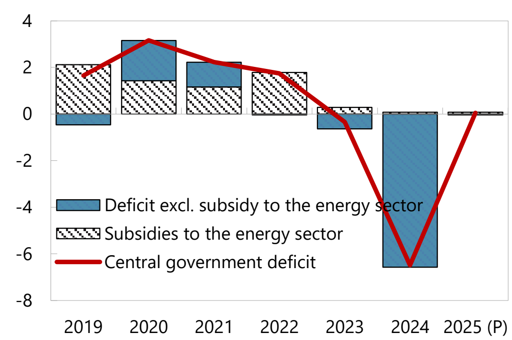
…including social spending.

Social Spending



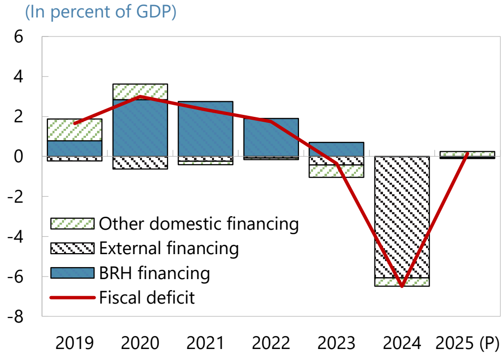
The fiscal position has strengthened following the 2023 fuel subsidy reform…

Central Government Deficit With and Without Energy Subsidies
(In percent of GDP)



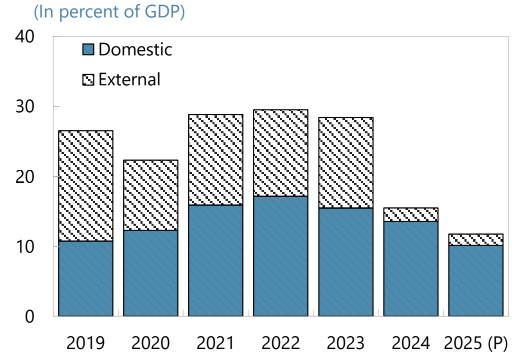
…and monetary financing of the fiscal deficit is zero.

Contribution to the Financing of the Fiscal Deficit
(In percent of GDP)



Government debt remains low after the sharp 2024 decline from Venezuela's debt restructuring.

Central Government Debt
(In percent of GDP)

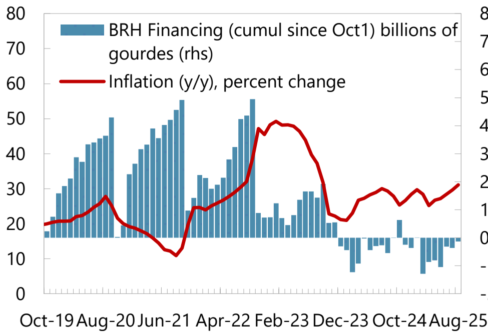


Sources: Ministry of Finance, Reserve Bank of Haiti, and IMF staff calculations.

Figure 5. Haiti: Monetary and Financial Sectors Developments, 2019–25

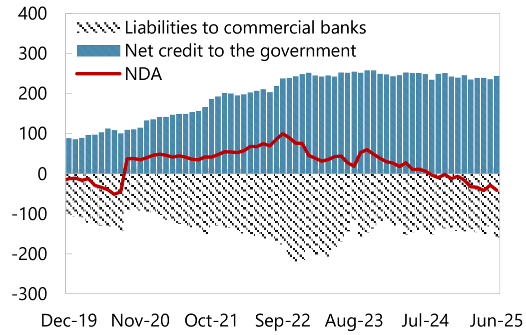
BRH financing of the fiscal deficit has been under control since FY2024…

Central Bank Financing to Government



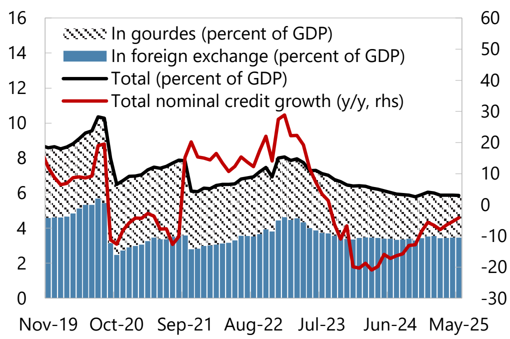
…with net domestic assets declining.

Central Bank Net Domestic Assets
(In billions of gourdes)



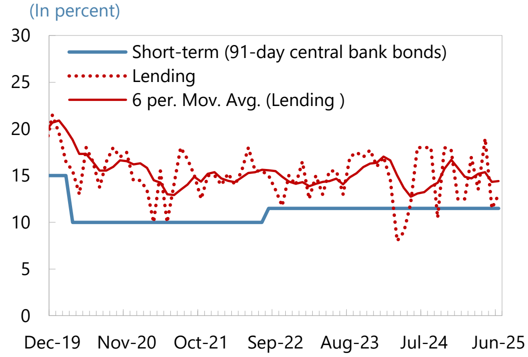
Private sector credit collapsed since late 2022, due to the deterioration of security conditions.

Private Sector Credit



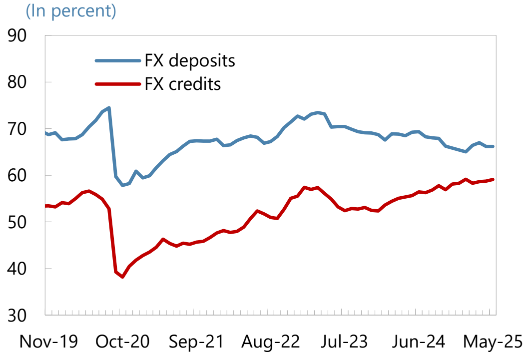
Market rates remain high and volatile.

Nominal Interest Rates
(In percent)



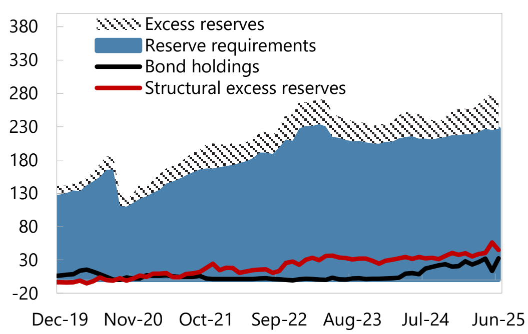
FX deposits have remained broadly stable, but loan dollarization is displaying a gradual increase.

Credit and Deposit Dollarization
(In percent)



Structural liquidity is rising in the banking system.[1]

Structural Liquidity Excess of Banking System
(In billions of gourdes)

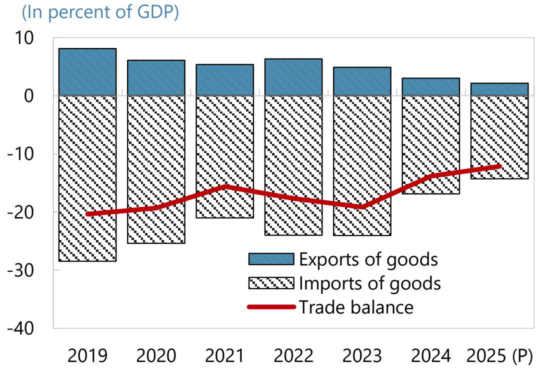


Sources: Bank of the Republic of Haiti and IMF staff calculations.
1/ Excess reserves are reserves above the regulatory minimum requirement ratios on deposits; structural excess reserves include excess reserves plus other commercial bank deposits at the BRH minus funds that banks obtain under BRH facilities.

Figure 6. Haiti: External Sector Developments, 2019–25

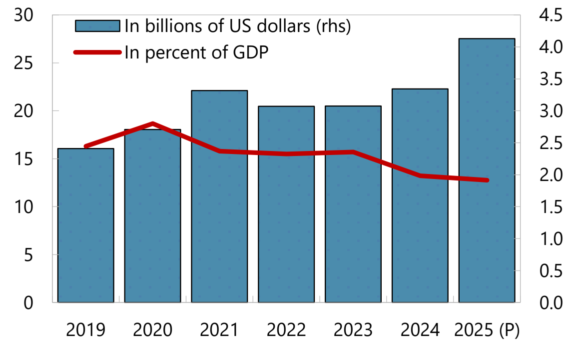
Import dynamics have reduced trade deficits.

Exports and Imports
(In percent of GDP)



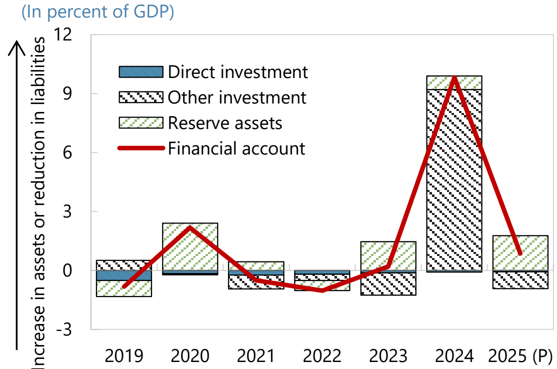
Remittances have reached historical highs.

Net Remittances



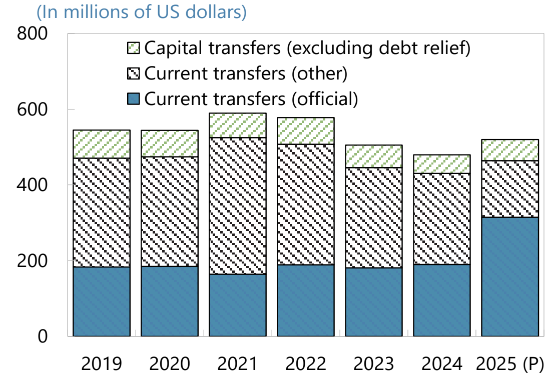
Foreign direct investment has declined in recent years...

Financial Account
(In percent of GDP)



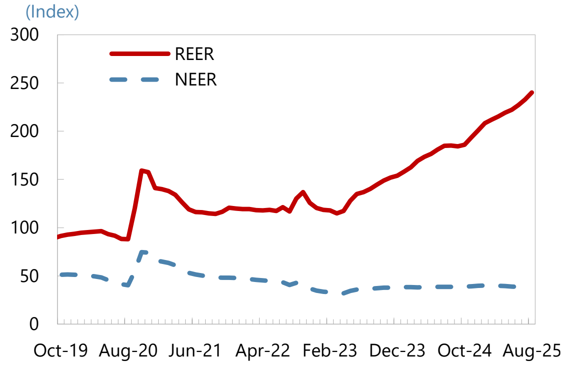
...as have donor flows.

External Support
(In millions of US dollars)



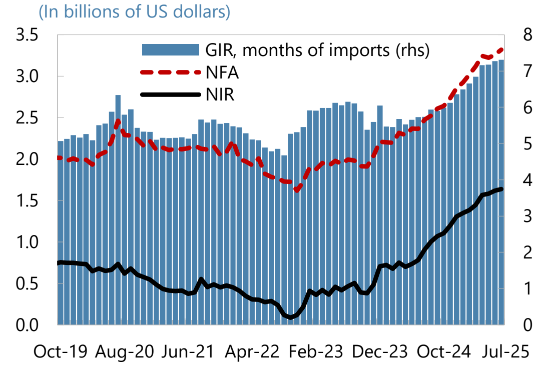
The REER has greatly appreciated during 2023-25...

Real and Nominal Effective Exchange Rates
(Index)



...and net international reserves reached about US$1.5 billion.

International Reserves
(In billions of US dollars)



Sources: Bank of the Republic of Haiti and IMF staff calculations.
Notes: REER=real effective exchange rate; NEER=nominal effective exchange rate; GIR=gross international reserves; NIR=net international reserves; NFA=net foreign assets.

Annex I. Spillover Impact to Haiti from External Policy Shifts

The US is Haiti's main trading partner and source of remittances, accounting for 85 percent of exports and over 2.2 billion in annual remittances since 2020. This annex estimates that US policy changes—including (i) tighter immigration measures, such as the suspension of the Temporary Protected Status (TPS) program; (ii) the one percent tax on cash remittances; and (iii) the expiration of HOPE-HELP trade preferences—will result in a reduction of foreign inflows to Haiti by up to USD 106 million in FY2026 (about 3 percent of projected gross international reserves), an impact that may be compounded by cuts in US foreign aid.

Deportations

1. **Staff's baseline scenario assumes a continuous decline in remittances of about USD 6 million per year (0.4 percent of current net international reserves) starting in FY2026, due to external policy shifts.**[1] This estimate assumes that an additional 3,000 Haitian nationals currently residing in the US would return to Haiti every year. Each removal is expected to lead to an annual loss in remittances of USD 2,000 per person.[2]

Cash Remittance Tax

2. **The new US one percent tax on cash remittances, introduced in July, could reduce formal inflows to Haiti by up to USD 40 million in FY2026 (1.3 percent of gross international reserves).**[3] The tax applies to transfers via cash, money orders, and cashier's checks. However, these estimates may be an upper bound, as some flows may shift to informal or non-cash channels. About 10 percent of remittances currently sent through commercial banks would remain unaffected.

3. **Combined remittances losses from US immigration and tax policies could undermine Haiti's international reserves accumulation.** While net international reserves (NIR) targets have been comfortably met, a sharp drop in remittances could create an urgent and immediate balance of payments need, either by reducing private consumption or compromising reserves. Sustained deportations could further strain macroeconomic stability through their additional impact on the associated fiscal spending required to provide appropriate safety nets.

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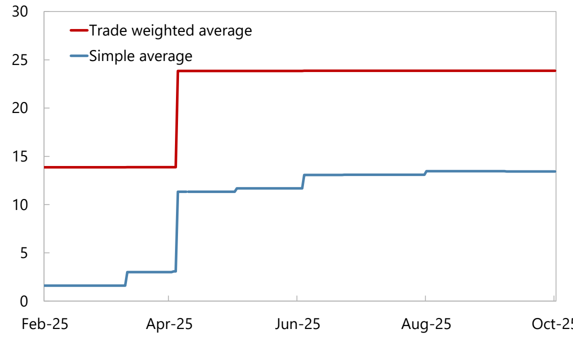
[1] Between 500,000 to 700,000 Haitians currently live in the Dominican Republic, but remittances represent a small share of the total remittances to Haiti (less than 3 percent). Deportations from the Dominican Republic reached 207,000 over 2025 resulting in an estimated loss of about one percent of total remittances to Haiti and a humanitarian fiscal cost of about 0.13 percent of GDP.

[2] Although average per capita remittances to Haiti from the US are about USD 2,700 per year, survey-based studies suggest that the average may be skewed by a small number of high-income earners, who may also be less likely to face removal from the US. See Simmons et al. (2005) in "Expert group meeting on international migration and development in Latin America and the Caribbean."

[3] Estimates based on the elasticity of remittances to transaction costs. See Ahmed et al. (2021), "*Sending Money Home: Transaction Cost and Remittances to Developing Countries*," The World Economy, Volume 44, Issue 8, January, pp. 2433-2459.

HOPE/HELP Acts Expiration

4. Haiti lost preferential access to the US market for its textile and apparel sectors in September. The HOPE and Help Acts, along with the *Earned Import Allowance Program*, provide preferential tariff arrangements, including duty-free access to eligible Haitian textile and apparel exports. While enacted in 2006 and expanded after the 2010 earthquake, these initiatives were not extended by US Congress in September 2025.



Sources: World Trade Organization.

5. Non-renewal of HOPE-HELP could reduce Haiti's exports. The US accounts for about 85 percent of Haiti's exports, nearly 90 percent of which are textiles and apparel.[4] Assuming a 13 percentage points tariff increase and a unitary import demand elasticity for textiles,[5] staff estimates a permanent USD 66 million export loss starting in FY2026.[6]

6. Expiration of HOPE-HELP could dampen investment and adversely affect limited formal employment. The impact on investment is hard to quantify given the prevailing security conditions. However, studies have shown that long-term commitments to these programs are critical for foreign direct investment, infrastructure, and training. With over 27,000 Haitians employed in the sector, a sharp drop in exports would further strain household incomes and economic activity.[7]

Foreign Aid

7. Reductions in foreign aid could add to Haiti's instability. In March 2025, US authorities announced the cancellation of several programs by the US Agency for International Development (USAID), reducing support by an estimated USD160 million for FY2024-FY2025.

[4] See Observatory of Economic Complexity (2024).

[5] Consistent with available research on import demand for manufactured goods in the US. See Ghodsi et al. (2016), "*Import Demand Elasticities Revisited*," Working Paper 132, The Vienna Institute for International Economic Studies.

[6] Bringing them in line with average current duties on US apparel imports (excluding China).

[7] United States International Trade Commission (2022), "*U.S.-Haiti Trade: Impact of U.S. Preference Programs on Haiti's Economy and Workers*." Publication Number: 5397, December.

Annex II. External Sector Assessment

Overall Assessment: *Haiti's external position in FY2024 was broadly in line with the level implied by fundamentals and desirable policies. Preliminary information on FY2025 suggests an improvement of the current account balance and continued real appreciation of the gourde, supported by strong remittances and subdued domestic demand. Large errors and omissions in the balance of payments constrain a more comprehensive external sector assessment.*

Potential Policy Responses: *Reforms and efforts to improve Haiti's security situation and business climate remain a priority to address vulnerabilities and strengthen Haiti's external position. Setting a robust FX intervention framework is increasingly important given the potential decline in remittances in FY2026. The exchange rate plays an important role as a nominal anchor for the economy, and FX interventions are warranted both to preserve stability and to accumulate reserves.*

Foreign Assets and Liabilities: Position and Trajectory

Background. The net international investment position (NIIP) improved markedly in FY2024 supported by a debt restructuring operation with Venezuela, entailing debt forgiveness for US$1.8 billion (7 percent of GDP). However, part of the improvement also reflects errors and omissions in the balance of payment (BOP) data (3 percent of GDP), suggesting that the current account balance may be higher than observed. Assets in the international investment position (IIP) remain largely composed of reserve assets and other investment (mostly banking sector). With the substantial reduction in external public debt in FY2024, IIP liabilities are now dominated by foreign direct investment. The improvement in NIIP over the last five years (11 percentage points of GDP, or US$2 billion) reflects mostly the financial account performance, particularly the one-off FY2024 outcome.

Assessment. In the near-term, NIIP creditor position is satisfactory, especially considering the fraught security and institutional situation. However, the looming external vulnerabilities may adversely affect the current account and weaken the NIIP over the medium term.

FY2024 (% GDP)	NIIP: 2.8	Gross Assets: 15.3	Debt Assets: 5.3	Gross Liabilities: 12.5	Debt Liabilities: 3.1

Current Account

Background. The actual current account deficit reached 0.6 percent of GDP in FY2024 (US$145 million). This is an improvement compared to the previous five years (average of minus 1.3 percent of GDP between FY2019-2023).

The structure of the current account remains stable. There is a large deficit in goods and services counterbalanced by sizable remittances and, to a smaller extent, foreign assistance. While exports are heavily concentrated in manufactures (mostly textile exports to the US), imports are distributed along a range of products (e.g., food, fuel, transport, manufactures). Security conditions, ailing infrastructure, and a difficult legal and regulatory environment take a continuous toll on the export sector, while imports remain supported by remittances.

In the period ahead, Haiti may see a temporary improvement in the current account balance on the back of exceptionally strong remittances in FY2025—possibly in anticipation of changes in the US migration policies. However, as Haitians start to leave the US, remittances could decline sharply, posing risks of import compression and exchange rate pressures. Compounding these issues, the expiration of trade preferences with the US (HOPE/HELP) may render part of the export sector unviable (see Annexes I and III).

Assessment. The EBA-lite (External Balance Assessment) current account (CA) model indicates that Haiti's FY2024 balance is broadly in line with medium-term fundamentals and desirable policies. The CA model identifies a gap of minus 0.9 percent of GDP between the cyclically adjusted current account deficit of 1.8 percent of GDP and a model-based current account deficit norm of 0.9 percent of GDP. Persisting data limitations cast significant uncertainty over this assessment, as errors and omissions in BOP data have remained elevated since FY2023 (FY2023: 3.4 percent of GDP, FY2024: 3.1 percent of GDP).

While a prudent fiscal stance would support the current account, the focus should be on addressing the countries' multidimensional crisis, prioritizing security, strengthening the business climate, investing in infrastructure, diversifying exports, and putting in place policies that address the country's urgent humanitarian and developing needs. If policy gaps had been comparable to the rest of the world, the current account deficit could have been 7.1 percent of GDP wider.

Haiti: Model Estimates for FY2024 (in percent of GDP)

	CA model 1/	**REER model** 1/
	(in percent of GDP)	
CA-Actual	**-0.6**	
Cyclical contributions (from model) (-)	0.6	
Natural disasters and conflicts (-)	0.6	
Adjusted CA	**-1.8**	
CA Norm (from model) 2/	**-0.9**	
Adjustments to the norm (+)	0.0	
Adjusted CA Norm	**-0.9**	
CA Gap	**-0.9**	**-5.0**
o/w Relative policy gap	7.1	
Elasticity	-0.1	
REER Gap (in percent)	**8.7**	**45.7**

1/ Based on the EBA-lite 3.0 methodology
2/ Cyclically adjusted, including multilateral consistency adjustments.

Real Exchange Rate

Background. Haiti's year-average real effective exchange rate (REER) appreciated 32 percent in FY2024, while the nominal effective exchange rate (NEER) appreciated 8 percent and the nominal exchange rate against the U.S. dollar appreciated by 6 percent (both in year-average basis). Preliminary data suggest that the REER appreciation has persisted in FY2025: 27 percent by August 2025 (year-average basis).

The year-average REER appreciated by 86 percent over the last five years (between FY2019 and FY2024), driven by persistently high domestic inflation mainly due to the supply-side shock caused by the security crisis and the recent stability in the nominal exchange rate.

Assessment. The EBA-lite CA and REER models suggest an overvaluation of the gourde in a range of about 9 to 46 percent in FY2024, comparable to the real appreciation over FY2023-2024. While the direction of the model-based assessment seems correct, the magnitude of overvaluation should be interpreted with caution given the security and structural factors affecting Haiti's international trade and the errors and omissions.

The real appreciation in FY2025 compounds the existing overvaluation, warranting a close monitoring of the REER—particularly if high domestic inflation continues despite anticipated shocks to remittances and exports materialize, or, in an upside scenario, if security improves and economic activity resumes.

Capital and Financial Accounts: Flows and Policy Measures

Background. The capital account is composed only of credit entries on project grants and debt relief. Their contribution has been around 0.3-0.5 percent of GDP in recent years, with a one-off increase in FY2024 of about 7 percent of GDP due to the debt relief by Venezuela.

The financial account comprises only foreign direct investment (FDI) and other investment. FDI has been subdued, with inflows (increase in liabilities) of 0.1 percent of GDP in FY2024, continuing the declining trend since FY2019. Other investment net inflows fluctuated around an average of 0.3 percent of GDP between FY2019-2023. In FY2024, other investment had a one-off net outflow of 9 percent of GDP due to the amortization of debt to Venezuela.

Assessment. Haiti's ongoing security volatility greatly impairs its investment climate. Improving the country's security situation while sustaining governance reforms would be the most effective way to attract FDI and loans to support productive investments.

FX Intervention and Reserves Level

Background. Haiti's gross international reserves (GIR) increased from US$2.35 billion at end-September 2023, to US$2.5 billion at end-September 2024 (about 10 percent of GDP or 6 months of next-year imports), and continued to increase in FY2025 to US$3.1 billion at end-July 2025.

Over the same period, net international reserves (NIR), in the 2024 SMP definition, increased from about US$250 million at end-September 2023 to about US$916 million at end-September 2024, and to about US$1.5 billion at end-July 2025. Key deductions from GIR to NIR included central bank FX-reserve-related liabilities to the banking sector (about US$1.4 billion) and liabilities to the IMF (about US$235 million). The deduction of provisioned resources to pay the debt to Venezuela was unwound with the conclusion of the debt operation in January 2024.

The central bank has intervened with net FX purchases of about US$470 million in FY2024 and about US$580 million in FY2025 (through September), although the intervention has not prevented the nominal appreciation of the gourde.

Haiti's de jure exchange rate regime is floating, but since January 2024 its de facto regime is a "stabilized" arrangement. The central bank tracks the developments in the exchange rate market given its high pass-through to domestic prices, implications for liquidity in the banking system, and impact on growth.

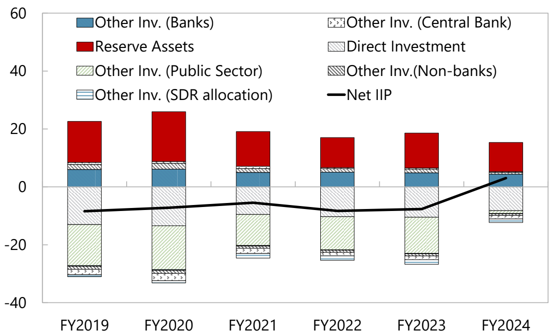
Assessment. GIR coverage is well above the three-month import coverage rule-of thumb and the reserve adequacy metric for credit-constrained economies (2.3 months of imports, based on data through FY2024). However, potential FX drains are high, posing external sustainability risks. FX sales should continue to be limited to mitigating excessive volatility.

Annex II. Figure 1. Haiti: External Sector Assessment

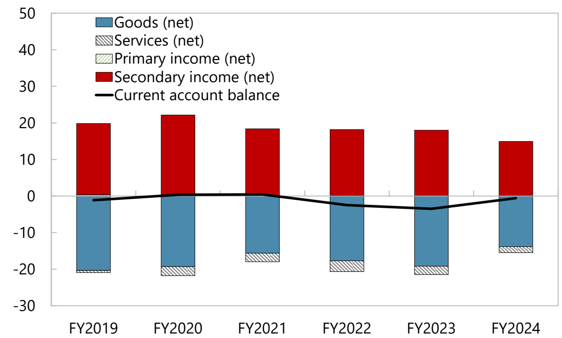
The net international investment position improved in 2024 with Venezuela's debt forgiveness...

...and the structure of current account remains stable.

International Investment Position
(In percent of GDP)



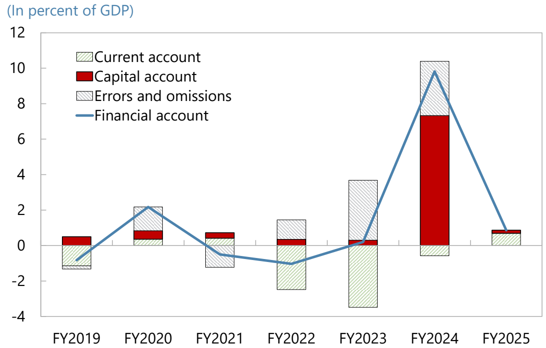
Current Account
(In percent of GDP)



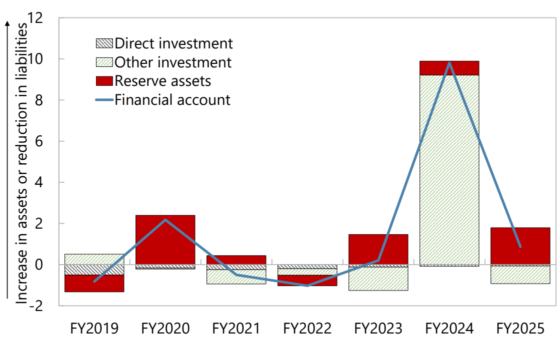
The capital account is in balance, after experiencing the 2024 one-off increase due to debt forgiveness...

...the financial account also saw one-off increase due to the net outflow generated by amortization of the debt.

Balance of Payments
(In percent of GDP)



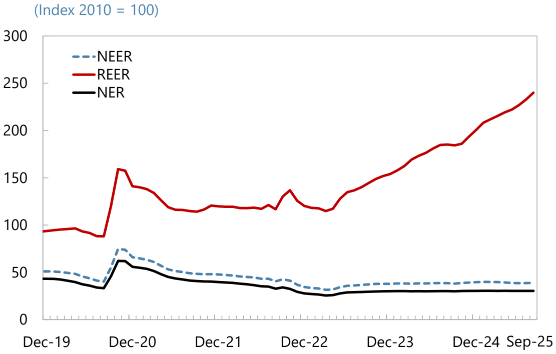
Financial Account
(In percent of GDP)



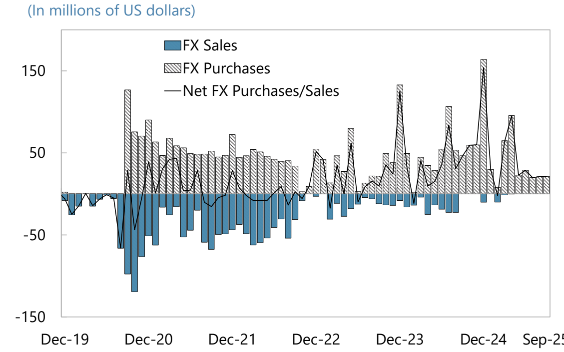
The real effective exchange rate has experienced sustained appreciation.

The BRH continues to intervene in the FX market to accumulate reserves.

Exchange Rates
(Index 2010 = 100)



Foreign Exchange Interventions
(In millions of US dollars)



Sources: Bank of the Republic of Haiti and IMF staff calculations.
Notes: REER=real effective exchange rate; NEER=nominal effective exchange rate; GIR=gross international reserves; NIR=net international reserves; IIP= International Investment Position; NER=nominal exchange rate (US dollar per gourde).

Annex III. Adverse Scenario and Sensitivity Analysis of Global Developments

Haiti's economy is highly vulnerable to external developments. Key external sources of risks for FY2026 include a sharp reduction in international financial aid, rising trade barriers with major trade partners, and intensified deportations of undocumented Haitian nationals (see Annex I). This annex discusses an adverse scenario assessing the potential economic impact of these risks.

Scenario Assumptions

1. The adverse scenario assumes the following external shocks relative to FY2026 baseline levels:

- A *10 percent drop in exports (*USD 67 million*)*, owing to rising trade tensions with Haiti's major trade partners.
- A *10 percent drop in remittances (*USD 393 million), caused by intensified deportations of undocumented Haitian immigrants.
- A *50 percent drop in official grants* (USD 109 million), due to a sharp reduction in international financial assistance from major donors.

Results

2. The adverse scenario leads to a balance of payments (BOP) need of USD 568 million (1.4 percent of GDP). The BOP needs stem from the difference between scenario-implied financing requirements and financing sources (Table 7). Financing requirements are impacted by the shocks to exports and remittances. It is assumed that the negative shock to remittances does not cause imports to fall below the FY2026 baseline.[1] Financing sources decline due to the negative shock to grants. The scenario allows for a drawdown of reserves up to a level that maintains projected NIR at 3 months of imports. Given that in the baseline, NIR are projected at about 4 months of imports, or about USD 1,700 million, this would imply a drawdown of up to USD 419 million, thus leaving a BOP gap of USD 149 million.

3. The scenario would exacerbate the economic and humanitarian crises. In this scenario, FY2026 real GDP growth would decline to -2.1 percent, one percentage point below the baseline projection, further constraining the fiscal response.[2] With exports, grants, and remittances falling by-

[1] Imports are expected to bottom out in the baseline, in response to the expected decline in remittances.

[2] The elasticity of GDP to remittances is derived using a two-stage approach. The first stage estimates the elasticity of consumption to remittances, and the second stage applies a chain-rule multiplier incorporating the elasticity of GDP to consumption. Staff assumes GDP–grant elasticity at 0.4, consistent with the lower bound of low-income countries' estimates in the literature (Raga, 2022).

1.4 percent of GDP relative to their baseline levels, the CA deficit would widen to 1.8 percent in FY2026 , that is, 1.4 percent below the baseline projection of 0.4 percent. While public debt, estimated at 11.7 percent of GDP at end-FY2025 is historically low, the scenario would significantly heighten liquidity and solvency risks—particularly considering the already narrow export and revenue bases under the baseline (see 2025 Debt Sustainability Analysis). This underscores the importance of strengthening revenue collection, preserving reserve buffers, and advancing the governance reform agenda to support a more favorable business environment.

Annex III. Table 1. Haiti: Illustrative Quantification of Downside Risks from Global Developments

		FY2025	FY2026	Notes
		Percentage decline relative to baseline		
1. Shocks relative to baseline				Percent declines relative to baseline.
Fall in Remittances		…	-10	Intensified deportations of undocumented Haitians
Decline in International Aids			- 50	Reduction in international financial assistance
Fall in Export			- 10	Rising trade barriers with trade partners
		In percent of GDP		
2. Combined impact on shocked variables:				**Breakdown**
a) Remittances	Baseline	12.8	9.7	
	+ shock		**-1.0**	
b) Grants	Baseline	0.9	0.5	
	+ shock		**-0.3**	
c) Exports of goods and services	Baseline	2.4	1.6	
	+ shock		**-0.2**	
3. Combined impact of shocks on:				
a) Real GDP Growth	Baseline	-3.1	-1.2	
	+ shock		**-0.9**	-0.5 remittances -0.2 grants -0.2 exports
b) Current Account 1/	Baseline	0.7	-0.4	
	+ shock		**-1.4**	-1.0 remittances -0.3 grants -0.2 exports
c) External Finance Needs	**+ shock**		**-1.4**	-1.0 remittances -0.3 grants -0.2 exports

Sources: Ministry of Finance and Economy and Fund staff estimates and projections.

1/ Staff estimates assume no impact on imports, as current import levels are already severely compressed.

Annex IV. Risk Assessment Matrix

Source and Relative Likelihood	Impact	Policy Response
Global Risks		
High **Commodity price volatility**. Shifts in supply and demand—driven by geopolitical tensions and conflicts, OPEC+ actions, or the green transition—may fuel commodity price swings, intensifying external and fiscal pressures, social unrest, and macroeconomic instability.	High **ST/MT** Persistent inflationary pressures. Eroding real incomes. Worsening fiscal and external balances.	Protect the vulnerable through targeted fiscal measures. Continue the fuel subsidy reform to ensure long-term fiscal sustainability.
Medium **Rising social discontent.** High living costs, weak growth, and inequality may fuel social unrest, hinder necessary reforms, and weaken countries' capacity to address domestic and external shocks.	High **ST/MT** Reversal of migration policies lower remittances, with adverse spillovers to the economy. Worsening fiscal and external balances.	Protect the vulnerable through targeted fiscal measures. Monitor financial risks closely and strengthen banking supervision.
High **Geopolitical Tensions**. Intensification of conflicts, coupled with the weakening of multilateralism, may trigger commodity price volatility, increase migration pressures, reignite inflation, and weigh on growth by undermining confidence, investment, tourism, trade, and supply chains.	High **ST/MT** Reversal of migration policies lower remittances, with adverse spillovers to the economy. Worsening fiscal and external balances. Reduced exports, FDI, and supply chain integration, especially in textiles/agriculture. Higher input costs and inflation, which worsens the cost-of-living crisis for households.	Work with banks and money transfer operators to keep remittance flows affordable and accessible, given their lifeline for household. Protect the vulnerable through targeted fiscal measures. Expand targeted cash transfers or food assistance to the most vulnerable, using existing delivery systems, to help households cope with rising prices and lost income. Monitor financial risks closely and strengthen banking supervision.
High **Decline in International Aid**. A further sharp reduction in international financial assistance, including development aid and humanitarian support, could severely affect low-income and fragile countries. Such an additional aid withdrawal would strain public finances, worsen current accounts, increase debt vulnerabilities, and lead to a further deterioration in living conditions and food security.	High **ST/MT** Persistence of security challenges, impediments to economic activity, and worsening of the humanitarian crisis. Increased pressure on fiscal resources.	Intensify outreach to donors. Increase international communication on financing needs.
High **Escalating Trade Measures and Prolonged Uncertainty.** Rising trade barriers and prolonged policy uncertainty could reduce trade, investment, and growth. Inflationary pressures may re-emerge—especially in countries imposing tariffs. These effects can be amplified by strategic complementarities or bottlenecks in global value chains or inventory overhang.	High **ST/MT** Reduced exports, FDI, and supply chain integration, especially in textiles/agriculture. Higher input costs and inflation, which worsens the cost-of-living crisis for households. U.S. dollar appreciation making imports more expensive and eroding purchasing power.	Engage actively with U.S. policymakers and industry stakeholders to restore HOPE/HELP access for textiles, which is vital for jobs and export earnings. Simplify customs procedures, reduce port delays, and provide basic support services for exporters to maintain competitiveness despite external shocks

Source and Relative Likelihood	Impact	Policy Response
High **Cyberthreats.** Cyberattacks on physical or digital infrastructure, technical failures, or misuse of AI technologies trigger financial and economic instability.	High **ST/MT** Loss of reserves and deposits held by the central bank, commercial banks, businesses, and households. Loss of critical data.	Establish clear protocols for cyber incident prevention, detection, and response, involving government, private sector, and international partners.
Medium **Climate change**. Extreme climate events and rising temperatures could cause loss of life, damage to infrastructure, food insecurity, supply disruptions, and heighten economic and financial instability.	High **MT/LT** Lower long-term growth and FDI inflows.	Seek donor financing to build ex-ante structural and financial resilience and enhance post-disaster response.
Low **New Trade Agreements.** A breakthrough in trade talks could reduce uncertainty and protectionism, boost investment and productivity, and support broader reforms to lift medium-term growth.	High **MT/LT** Sustains apparel exports and the sector's employment. Improves external stability by securing the FX inflow source.	Enhance international communication to increase the chance of restoring the HOPE/HELP agreement, and build reserves during export windfalls to reduce vulnerability to external shocks.
Domestic Risks		
High **Worsening security and political instability**. Interruptions or delays in the full deployment of the Gang Suppression Force Mission. Intensification of gang criminal activity. A delay in planned elections due to persistent security challenges.	High **ST/MT** Further displacements of people, restrictions to flow of people and supply chain disruption (including fuel shortages), lower FDI inflows and long-term growth.	Continue to coordinate closely with development partners and intensify requests for international support to enhance security. Prioritize government spending, ensure sound financial institutions, strengthen governance, including AML/CFT publishing timely and accurate data to reassure markets and donors.
High **Natural disasters**. Hurricanes, heavy rains, earthquakes, and droughts.	High **ST/MT** Disruption in economic activity, lower FDI inflows and long-term growth. Adds fiscal pressure on fiscal spending.	Put in place contingency plans (e.g., insurance through CCRIF). Seek donor financing to build structural resilience and enhance post-disaster response.
High **Infectious diseases**. Depleted sanitation and health infrastructure leads to outbreaks of communicable diseases (e.g., cholera, tuberculosis).	High **ST/MT** Disruption of economic activities and lower long-term growth. Increased pressure on public health system and fiscal spending.	Increase health spending targeted at infectious diseases. Seek international donor support for building resilience and addressing emergencies.
High **Service/infrastructure collapse** Widespread closure or destruction of critical public infrastructure—including hospitals, clinics, schools, banks, and water and sanitation systems.	High **ST/MT** Intensified humanitarian needs, disease outbreaks, and deepened food insecurity, displacement, and social instability.	Prioritize protection and rapid repair of critical health, water, and education infrastructure, especially in high-risk and accessible areas. Seek urgent donor funding and technical support for emergency repairs and basic service delivery.

Annex V. Boosting Revenues

Boosting revenues to support the country's development needs and enhancing well-targeted spending is a priority. This annex summarizes recommendations from the IMF's 2023 TA mission on tax administration that could support this goal. The measures identified aimed to support the implementation of the new tax code (Decree of the new tax code) and strengthen customs valuation. Their implementation should prioritize high-impact short-term measures such as conducting risk assessments of large taxpayers, and interconnecting tax and customs systems.[1] The effectiveness of the measures depends on improving security conditions, effective implementation of the new tax code, and continued progress on fiscal reforms.

1. Revenue Enhancement

- *Clearing of tax arrears* (★). Identify, classify, and recover old tax debts stored in the legacy Tax Solution system before migrating to the Revenue Management System (RMS).
- *Risk assessment of large taxpayers* (★). Conduct a risk-based compliance assessment of large taxpayers to develop targeted audit and enforcement strategies.
- *Prioritization of high-impact objectives*. Focus administrative resources on reforms and actions that yield the most immediate and significant revenue gains.

2. Digitalization of the Tax and Customs Administration

- *Rollout of RMS* (★). Complete the deployment of the RMS to all 27 remaining tax offices.
- *IT system interconnection between tax and customs* (★). Establish automatic data exchange between DGI's RMS and Customs' SYDONIA system.
- *Digitalization of customs clearance procedures* (★). Implement fully paperless customs clearance at all major customs offices.
- *Implementation of e-filing and e-payment*. Develop and launch secure digital platforms for taxpayers to file returns and pay taxes online or via mobile.

3. Taxpayers Compliance

- *Publication of updated taxpayer registry* (★). Clean the taxpayer database and publish a list of active and inactive taxpayers to enhance transparency and accountability.
- *Monthly meetings with professional associations*. Launch regular dialogue between the tax authority (DGI) and business associations to support the rollout of the new tax code.

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[1] Policy measures marked with a ★ were suggested to be prioritized.

- *Awareness campaign around the new tax code*. Design and implement outreach activities to educate the public on the new tax code before its entry into force.

4. Organizational Reform and Capacity Building

- *Adoption of the tax authority's new legal framework*. Finalize and approve the new organic decree that legally defines DGI's updated organizational structure.

- *Development of an organizational manual*. Draft and adopt a manual detailing the roles, responsibilities, and procedures of both central and regional tax offices.

- *Activation of a tax collection network with public accountants*. Establish a formal operational framework linking DGI, the Treasury, and the BRH.

- *Strengthening of internal audit and ethics functions*. Reinforce internal audit and inspection units within the tax authority to ensure accountability and fight corruption.

Appendix I. Letter of Intent

Port-au-Prince, Haïti
November 13, 2025

Kristalina Georgieva
Managing Director
International Monetary Fund
Washington, D.C. 20431

Madam Managing Director:

1. The government reaffirms its strong commitment to the Staff Monitored Program (SMP) approved in December 2024. The SMP has been a critical anchor for our macroeconomic policies and reform agenda. Its objectives—strengthening macroeconomic stability, improving governance, and protecting social spending—remain at the core of our national economic strategy. While the worsening security situation and challenging global landscape have intensified Haiti's economic, social, and humanitarian difficulties, as well as deepened the economy's longstanding structural weaknesses, the Government of Haiti remains firmly committed to implementing sound, credible, and sustainable policies. Our focus remains on strengthening governance, protecting the most vulnerable, and advancing reforms to support economic recovery and long-term development for the benefit of all Haitians.

2. The continued support and cooperation of the International Monetary Fund (IMF) has been critical in implementing the country's economic strategy and reform agenda. The SDR 81.9 million (50 percent of Haiti's quota at the IMF) provided under the Food Shock Window (FSW) of the Rapid Credit Facility (RCF) in January 2023 has been critical in addressing urgent balance-of-payments needs and fighting food insecurity in the country. Technical assistance and capacity development from the IMF have played a vital role. Together with the SMP, these efforts have generated important synergies, highlighting the value of the new IMF Strategy for Fragile and Conflict-Affected States, which promotes a more tailored approach to capacity development in Haiti.

3. Macroeconomic prospects are becoming more challenging relative to the outlook when the First Review of the SMP was approved in May 2025. Economic growth for fiscal year 2024-25 is now projected to be negative for the seventh consecutive year, due primarily to worsening security conditions. These developments have exacerbated the humanitarian crisis, disrupted trade and investment, paralyzed tourism, and caused delays in budget execution. Remittances and exports—important sources of foreign exchange liquidity and jobs—are at risk of declining amid an uncertain global geopolitical environment, which could further strain the external and fiscal positions of the country and slow the pace of reform implementation.

4. The government has made significant progress on the SMP since the First Review, despite persistent ongoing domestic and external challenges. In line with the program's overarching objectives, macroeconomic stability has remained a central focus. At end June, all quantitative and indicative targets were met. Net international reserve accumulation exceeded the target by a large margin, the Treasury received no monetary financing from the central bank, social spending remained well above the program's goals, and revenue collection stayed on track. Reflecting sustained efforts, all September 2025 all indicative targets are expected to be met, except for revenue collection, which fell short by a small margin due to the difficult domestic security, economic, and institutional environment. Despite this, the Government remains committed to strengthening revenue mobilization and addressing underlying constraints.

5. Reform momentum has been sustained, as reflected in the progress made on structural benchmarks (SB). Governance in public financial management has improved through greater transparency of public spending—particularly in relation to the IMF Food Shock Window resources (**SB3** and **6**). Efforts to strengthen revenue mobilization are also underway, notably through the signing of a protocol between the Directorate General of Taxes and the General Administration of Customs to interconnect their Information Technology systems. This initiative enables real-time exchange of data, enhances enforcement, and reduces tax evasion (**SB7**). However, the full implementation of other structural benchmarks (**SBs 2, 4, 5, 8,** and **9**) has experienced delays. These are largely due to capacity constraints, the complex coordination required across institutions, and disruptions caused by the security environment. Moreover, following the publication of the Governance Diagnostic Report (**SB1**) that was published earlier this year, we are now following up on implementing its recommendations. Despite these challenges, the Government remains committed to advancing and completing the reform agenda.

6. The Bank of the Republic of Haiti (BRH) is actively pursuing reforms aimed at strengthening its governance, notably through safeguard measures. The BRH has reformed its reserve management framework to incorporate sound governance arrangements and principles of safety and liquidity (**SB10**). Despite some delays relative to the end-August 2025 test date, the BRH has finalized the audit report and financial statements for fiscal year 2023 (**SB9**). Moreover, the BRH has continued to strengthen the quality and timeliness of its reporting, as evidenced by the consistent monthly submission of its full balance sheet data to IMF staff on a timely monthly basis, in line with internationally accepted standardized reporting (**SB11**).

7. Given the deteriorating security and political instability, the government is requesting a nine-month extension of the SMP through September 19, 2026. While the United Nations (UN) Security Council's authorization to transition the *Multinational Security Support* mission in Haiti to a *Gang Suppression Force* and establish a new UN Support Office in Haiti marks a decisive turning point, tangible improvements in security will need some time to materialize. The mandate of the Transitional Presidential Council is set to expire on February 7, 2026, as planned in the April 3, 2024 agreement, while negotiations are underway with stakeholders to agree on an electoral timeline. The requested extension would help the government navigate these uncertainties and maintain state continuity. It would also support the consolidation of recent progress, the completion of outstanding reforms, and the strengthening of Haiti's track record of policy implementation. In particular, the extension would lock in recent institutional progress, advance governance and social protection efforts, and provide a solid foundation for the prudent and efficient execution of the fiscal year 2026 budget. It would further reaffirm the government's commitment to mobilizing domestic revenues, prioritizing the timely execution of essential investment and social spending, and reinforcing efforts to build a track record for a potential Upper Credit Tranche arrangement with the IMF.

8. The attached *Memorandum of Economic and Financial Policies* (MEFP) provides updated quantitative targets (QTs), indicative targets (Its), and structural benchmarks (SBs) for the extension of the SMP. It also describes recent developments and sets out the objectives and policies of the program. In line with IMF practice, any revisions to these policies will be consulted in advance with IMF staff, who will also be promptly informed of any events or developments that may affect program implementation, to jointly assess appropriate responses. Data and information necessary for IMF staff to monitor implementation of the policies set out in the program will be provided in a timely manner, in accordance with the attached *Technical Memorandum of Understanding* (TMU) or upon request. The government also provides consent to the IMF to publish the SMP staff report, this Letter of Intent, and its attachments.

9. In the name of the Government of Haiti, please accept, Madam Managing Director, the expression of our highest consideration.

___/s/___	___/s/___
Alfred Fils Métellus	Ronald Gabriel
Minister of Economy and Finance	Governor of the Bank of the Republic of Haiti

Attachment I. Memorandum of Economic and Financial Policies

1. This Memorandum of Economic and Financial Policies (MEFP) complements and updates the macroeconomic framework signed on April 15, 2025, and incorporates proposed adjustments to reflect the new timeline of the SMP through September 19, 2026. It outlines recent macroeconomic developments and the medium-term outlook, takes stock of the implementation of our program, and sets out the priorities and objectives of the economic policies and structural reforms that the government will put in place. The MEFP reflects views shared by the authorities of the government and IMF staff on the best ways to:

- Further strengthen economic resilience, governance, accountability, and social protection;
- Enhance economic stability and lay the groundwork for inclusive and sustainable economic growth;
- Reduce poverty and improve living conditions for all Haitian citizens.

2. Macroeconomic performance remains under significant pressure, as security conditions in Haiti continue to weigh heavily on the economy. In fiscal year (FY) 2024-25, real GDP growth was negative for the seventh consecutive year, and inflation remained elevated, largely reflecting ongoing security challenges. The FY2024-25 nonfinancial public sector (NFPS) budget was close to balance, but the challenging environment continues to constrain budget execution, including spending under the FSW—of which 91 percent of the total has been spent. Domestic revenues are expected at 4.7 percent of GDP in FY2024-25, down from 5.3 percent in FY2023-24, reflecting a sharp decline in tax collection. A strict ceiling of zero monetary financing for public spending has been maintained throughout the fiscal year, serving as a key anchor of our macroeconomic program. The current account for FY2024-25 is projected to be nearly balanced, reflecting higher remittances amid weaker net exports. Gross international reserves (GIR) reached US$3.1 billion at end July 2025 (about 7 months of imports) up from US$2.5 billion in September 2024. The banking sector remains fragile, with rising nonperforming loans, although the system's capital adequacy ratio remains above the regulatory minimum.

3. The macroeconomic outlook remains highly uncertain and subject to significant risks. Real GDP is expected to improve only gradually over the medium term, conditional on sustained improvements in security and political stability. Inflation is anticipated to remain elevated in the short to medium term but is expected to moderate as supply-side pressures ease. Fiscal space will remain constrained by weak revenue mobilization and ongoing challenges in budget execution, while social and infrastructure spending needs are expected to rise to address the country's considerable humanitarian and development needs. The external position is likely to be affected by changes in global migration and trade policies, with remittances and exports facing downward pressure. Despite these headwinds, continued implementation of sound macroeconomic policies—including maintaining zero monetary financing, safeguarding international reserves, and advancing governance and structural reforms—will be critical to support stability and lay the groundwork for inclusive and sustainable growth. Domestic and external risks—including changes in migration and trade policies in a number of countries, particularly in the United States and the Dominican Republic—continue to pose challenges for the outlook.

A. Results Achieved Under the Staff Monitored Program

4. The Staff Monitored Program (SMP) performance since the First Review has been steady despite the very challenging domestic environment. All quantitative and indicative targets for end June 2025 have been met (assessment of end-September targets is pending until data becomes available for this period), and six out of the eleven structural benchmarks were met (Appendix Tables 1 and 2):

- **Quantitative and indicative targets.** The quantitative targets (QTs) on net international reserve accumulation were met by a large margin. The ceiling of the net central bank credit to the NFPS, the target for the primary balance of the NFPS, the budget allocations for social expenditures, and the central government revenue target were all met. Two continuous QTs, namely on non-accumulation of domestic and external arrears, and no contracting or guaranteeing by the public sector of non-concessional external debt, were also met.

- **Structural benchmarks (SB).** Progress has continued on governance, transparency and data provision, with six of the eleven SBs met.

  - The *Governance Diagnostic Report* was published as scheduled last February (**SB1**, met).

  - Procurement contracts continue to be published on the websites of the *National Commission for Public Procurement* (CNMP) and the *Ministry of Economy and Finance* (MEF) (**SB2**, not met). Contract information has been made public, reflecting the government's ongoing commitment to transparency and open government procurement. However, the publication of contract information has faced delays. The government remains committed to making this information available as soon as possible, and to continuing making it available on time.

  - Food Shock Window (FSW) monthly execution reports (**SB3**, met) are regularly prepared and published on the websites of the *MEF* and the *General Directorate of the Budget* (DGB). The quarterly internal expenditure audit was regularly published, but the September SB was delivered with a two week delay due to challenges faced by some institutions in completing the required reporting on time (**SB4**, not met). Quarterly reports on the operations and financial status of the *Economic and Social Assistance Fund* (FAES) (**SB6**, met) are also being made publicly available at the MEF's website, and the government is committed to continuing their timely publication. The CSCCA has conducted and published the financial and operational compliance audit of FSW spending for FY2022-23, and is in the process of finalizing it for FY2023-24. Although the March 2025 target for this audit was missed, publication on the website of the Superior Court of Auditors and Administrative Disputes (CSCCA), MEF, and the DGB is expected without further delays. In line with the goal of improving accountability and transparency of public spending and to reflect the new timeline of the SMP, this SB is proposed to be modified to include the commitment to publish the audit report for FY2024-25 by end-March 2026 (**SB5**, not met, proposed to be modified).

- The administrative and technical cooperation protocol between the *Directorate of General Taxes* (DGI) and *General Administration of Customs* (AGD) for the interconnection of their IT systems was signed and published in June (**SB7**, met). The digitalization of tax declaration and payments through all commercial banks for the large taxpayers registered at the DGI is ongoing and remains to be completed due to technical challenges. For these reasons, the SB is proposed to be rescheduled and expected to be completed by end March 2026 (**SB8**, not met, proposed to be rescheduled).

- The Board of Directors of the *Bank of the Republic of Haiti* (BRH) has approved a new strategic asset allocation and updated investment policy and guidelines (**SB10**, met). Provision of the full balance sheet of the central bank to IMF staff using the standardized reporting form (**SB11**, met) has been done on schedule, and will continue to be met. The BRH audit report and audited financial statements for FY2023 were finalized and published in October (**SB9**, not met).

B. Fiscal Policy

5. Consistent with the SMP, the FY2025-26 budget is firmly anchored in its core objectives—maintaining zero monetary financing of the deficit (**QT**), strengthening domestic revenue mobilization (**QT**), improving the efficiency and timeliness of public investment execution, and safeguarding critical social spending (**QT**). To reverse the recent decline of the domestic revenue-to-GDP ratio, the FY2026 budget targets a domestic revenue of about 250.4 billion gourdes (4.7 percent of GDP), supported by active implementation of high-impact short-term measures—including the capacity to conduct risk assessments of large taxpayers. Public expenditures are set at about 328.5 billion gourdes (6.2 percent of GDP), with protected allocations for security, targeted support for vulnerable people, and priority capital investment projects. In particular, capital expenditures are set at about 115.0 billion gourdes (2.2 percent of GDP), and efforts will focus on improving the execution rate, which amounted to only 37.5 percent in FY2025. On this basis, the overall fiscal balance in FY2026 is projected at -0.3 percent of GDP. In line with the SMP's QTs and ITs, the government will continue to keep domestic and external arrears at zero (**QT**), while avoiding any contracting or guaranteeing of new non-concessional external debt (**QT**).

6. Strengthening domestic revenue mobilization remains a priority. The government is committed to delivering the QTs and ITs for central government fiscal revenues and for the primary balance of the NFPS. Moreover, the government remains committed to making effective the new tax code by October 2026. In addition, supported by IMF technical assistance, efforts are underway to harness the potential of digitalization. To this end, the DGI and the AGD have signed and published an administrative and technical cooperation protocol for the interconnection of their information and technology (IT) systems (**SB7**, June 2025). The digitalization of tax declarations and payments through all commercial banks for all large taxpayers was missed due to technical challenges. Nonetheless, in line with the government commitment to finalizing this process this SB is proposed to be rescheduled for completion by end March (**SB8**, September 2025, proposed to be rescheduled for end March 2026). In addition, the government will complement these initiatives by implementing new measures, with the support of IMF technical assistance (TA) where needed, including:

- Interconnect the Tax Administration System and the customs automation system (SYDONIA), and publishing on the MEF website a joint communiqué by DGI and AGD, announcing: i) confirmation of the interconnection's operationalization; ii) commitment to producing a report by end December 2026 with an analysis of matched declarations and discrepancies over the July-September 2026 period, as well as corrective actions; iii) commitment to producing a short and aggregated analysis of the report in (ii), to be published on the MEF's website by end December 2026 (proposed **new SB12**, end March 2026).

- Operationalizing during the first half of FY2025-26 the AGD reform for strengthening governance and integrity, investing in human capital, enhancing revenue mobilization and controls, upgrading technology, reinforcing border security and coordination, engaging stakeholders.

7. The government will prioritize the execution of the budget. In FY2024-25, budget execution was hampered by capacity constraints, procurement bottlenecks, and security challenges, which limited the implementation of capital projects and social transfers. Looking ahead, the government expects stronger spending capacity in FY2025-26 as security conditions gradually improve and administrative reforms advance. To support this, the government will strengthen project appraisal, selection, and multi-year programming, in line with the 2022 IMF Public Investment Management Assessment recommendations and with technical assistance support from the IMF (**TA**). This will ensure more effective and efficient execution of public investment. In addition, the government will introduce budget execution reforms to curb large end-of-year transfers to ministries, expand the use of executing agencies to accelerate capital spending, and streamline procurement procedures in the security and defense sectors. Integration into the Treasury Single Account (TSA) will proceed through the closure of provincial accounts and the piloting of donor-financed project accounts. With the support of IMF technical assistance, these measures will strengthen cash management, reduce fragmentation, and enhance fiscal transparency (**TA**).

8. Expanding and strengthening social safety nets to alleviate widespread poverty is a central component of the fiscal and social policy agenda. The government remains strongly committed to meeting the QTs and ITs for social expenditure allocations in the budget. Work is underway to expand the coverage of the social information system of the Ministry of Social Affairs and Labor (SIMAST), which currently reaches more than a third of the population. Vulnerability assessments are underway to enhance targeting of beneficiaries. At the same time, cash transfers, food rations, and school feeding programs are being scaled up, hot meals are provided through community restaurants, and steps are underway to eliminate selected school fees. The unexecuted balance of about 1.45 billion gourdes under the IMF Food Shock Window (FSW) in FY2024-25 will be fully executed in FY2025-26 through accelerated implementation, with a focus on supporting food assistance for vulnerable groups. The execution and targeting of social expenditure by the Ministry of Social Affairs and Labor (MAST), and the Ministries of Education, Health, and Agriculture will continue to be closely monitored (**QT**).

9. The government remains committed to advancing fuel subsidy reform to bolster fiscal sustainability and enhance efficient resource allocation. Due to the potential social repercussions, a gradual rollout of the reform is being envisaged. Following the revision of the retail price-setting mechanism, the next steps include the introduction of a simple mechanism to adjust and smooth prices in response to changes in international oil prices and the exchange rate. The reform also involves establishing a regulatory framework for the petroleum products sector and strengthening the relevant regulatory institutions. A targeted communication strategy will accompany implementation of the reform to support public understanding and acceptance.

10. The Government will step up its efforts to reinforce its capacity to respond to natural disasters. Reforms to the emergency fund (Fonds d'Urgence) will be pursued to improve allocation procedures, monitoring, and execution, ensuring transparency and timely response. In parallel, the government will take steps to ensure the adequate insurance coverage under the Caribbean Catastrophe Risk Insurance Facility (CCRIF). To this end, options are being explored to secure timely and sustainable premium payments, building on past support from partners such as the Caribbean Development Bank (CDB). The objective is to institutionalize these payments and ensure more durable protection against natural disasters.

C. Monetary, Exchange Rate, and Financial Policies

11. Monetary policy will continue to focus on containing inflation, while preserving financial stability. Inflation is projected to gradually decline to 24.1 percent in FY2025-26, assuming a gradual improvement in the security environment. The BRH is strengthening the monetary policy framework, anchored on the program's zero monetary financing to the government. This approach has eased constraints on liquidity management and strengthened the credibility of the central bank. Going forward, the BRH will continue to keep net central bank credit to the NFPS within the QTs and ITs of the SMP. The BRH is also working closely with the IMF to compile the reserve template, which will be published on a monthly basis. Finally, efforts to develop the domestic securities markets will continue.

12. The BRH will continue to accumulate international reserves. The country's external position has benefited from a sharp rise in remittances, which has offset a pickup in imports amid falling exports. This has facilitated the BRH's net purchases of foreign exchange of USD 573 million between end September 2024 and September 25, 2025. As a result, GIR reached a record level of USD 3.1 billion, and net international reserves (NIR) as defined in the program's Technical Memorandum of Understanding (TMU) (Attachment II) have amply exceeded the program's target (**QT**). The BRH remains committed to meeting the QTs and ITs on NIR.

13. The central bank's foreign exchange (FX) interventions will continue to pursue a reserve accumulation and exchange rate stability policy. The BRH remains firmly committed to meeting or exceeding the program's floor on net international reserves set (**QT**). FX interventions will be conducted to support exchange rate stability, provided reserve buffers remain comfortably above program targets. The BRH will also explore steps to improve the FX allocation mechanism system, aiming at enhancing the transparency and efficiency in the market. The BRH has advanced work on the revision of the net open position limits for commercial banks, but its implementation remains contingent on the stabilization of the macroeconomic environment.

14. The government will refrain from imposing or intensifying restrictions on current international transactions, and from introducing or modifying multiple currency practices. No payments or currency practices inconsistent with Article VIII of the IMF's Articles of Agreement will be undertaken without prior approval from the IMF.

15. Reforms to strengthen banking supervision are ongoing. The BRH is enhancing its systemic risk prevention capabilities, having adopted new regulations on credit risk concentration and preparing a revised regulation on credit risk classification and provisioning, which is expected to be finalized by the end of this calendar year. With support from the IMF, the BRH is implementing a risk-based banking supervision framework, including the integration of new risk assessment tools and procedures. These efforts will help ensure supervisory practices remain robust and responsive to evolving risks in the financial sector.

16. The legal framework for Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) continues to be strengthened. With support from the World Bank, the authorities expect to complete a national risk assessment (NRA) for money laundering and terrorist financing (ML/TF) by the end of the 2025 calendar year. The NRA will help understand the ML/FT risks facing the country, taking into account the most prevalent money laundering topologies and the various threats and drivers of vulnerabilities of the national AML/CFT framework. It will also inform measures to strengthen the AML frameworks and develop more effective strategies and policies based on the findings of the assessment. The National Committee for the Fight against Money Laundering (CNLBA) is considering assigning UCREF with responsibility for the supervision of designated non-financial businesses and professions (DNFBPs). The government will ensure that appropriate resources are allocated to UCREF to fulfill this function, without impacting other core responsibilities. The UCREF board is expected to be appointed in 2026.

D. Governance, Transparency, and Accountability

17. The government is taking steps to follow up and implement the recommendations of the *Governance Diagnostic Report* (GDR). The authorities are committed to strengthening the Anti-Corruption task force which will enable the operationalization of the Anti-Corruption pole, a more robust platform to prosecute and investigate the most significant corruption, organized crime, and money laundering cases. Judicial appointments are underway and an ad-hoc mechanism has been put in place to coordinate efforts between the General Inspectorate of Finance (IGF), the Anti-

Corruption Unit (ULCC), the Central Financial Intelligence Unit (UCREF), the National Commission for Public Procurement (CNMP), and the border police, following the December 2024 protocol. The IGF is developing a triennial action plan for the task force, including awareness campaigns, joint missions, and capacity-building programs, with a calendar expected by end November 2025. Separately, the ULCC is spearheading a new ten-year strategy which will be supported by a draft law on whistleblower and witness protection.

18. In 2024, the IMF conducted a targeted safeguards monitoring mission to support the BRH which complemented the 2019 Safeguard Assessment.[1] Measures to enhance transparency are underway. Following the BRH's external audit report and audited financial statements for FY2023, the BRH proposes a new SB consisting of publishing the corresponding audit for FY2023-24 by end-June 2026 (proposed **new SB14**, end June 2026). Moreover, to enhance and strengthen safeguards, the BRH proposes a new SB consisting of adopting a framework and governance structure to strengthen its bank-wide IT security and business continuity arrangements (proposed **new SB13**, end June 2026). In line with the recommendations from the *2024 Safeguards Monitoring Report*, the BRH continues to strengthen monetary data provision, including the transition to International Financial Reporting Standards. The BRH also remains committed to developing a medium-term plan to phase out the involvement of the BRH in development finance activities.

19. Progress to enhance data provision continues. The BRH has consistently met the requirement to deliver the full balance sheet of the central bank to IMF staff in the internationally accepted standardized reporting form (SRF-1SR) within the pre-established two-month window. The BRH remains committed to continuing delivering timely statistics, and will take steps to shorten the timeframe for the provision of monetary data (SRF-1SR and 2SR). In addition, the BRH will advance work and begin reporting data according to the International Reserves and Foreign Currency Liquidity template by end March 2026. It will continue strengthening the external sector statistics in line with the recommendations of IMF technical assistance. Finally, the government will request Technical Assistance (TA) from the IMF to improve the integration of extra-budgetary units with central government accounts.

20. Prudent use and transparent reporting of Haiti's SDR assets continue to guide the use of Haiti's SDR allocation. Any future conversions of the SDR allocation into freely usable currencies will be published on the websites of the BRH or the MEF. The institutional frameworks governing the fiscal use of the SDR allocation—including repayment terms between the MEF and the BRH—will be maintained, along with transparency measures for SDR-related expenditures.

E. Program Monitoring

21. The monitoring of the program will be based on QTs (Appendix I. Table 1) and SBs (Appendix I. Table 2). These indicators are defined in the attached TMU along with requirements for reporting data to IMF staff. The authorities will submit to the IMF statistical data and information

[1] A new safeguard assessment is normally completed prior to the approval of any new IMF arrangement with Haiti.

in accordance with the TMU, and any other information deemed necessary for monitoring purposes. The third review will be completed by end-April 2026 and the fourth review by September 19, 2026—program end date Table 2c).

22. A high-level committee responsible for monitoring the program is in place, comprising representatives from the MEF and the BRH. If required, this committee may request the participation of other sectors. It will meet at least quarterly with the MEF and the Governor of the BRH to give them a progress report on implementation of the SMP.

23. We undertake to publish this Memorandum and the accompanying IMF Staff Report on the websites of the MEF and the BRH as soon as the extension of the SMP is approved by IMF Management.

Appendix I. Table 1a. Haiti: Quantitative and Indicative Targets, December 2024–September 2025

	Actual stock at end-September 2024	Cumulative flows from September 2024															
		end-December 2024					end-March 2025				end-June 2025				end-September 2025	
		Quantitative target	Adjusted target	Actual	Adjusted Actual	Status	Indicative target	Adjusted target	Actual	Status	Quantitative target	Adjusted target	Actual	Status	Indicative target	Actual
I. Periodic Quantitative Targets																
Net international reserves (NIR) of the central bank (in millions of U.S. dollars)—floor 1/ 2/	916	60	60	239		Met	80	80	379	Met	100	98	567	Met	120	
Primary balance of the nonfinancial public sector (NFPS, in millions of gourdes)—floor 1/		-239		7,625		Met	-479		21,560	Met	-718	-1,037	20,654	Met	-958	
Net central bank credit to the nonfinancial public sector (in millions of gourdes)—ceiling 1/ 3/ 4/	239,850	0	3,000	-5,901	-5,901	Met	0	9,266	-465	Met	0	9,508	4,073	Met	0	
Central government 4/	244,922	0	3,000	-5,267		Met	0	9,266	498	Met	0	9,508	6,391	Met	0	
Other nonfinancial public sector entities	-5,072	0	0	-634		Met	0	0	-963	Met	0	0	-2,318	Met	0	
Budget allocations for social expenditure (in millions of gourdes)—floor 5/		11,000		11,884		Met	19,810		20,687	Met	29,714		34,081	Met	39,619	
											0				0	
II. Continuous Quantitative Targets																
Accumulation of domestic arrears by the central government (in millions of gourdes)—ceiling	0	0				Met	0			Met	0			Met	0	
Accumulation of external arrears by the public sector (in millions of U.S. dollars)—ceiling	0	0				Met	0			Met	0			Met	0	
Contracting or guaranteeing by the public sector of new nonconcessional external debt (in millions of U.S. dollars)—ceiling	0	0				Met	0			Met	0			Met	0	
III. Indicative Target																
Central government fiscal revenue, excluding grants (in millions of gourdes)—floor 6/		40,000		48,003		Met	90,000		97,792	Met	140,000		143,723	Met	200,000	
Memorandum Items																
Provision for undisbursed FY24 expenditures (in millions of gourdes)	9,200			6,200					0				0			
Food Shock Window resources held in the central bank, but not yet transferred to the TSA (in millions of gourdes)	1,549			1,549					1,549				1,549			
Undisbursed resources received from the IMF Catastrophe Containment and Relief Trust (CCRT, in millions of gourdes)	1,541			1,541					1,475				1,475			
Budget support (in millions of U.S. dollars) 7/		0		0			0				21		19		39	
Gross international reserves (in millions of U.S. dollars) 2/	2,522			2,719					2,924				3,105			
Gross international reserves (in months of imports of goods and services of the following fiscal year)	6.3			6.9					6.8				7.3			

Sources: Ministry of Finance, Bank of the Republic of Haiti (BRH), and IMF staff estimates.

1/ The program includes an asymmetric adjustor on the floor for the NFPS primary balance and net international reserves (NIR) for external budget support below the planned amounts.

2/ For program monitoring purposes, the program exchange rate for the period September 2024 to September 2026 is SDR 0.737261 per U.S. dollar (exchange rate as of September 30, 2024).

3/ The Quantitative Target is met if the total is met.

4/ The program includes adjustors to increase the net credit to the NFPS target by the amount of drawdowns in central government assets (i.e., central bank liabilities) related to: (i) payments for settlement of FY24 expenses not yet disbursed by end-September 2024, out of provisioned funds and (ii) use of remaining resources from the 2023 Food Shock Window and resources released as a result of debt relief under the CCRT. The program also includes an adjustor to increase the net credit to the NFPS target by the amount of the increase in central government liabilities (i.e., central bank assets) caused by exchange rate differences in the central bank account 172160 ("Avance difference de change FMI").

5/ Budget envelope allocated to social affairs and labor (MAST), education, agriculture, and public health. The floor corresponds to the sum of the budget allocations to the MAST, Ministry of Education, Ministry of Agriculture, and Ministry of Public Health.

6/ Includes domestic taxes on enterprises, personal income, and sales; and customs duties.

7/ EU budget support (€19.5 million) to be included in the end April 2025 data.

Appendix I. Table 1b. Haiti: Quantitative and Indicative Targets, December 2025–June 2026

	Cumulative flows from September 2024 /8		
	end-December 2025	end-March 2026	end-June 2026
	Quantitative target	Indicative target	Quantitative Target
I. Periodic Quantitative Targets			
Net international reserves (NIR) of the central bank (in millions of U.S. dollars)—floor 1/ 2/	140	160	180
Primary balance of the nonfinancial public sector (NFPS, in millions of gourdes)—floor 1/	-470	-939	-1,409
Net central bank credit to the nonfinancial public sector (in millions of gourdes)—ceiling 1/ 3/ 4/	0	0	0
Central government 4/	0	0	0
Other nonfinancial public sector entities	0	0	0
Budget allocations for social expenditure (in millions of gourdes)—floor 5/	12,625	25,250	37,875
II. Continuous Quantitative Targets			
Accumulation of domestic arrears by the central government (in millions of gourdes)—ceiling	0	0	0
Accumulation of external arrears by the public sector (in millions of U.S. dollars)—ceiling	0	0	0
Contracting or guaranteeing by the public sector of new nonconcessional external debt (in millions of U.S. dollars)—ceiling	0	0	0
III. Indicative Target			
Central government fiscal revenue, excluding grants (in millions of gourdes)—floor 6/	50,000	100,000	163,800
Memorandum Items			
Provision for undisbursed FY24 expenditures (in millions of gourdes)			
Food Shock Window resources held in the central bank, but not yet transferred to the TSA (in millions of gourdes)			
Undisbursed resources received from the IMF Catastrophe Containment and Relief Trust (CCRT, in millions of gourdes)			
Budget support (in millions of U.S. dollars) 7/			
Gross international reserves (in millions of U.S. dollars) 2/			
Gross international reserves (in months of imports of goods and services of the following fiscal year)			

Sources: Ministry of Finance, Bank of the Republic of Haiti (BRH), and IMF staff estimates.

1/ The program includes an asymmetric adjustor on the floor for the NFPS primary balance and net international reserves (NIR) for external budget support below the planned amounts.

2/ For program monitoring purposes, the program exchange rate for the period September 2024 to September 2026 is SDR 0.737261 per U.S. dollar (exchange rate as of September 30, 2024).

3/ The Quantitative Target is met if the total is met.

4/ The program includes adjustors to increase the net credit to the NFPS target by the amount of drawdowns in central government assets (i.e., central bank liabilities) related to: (i) payments for settlement of FY24 expenses not yet disbursed by end-September 2024, out of provisioned funds and (ii) use of remaining resources from the 2023 Food Shock Window and resources released

5/ Budget envelope allocated to social affairs and labor (MAST), education, agriculture, and public health. The floor corresponds to the sum of the budget allocations to the MAST, Ministry of

6/ Includes domestic taxes on enterprises, personal income, and sales; and customs duties.

7/ EU budget support (€19.5 million) to be included in the end April 2025 data.

8/ Fiscal variables (primary balance of NFPS, budget allocations for social expenditure, central government

Appendix I. Table 2a. Haiti: Structural Benchmarks under the 2024 SMP

1R | 2R		Measure	Purpose	Target date	Status
		Governance, including Public Financial Management			
	1	Publish on the website of the Ministry of Economy and Finance (MEF) the report on the Governance Diagnostic Assessement and an associated action plan agreed by the authorities.	Enhance governance.	End February 2025.	Met
	2	Publish, on the websites of the National Commission for Public Procurement (CNMP) and the Ministry of Economy and Finance (MEF), all new public procurement contracts, including beneficial ownership information (name and nationality of the beneficial owners) on contracts awarded to successful bidders, within 45 days after the contract was awarded, starting from the monthly report for contracts awarded in December 2024 for which publication is due by mid-February 2025.	Increase transparency of public spending.	Monthly starting from December 2024.	Not met
	3	The Ministry of Finance will publish, on the websites of the MEF and the General Directorate of the Budget (DGB), all monthly reports on execution of fiscal expenditure through Haiti Food Shock Window account since its first disbursement by February 2025; and for future disbursements no later than 45 days after the end of the reference period, starting from the monthly fiscal expenditure report for December 2024 for which the publication is due by mid-February 2025).	Increase transparency of public spending.	Monthly starting from December 2024.	Met
	4	Through the General Finance Inspectorate, conduct and complete quarterly internal expenditure audits of all ministries involved in the use of the Haiti Food Shock Window account, and report these internal audits to the Superior Court of Accounts and Administrative Disputes (CSCCA), within three months from the end of the reference period, starting from the quarter covering July-September 2024 for which the report should be received by the CSCCA by December 2024.	Increase transparency of public spending.	Quarterly starting from end December 2024.	Not met (implemented with delay)
	5	Have the CSCCA conduct a financial and operational compliance audit of all expenditure in connection with the Rapid Credit Facility Food Shock Window for the 2022-23, 2023-24 and 2024-25 fiscal years, and publish the audit report on the websites of the Superior Court of Auditors and Administrative Disputes (CSCCA), the MEF, and the General Directorate of the Budget (DGB).	Improve accountability and increase transparency of public spending.	End March 2025 (Proposed to be modified. New target date March 2026)	Not met
	6	Publish on the web site of the Ministry of Economy and Finance (MEF) (i) quarterly reports (with one quarter lag) on operations and financial status of the Economic and Social Assistance Fund (FAES), including regular reports from its quarterly meetings of the board of directors, from the quarterly report for July-September, for which publication is due by end-December 2024.	Increase transparency of public spending.	Quarterly starting from end December 2024.	Met
	7	Sign and publish on the MEF and DGB websites an administrative and technical cooperation protocol between the Directorate of General Taxes (DGI) and General Administration of Customs (AGD) for the interconnection of their IT systems.	Strengthen domestic revenue mobilization.	End June 2025.	Met
	8	The launch and implementation of the digitalization of tax declarations and payments through all commercial banks for the large taxpayers registered at the DGI.	Strengthen domestic revenue mobilization.	End September 2025 (Proposed to be rescheduled for end March 2026).	Not met
		Governance and safeguards			
	9	Publish, on the BRH's web site, the BRH audit report and audited financial statements for FY2023 (ending in September 2023) conducted by an independent international audit firm.	Enhance transparency of Central Bank's operations.	End August 2025.	Not met (implemented with delay)
	10	Approval by the BRH Board of Directors of: (i) a medium-term plan for improving the composition of the investment portfolio (ii) new strategic asset allocation, (iii) updated investment policy, and (iv) updated investment guidelines, in close consultation with IMF staff.	Align the Central Bank's reserve management framework with sound governance arrangements and safety and liquidity principles.	End September 2025.	Met
		Governance, data provision, transparency, and dissemination of economic data			
	11	Provide to IMF staff the full balance sheet of the central bank according to the internationally accepted standardized reporting form (SRF-1SR, with 1SR referring to the central bank) to also include detailed data on government deposit accounts, with two-month lag from the end of the reference period, starting from the balance sheet for end-December 2024, which should be provided by end-February 2025.	Strengthen transparency of Central Bank's balance sheet.	Monthly periodicity and two-month lag, starting to be provided to IMF staff by end February 2025.	Met

Note: Red box indicates structural benchmarks assesed during the second review, while the blue box is for those structural benchmarks assesed during the first review.

Appendix I. Table 2b. Haiti: Structural Benchmarks under the 2024 SMP—Proposed for the Extension

	Measure	Purpose	Target date	Status
	Governance, including Public Financial Management			
12	Interconnect the Tax Administration System and the customs automation system (SYDONIA), and publishing on the MEF website a joint communiqué by DGI and AGD, announcing: i) confirmation of the interconnection's operationalization; ii) commitment to producing a report by end December 2026 with an analysis of matched declarations and discrepancies over the July-September 2026 period, as well as corrective actions; iii) commitment to producing a short and aggregated analysis of the report in (ii), to be published on the MEF's website by end December 2026.	Strengthen revenue mobilization.	End March 2026.	
	Governance and safeguards			
13	Adoption by the BRH of a framework and governance structure to strengthen its bank-wide IT security and business continuity arrangements.	Enhance safeguards.	End June 2026.	
14	Publish, on the BRH website, the BRH audit report and audited financial statements for FY2024 (ending in September 2025) conducted by an independent international audit firm.	Enhance transparency of central bank operations.	End June 2026.	

Appendix I. Table 2c. Haiti: Schedule of Reviews

Date	Action
December 20, 2024	Approval of SMP
February 1, 2025	First review and assessment of end-December 2024 performance/continuous criteria
August 1, 2025	Second review and assessment of end-June 2025 performance/continuous criteria
April 1, 2026	Third review and assessment of end-December 2025 performance/continuous criteria
September 1, 2026	Fourth review and assessment of end-June 2026 performance/continuous criteria

Attachment II. Technical Memorandum of Understanding

1. Haiti's performance under the 21-month Staff-Monitored Program (SMP) ending September 2026 will be assessed based on quantitative targets (QTs) and structural benchmarks (SBs). This Technical Memorandum of Understanding (TMU) defines the QTs established by the Haitian authorities and the staff of the International Monetary Fund (IMF) for monitoring the program. It also defines the arrangements for the transmission of data that will permit staff to monitor program implementation.

A. Definitions

2. Central Government. Unless otherwise indicated, central government refers to the central administration of Haiti and excludes local administrations (municipalities), the central bank of Haiti (Banque de la République d'Haïti, BRH), and other public financial institutions, autonomous state organizations of an administrative, cultural, or scientific nature, and state-owned enterprises. Central government expenditures are financed by domestic taxes and other domestic levies and by foreign donors, through, *inter alia*, foreign grants, ministerial accounts (*comptes courants*), and domestic and foreign public debt.

3. Special funds and programs. These include the Road Fund (*Fonds d'entretien routier, FER*) and the resources mobilized to finance the Universal, Free, and Compulsory Schooling Program (PSUGO) for education, in addition to Treasury transfers. Under the SMP, the resources levied to finance FER and PSUGO (through the National Education Fund, FNE) will be recorded as central government revenues.

4. Economic and Social Assistance Fund (FAES). FAES is an autonomous state financial entity, currently under the supervision of the Ministry of Economy and Finance (MEF). The mission of the FAES is to fund short-term, labor-intensive projects aimed at improving the living conditions of vulnerable populations in urban and rural areas and increasing their productive potential. It is responsible for implementing social programs financed by the public Treasury and foreign donors.

5. Office for Monetization of Development Assistance Programs (BMPAD). The BMPAD is an autonomous state administrative organization under the supervision of the MEF. The BMPAD ensures the implementation of grant and/or loan agreements concluded between the government and a donor or foreign lender, as part of the monetization of development aid programs in Haiti. In particular, it finances and monitors approved programs and projects from the funds generated by the monetization of aid in kind.

6. Electricité d'Haïti (EDH). EDH is a state-owned enterprise that produces, supplies, and distributes electricity. Flows between EDH and the Central Government (CG) include (i) CG transfers to EDH (including through sales taxes collected on electricity consumption and not devolved to the CG, and the payment of fuel purchase bills); (ii) the payment of letters of credit in favor of independent power producers to settle power generation bills unpaid by EDH; (iii) the payment of bills from independent producers for the purchase of fuel, which are the settlement of EDH arrears for unpaid generation bills. Under the SMP, transfers from central government are recorded under operations "above the line," while letters of credit and financial receivables are entered under the operations "below the line."

7. Non-financial public sector (NFPS). The NFPS includes the central government, special funds and programs (defined in paragraph 3), other autonomous state organizations of an administrative, cultural, or scientific nature, including the FAES (paragraph 4) and the BMPAD (paragraph 5), EDH (paragraph 6), the Civil Service Pension Plan and the National Old Age Insurance Office (ONA), and local governments.

8. Public sector. The public sector comprises the nonfinancial public sector, state-owned banks, and nonbank financial SOEs (enterprises over 50 percent state-owned), and the BRH.

9. Budgetary grants. Budgetary grants are grants received from Haiti's bilateral or multilateral partners (including the European Union, the Inter-American Development Bank, the World Bank, the Caribbean Development Bank, and bilateral donors) for general or sector budget support purposes.

B. Quantitative Targets (QT)

10. The implementation of the program will be monitored using the following indicators. Unless otherwise indicated, all QTs will be assessed in terms of cumulated flows from the reference date set at end-September 2024, as specified in Table 1 of the Memorandum on Economic and Financial Policies.

11. Program exchange rates. For the purposes of the program, all assets, liabilities, and flows denominated in foreign currency (U.S. dollar excluded) will be valued "at the program exchange rates," as defined below, with the exception of elements that affect the government's budgetary accounts, which will be evaluated at current exchange rates. Assets, liabilities, and flows denominated in U.S. dollar will be valued in U.S. dollar, the currency used to measure net international reserves. For the purposes of the program, it has been agreed to use the following exchange rates: **HTG 132.0563 = USD 1 (BRH reference rate as of September 30, 2024), USD 1.119600 = EUR 1, and SDR 0.737261 = USD 1 (rates as at September 30, 2024 published by the IMF on its website).**

Net Central Bank Credit to the Nonfinancial Public Sector

12. Net central bank credit to the NFPS is defined as the difference between BRH assets and liabilities vis-à-vis the NFPS (net claims on the public sector) reported by the BRH to the IMF. This includes the net BRH credit to central government and net BRH credit vis-à-vis other NFPS entities. The BRH liabilities toward the central government (i.e., central government assets in the BRH) also include a provisional account of HTG 9.2 billion for government expenses contracted in FY2024 but not yet disbursed by the end- September 2024. The calculation of the net BRH credit to the NFPS is shown in Table 1 as of September 30, 2024.

Attachment II. Table 1. Haiti: Net Credit to the Government
(In millions of gourdes)

	September 2024 Provisional SMP Approval	September 2024 Revised 1st review	September 2024 Revised 2nd review	December 2024 Revised 2nd review	March 2025	June 2025
Net central bank credit to the nonfinancial public sector	**240,020.9**	**240,212.4**	**239,850.3**	**233,949.7**	**239,385.4**	**243,923.5**
Net credit on central government	**245,097.0**	**245,284.3**	**244,922.3**	**239,655.6**	**245,420.3**	**251,313.5**
Claims on central government	**349,591.2**	**349,543.6**	**349,543.6**	**331,057.5**	**337,557.7**	**344,579.2**
Holdings of government debt securities	221,360.5	221,360.5	221,360.5	221,360.5	221,360.5	221,360.5
Loans and advances to the central government	128,230.7	128,183.1	128,183.1	109,697.0	116,197.2	123,218.7
Other Claims on central government	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to central government	**104,494.1**	**104,259.4**	**104,621.4**	**91,401.9**	**92,137.3**	**93,265.6**
Gourde Demand Deposits of central government	63,710.2	63,475.4	63,345.1	52,225.5	56,522.8	61,643.0
Gourde Other Deposits of central government	1,230.6	1,230.6	1,230.6	1,230.6	7,430.6	1,230.6
Gourde loans from central government 1/	126.4	126.4	126.4	125.6	125.5	125.5
Gourde settlement accounts from central government (Bail)	14.0	14.0	14.0	14.1	14.1	14.2
Other gourde liabilities to central government	9,200.0	9,200.0	9,200.0	6,200.0	0.0	0.0
FX demand deposits of central government	27,021.9	27,021.9	27,514.2	28,414.9	24,919.0	27,127.0
FX other deposits of central government	3,076.2	3,076.2	3,076.2	3,076.2	3,010.5	3,010.5
FX trade credit liabilities to central government (Notes to pay AID)	114.9	114.9	114.9	114.9	114.9	114.9
Other FX liabilities to central Government	0.0	0.0	0.0	0.0	0.0	0.0

Attachment II. Table 1. Haiti: Net Credit to the Government (Concluded)

(In millions of gourdes)

	September 2024 Provisional SMP Approval	September 2024 Revised 1st review	September 2024 Revised 2nd review	December 2024 Revised 2nd review	March 2025	June 2025
Net claims on other nonfinancial public sector entities	**-5,076.1**	**-5,071.9**	**-5,072.0**	**-5,705.9**	**-6,035.0**	**-7,390.1**
Claims on other nonfinancial public sector entities	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Claims on state and local government	0.0	0.0	0.0	0.0	0.0	0.0
Claims on public nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to other nonfinancial public sector entities	**5,076.1**	**5,071.9**	**5,072.0**	**5,705.9**	**6,035.0**	**7,390.1**
Demand deposits of state and local governments (Gourde)	234.1	229.9	230.0	804.0	366.9	1,536.4
Demand deposits of public nonfinancial corporations (Gourde)	527.6	527.6	527.6	406.6	784.0	381.5
Demand deposits of state and local governments (FX)	0.0	0.0	0.0	0.0	0.0	0.0
Demand deposits of public nonfinancial corporations (FX)	0.0	0.0	0.0	0.0	0.0	0.0
Other deposits of state and local governments (Gourde)	0.0	0.0	0.0	0.0	0.0	0.0
Other deposits of public non-financial corporations (Gourde)	4,314.4	4,314.4	4,314.4	4,495.3	4,884.1	5,472.1
Other deposits of state and local governments (FX)	0.0	0.0	0.0	0.0	0.0	0.0
Other deposits of public nonfinancial corporations (FX)	0.0	0.0	0.0	0.0	0.0	0.0
Other monetary liabilities to state and local governments	0.0	0.0	0.0	0.0	0.0	0.0
Other monetary liabilities to public nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Nonmonetary liabilities to state and local governments	0.0	0.0	0.0	0.0	0.0	0.0
Nonmonetary liabilities to state and local governments	0.0	0.0	0.0	0.0	0.0	0.0

Source: BRH, IFS and IMF staff calculations.

1/ Public treasury fiduciary in FIDEICOMMI.

13. Adjustors to net central bank credit to the NFPS. To prevent unwarranted constraints on NFPS spending, the indicator of net central bank credit to the NFPS will be subject to the following adjustors:

i. The net credit to the NFPS target will be adjusted upward by the amount of disbursements made after September 30, 2024 related to central government expenses contracted in FY2024, up to the provisioned amount of HTG 9.2 billion, shown in "other gourde liabilities to central government" in Table 1.

ii. The net credit to the NFPS target will be adjusted upward by the amount of disbursements made after September 30, 2024 of remaining resources related to the support from the 2023 Food Shock Window (FSW) and the debt relief from the Catastrophe Containment and Relief Trust (CCRT). The FSW resources held in the central bank, but not yet transferred to the Treasury Single Account, and the remaining CCRT resources are shown under "FX other deposits of central government" in Table 1.

iii. The net credit to the NFPS target will be adjusted upward by the amount of the increase in central government liabilities (i.e., central bank assets) caused by exchange rate differences in the central bank account 172160 ("Avance difference de change FMI"), which is part of the calculation line "loans and advances to the central government" in Table 1.

Net International Reserves

14. The gross international reserves of the central bank are those external assets that are readily available to and controlled by monetary authorities[1] for meeting balance of payments financing needs, for intervening in exchange markets to affect the exchange rate, and for other related purposes (such as maintaining confidence in the currency and the economy and serving as a basis for foreign borrowing). Reserve assets must be foreign currency assets and assets that exist. All contingent assets and foreign currency assets pledged as collateral are excluded if encumbered. The gross international reserves reported by the BRH from Standardized Report Form 1SR must conform to this definition. Gross international reserves include monetary gold, liquid external assets, including holdings of Special Drawing Rights (SDRs), and IMF reserve position. For program purposes, holdings of SDRs and IMF reserve position will be calculated based on data from the IMF Finance Department.

15. For program purposes, net international reserves (illustrated in Table 2 below) are defined as the gross international reserves of the central bank, minus:

[1] Underlying the concept of reserve assets are the notions of 'availability for use' and 'control' by the monetary authorities. See *Balance of Payments Manual,* http://www.imf.org/external/pubs/ft/bop/2007/bopman6.htm and *Guidelines for a Data Template,* http://www.imf.org/external/np/sta/ir/IRProcessWeb/pdf/guide2013.pdf.

Attachment II. Table 2. Haiti: Calculation of Program Net International Reserves

(In millions of U.S. dollars)

	September 2024 Provisional SMP Approval	September 2024 Revised 1st review	September 2024 Revised 2nd review	December 2024 Revised 2nd review	March 2025	June 2025
A. Gross International Reserves	**2,525.2**	**2,525.2**	**2,522.2**	**2,718.6**	**2,924.5**	**3,105.1**
Monetary gold	153.1	153.1	153.1	151.9	181.3	191.4
Holdings of foreign currency	37.5	36.7	37.4	34.4	55.6	53.9
Demand deposits abroad	444.2	444.1	443.7	694.2	681.9	781.4
Investments abroad 1/	1,769.3	1,769.3	1,765.9	1,723.4	1,892.7	1,972.2
SDR holdings 2/	93.2	94.2	94.2	86.9	85.2	78.5
Reserve Position in the Fund 2/	27.9	27.9	27.9	27.9	27.9	27.9
B. Reserve Related Liabilities	**306.6**	**306.6**	**306.9**	**242.4**	**241.7**	**235.9**
Liabilities to the IMF 2/ 3/	245.1	245.1	245.1	239.8	239.8	234.7
Short-term loans from private non-residents	60.2	60.2	60.2	0.0	0.0	0.0
Liabilities to IFIs	1.3	1.3	1.3	2.4	1.7	1.0
Certified checks in FX	0.3	0.3	0.3	0.3	0.3	0.3
C. Liabilities to Residents Denominated in Foreign Currency	**1,263.4**	**1,263.4**	**1,263.7**	**1,286.9**	**1,353.5**	**1,364.7**
Financial sector FX deposits in the central bank	1,231.0	1,231.0	1,231.0	1,254.2	1,320.8	1,333.0
Swaps with financial institutions	32.4	32.4	32.7	32.7	32.7	31.7
D. Other Liabilities Denominated in Foreign Currency	**35.2**	**35.2**	**35.2**	**33.9**	**34.0**	**21.6**
Off-balance sheet FX liabilities	15.0	15.0	15.0	15.0	15.0	15.0
Project accounts	20.2	20.2	20.2	18.8	19.0	6.5
Special accounts	0.1	0.1	0.1	0.1	0.1	0.1
E. Net International Reserves, 2024 SMP definition (A - B - C - D)	**919.9**	**919.9**	**916.3**	**1,155.5**	**1,295.2**	**1,483.0**
Memorandum Items						
(not included in program NIR calculation)						
Miscellaneous central bank FX liabilities (including values for adjustment)	25.0	23.4	23.4	25.0	18.2	2.9
Central government FX deposits in the central bank	228.9	228.9	228.9	239.5	212.4	229.2
Short-term central government FX liabilities (next 12 months)	27.4	26.7	31.1	29.4	32.4	27.4

Sources: BRH, IFS, and IMF staff calculations.

1/ Following IMF technical assistance in July 2025, some assets were reclassified in line with international best practices.
2/ Based on IMF books. For the purposes of the 2024 SMP, between December 2024 and September 2026, the amounts in SDR will be converted to U.S. dollars using the exchange rate as of September 30, 2024 (1 USD = 0.737261 SDR).
3/ For program purposes, all outstanding Haiti liabilities to the IMF are considered, including the January 2023 Rapid Credit Facility (Food Shock Window), disbursed at a government account in the BRH, for an amount of SDR 81.9 million.

- **Reserves related liabilities** (i.e., liabilities denominated in foreign currency to non-residents), such as: (i) short-term loans (lines of credit) contracted by the central bank, (ii) certified checks in U.S. dollars, (iii) all Haiti liabilities to the IMF, based on data from the IMF Finance Department;[2]

- **Foreign currency liabilities of central bank to residents**, such as: (i) foreign currency deposits of commercial banks at the BRH (sight deposits in US dollars and euro, including from BCM and the CAM transfer), (ii) other foreign currency denominated liabilities to other depository corporations included in monetary base, (iii) foreign currency demand deposits of other financial corporations, (iv) commitments related to foreign currency swap transactions with domestic financial institutions;

- **Other liabilities in foreign currency**, such as: (i) foreign currency special accounts, (ii) foreign currency project accounts, (iii) central bank off-balance sheet foreign currency liabilities.

16. Adjustor to Net International Reserves. If budgetary grants are lower than expected the floor on net international reserves will be adjusted **downwards** by the amount of the difference in question. Conversely, the floor will not be adjusted upwards by the amount of budgetary grants exceeding the expected levels mentioned in Table 3.

Attachment II. Table 3. Haiti: Projected Budgetary Grants

(In millions of US dollars)

Cumulative Flows since end-September 2024						
September 2024	March 2025	June 2025	September 2025	December 2025	March 2026	June 2026
0	0	19	39	39	39	39

Primary Balance of the Nonfinancial Public Sector

17. Domestic arrears of the central government refer to expenditure accepted by the Treasury and unpaid after 90 days, despite the delivery of the corresponding goods and services. Domestic arrears of central government do not include unpaid off-budget government commitments.

18. Unpaid off-budget central government commitments refer to liabilities incurred outside the budgetary process (from ministries or other public bodies), which may give rise to contingent claims against central government resources.

[2] As described in the *Operational Guidance Note on Program Design and Conditionality* (https://www.imf.org/en/Publications/Policy-Papers/Issues/2024/01/30/Operational-Guidance-Note-On-Program-Design-and-Conditionality-544122, Box 8): "*For establishing and monitoring Fund-supported programs, all outstanding IMF credit and loans, regardless of their maturity, should be deducted from reserve assets to measure NIR for program purposes.*"

19. Net domestic financing of the NFPS corresponds to the sum of the following elements: (i) net central bank credit to the NFPS; (ii) net credit from domestic commercial banks to the NFPS (as reported in the Standardized Report Form 2SR), which includes changes in NFPS deposits and the net issuance of Treasury bills and other NFPS securities to commercial banks; and (iii) net nonbank credit to the NFPS, which includes the net issuance of Treasury bills and other NFPS securities to nonbank institutions, the change in the net position of the NFPS vis-à-vis the electricity sector (including independent power producers), and the net change in suppliers' credit and domestic arrears of central government.

20. Net external financing of the NFPS corresponds to the sum of (i) new external loan disbursements (excluding IMF loans) and (ii) the net change in external arrears minus external loan amortizations.

21. For the purposes of the program, the primary balance of the NFPS corresponds to the sum of the following: net domestic financing of the NFPS and net external financing of the NFPS, after deducting interest payments on public debt.

22. Adjustor to primary balance of the NFPS. If budgetary grants do not reach the expected levels, the floor on the primary balance of the NFPS includes an asymmetric adjustor. More specifically, if the amounts of budgetary support are in deficit, the floors on the primary balance will be reduced by the amount of those deficits. Conversely, if external budget support exceeds projections, the floor on the primary balance will not change.

Budget Allocations to Social Expenditure

23. The budget decree gives ministries appropriations, i.e., the authority to incur obligations, which become due during the fiscal year up to a specified amount for specified purposes (as indicated in the budget decree) within the fiscal year. For the purposes of the program, social spending is defined as the execution of budgetary allocations to Ministry of Social Affairs and Labor (MAST), Ministry of Education, Ministry of Agriculture, and Ministry of Public Health, in the budget decree.

24. The floor on the QT applies to the cumulative amount of the budget execution (actual spending) during the fiscal year for the Ministry of Social Affairs and Labor (MAST), Ministry of Education, Ministry of Agriculture, and Ministry of Public Health measured at the end of each test date. Specifically, QTs are assessed at end-December 2024, end-June 2025, end-December 2025, and end-June 2026, while ITs are assessed at end-March 2025, end-September 2025, and end-March 2026. Provisional appropriations, i.e., expenditures that get under way before the actual budget appropriation, if any, will also be included.

New Contracting or Guaranteeing by the Public Sector of Non-Concessional External Debt

25. Definition of debt. The definition of debt is set in paragraph 8 of the Guidelines on Public Debt Conditionality in Fund Arrangements, adopted by Decision No. 16919-(20/103) of the Executive

Board (October 28, 2020). For the purpose of these guidelines, the term "debt" will be understood to mean a current, i.e., not contingent, liability, created under a contractual arrangement through the provision of value in the form of assets (including currency) or services, and which requires the obligor to make one or more payments in the form of assets (including currency) or services, at some future point(s) in time; these payments will discharge the principal and/or interest liabilities incurred under the contract. Debts can take a number of forms, the primary ones being as follows:

i. loans, i.e., advances of money to the obligor by the lender made on the basis of an undertaking that the obligor will repay the funds in the future (including deposits, bonds, debentures, commercial loans and buyers' credits) and temporary exchanges of assets that are equivalent to fully collateralized loans under which the obligor is required to repay the funds, and usually pay interest, by repurchasing the collateral from the buyer in the future (such as repurchase agreements and official swap arrangements);

ii. suppliers' credits, i.e., contracts where the supplier permits the obligor to defer payments until sometime after the date on which the goods are delivered or services are provided; and

iii. leases, i.e., arrangements under which property is provided which the lessee has the right to use for one or more specified period(s) of time that are usually shorter than the total expected service life of the property, while the lessor retains the title to the property. For the purpose of these guidelines, the debt is the PV (at the inception of the lease) of all lease payments expected to be made during the period of the agreement excluding those payments that cover the operation, repair, or maintenance of the property.

26. For the purposes of this debt limit ceiling, public sector debt covers public and publicly guaranteed debt. Public sector is defined in paragraph 8 of this TMU.

27. Debt guarantees by the public sector. For the purposes of the program, a debt guarantee by the public sector means an explicit legal obligation to service a debt in the event of non-payment by the borrower (in return for payment in cash or in kind).

28. Concessional debt. For program purposes, a debt is concessional if it includes a grant element of at least 35 percent, calculated as follows: the grant element of a debt is the difference between the present value (PV) of debt and its nominal value, expressed as a percentage of the nominal value of the debt. The PV of debt at the time of its contracting is calculated by discounting the future stream of payments of debt service due on this debt.[3] For debts with a grant element equal or below zero, the PV will be set equal to the nominal value of the debt. The discount rate used for this purpose is the unified discount rate of 5 percent set forth in Executive Board Decision

[3] The calculation of concessionally takes into account all aspects of the debt agreement, including maturity, grace period, payment schedule, upfront commissions, and management fees.

No. 15462-(13/97).[4]

29. External debt. For the purposes of the ceiling on the contracting or guaranteeing of new non-concessional external debt, external debt is any debt contracted or guaranteed by the public sector on non-concessional terms with non-residents or denominated in foreign currency, i.e., currency other than Haiti's currency. It includes, where applicable, debt issued domestically by the government and held by non-residents.

30. The public sector undertakes not to contract or guarantee any new non-concessional external debt. It also applies to any private debt guaranteed by the public sector that constitutes a contingent liability. Excluded from the ceiling are short-term (with a maturity of less than one year) import-related credits, rescheduling arrangements, borrowing from the IMF, non-resident purchases of treasury bills, and gourde-denominated BRH bills that are indexed to the exchange rate. This QT will be monitored continuously by the authorities and any non-observance will be immediately reported to the Fund.

Public Sector External Arrears Accumulation

31. Arrears on external debt of the public sector. They include all debt-service obligations (principal and interest) on loans contracted or guaranteed by the public sector that are due to non-residents but not paid on the due date as set out in the loan contract; they exclude those arising from obligations being renegotiated with external creditors and (or) those that are litigious. For the purpose of assessing the QT on the non-accumulation of new external debt arrears by the public sector, arrears resulting from non-payment of debt service due to international sanctions preventing payments to the creditor are excluded from the previous definition. This QT will be monitored continuously by the authorities, and any non-observance will be immediately reported to the Fund.

Domestic Arrears Accumulation of the Central Government

32. Arrears on domestic debt of the central government. They include all debt-service obligations (principal and interest) on loans contracted or guaranteed by the central government that are due to residents but not paid 90 days after the due date set out in the loan contract. The QT on domestic arrears accumulation will be monitored continuously by the authorities, and any non-observance will be immediately report to the Fund.

C. Reporting of Data for the Monitoring of the Program

33. To facilitate monitoring of the program, the government will provide IMF staff with the information set out in the following summary table. Any data revisions will be promptly

[4] A tool to calculate the grant element of a wide range of financial packages is available at: https://www.imf.org/en/GECalculator.

communicated to IMF staff.

34. The authorities will inform IMF staff in writing at least 10 working days (excluding public holidays in Haiti) before any change in economic and financial policies that may affect the outcome of the program. Such policies include, for example, changes in tax or customs legislation, wage policy, and support for public or private enterprises. With respect to continuous QTs, the authorities will report any non-observance to the IMF promptly.

Attachment II. Table 4. Haiti: Summary of Data to be Provided to the IMF

Sector	Data Series	Periodicity	Timeliness
Real Sector			
	National accounts	Annual	Three months
	Quarterly economic indicators (economic cycle)	Quarterly	Two months
	Consumer price index (including breakdowns)	Monthly	Three weeks
Public Finances			
	Fiscal revenues (internal, external, other)	Monthly	Four weeks
	Expenditures on cash basis (wages and salaries, goods and services, external debt, current accounts)	Monthly	Four weeks
	Table of government financial transactions (TOFE)	Monthly	Two weeks
	Balance on current accounts and operation of projects	Monthly	One month
	Table underlying TOFE, which enables the determination of checks in circulation and balance on investment project accounts	Monthly	One month
	Table on budget implementation with breakdown by ministry and other bodies and by type of expenditure	Monthly	One month
	Total monthly amount of expenditure executed by transfer letters	Monthly	One month
	Report on revenue collection of DGI (progress report)	Monthly	One month
	Tables of revenue collection of AGD (port activity indicators, analytical report of customs receipts on import)	Monthly	One month
	Table of revenue collected and authorized expenditure (TEREDA)	Monthly	One month
	Detailed revenue and expenditures of BMPAD	Quarterly	One month
	Report on social protection expenditures	Quarterly	One month
	Table on the implementation of the PSUGO program	Quarterly	One month
	Dashboard of the state electricity utility EDH showing monthly information on the production of electricity, making explicit the composition of production by independent electricity producers, EDH, and by region.	Monthly	One month
	EDH commercial data allowing the calculation of EDH's billing and collection rates	Monthly	One week
	EDH cash data including all revenues and all expenditures (operating, investment, and other)	Monthly	One month
	Information on any off-budget claims presented for payment	Monthly	One month
	Stock of unpaid off-budget central government liabilities	Monthly	One month

Attachment II. Table 4. Haiti: Summary of Data to be Provided to the IMF (Continued)			
Sector	**Data Series**	**Periodicity**	**Timeliness**
Public Finances (continued)			
	Data on all fuel shipments per product giving the CIF import price, the full price structure (including stabilization margin) and import and consumption quantities. Data on actual collections for each month with a breakdown per product and tax type.	Monthly	One week
	Table of import prices of petroleum products, by arrival	Monthly	One month
	Table of imported quantities of petroleum products	Monthly	One month
	"Stabilization margin" table of the Directorate of the Tax Inspectorate	Monthly	One month
	"Petroleum product tax" table of the Directorate of the Tax Inspectorate	Monthly	One month
	Details of the stock of all government borrowing and debt securities (interest rate, maturity, creditor if known)	Annual	Three months
	Full amortization table of domestic and external government debt	Annual	Three months
	Statement of stocks and flows of repayment of suppliers' credits and payment arrears	Monthly	One week
	Expenditures made for Food Shock Window program-related expenses	Monthly	One month
Monetary and Financial Data			
	Exchange rate	Daily	One day
	Monetary base and sources thereof and currency in circulation.	Weekly	One week
	Aide Memoire Table containing, inter alia: (i) stock of BRH bonds; (ii) deposits at commercial banks; (iii) credit to private sector (in gourdes and U.S. dollars); (iv) details of inflows and outflows of foreign exchange reserves, including budget support received; (v) volume of foreign exchange transactions, including BRH sales and purchases; (vi) gross and net international reserves; (vii) net BRH credit to central government and the non-financial public sector; and stocks and interest rates of BRH bills.	Monthly	One week
	Tables showing, inter alia, the average and weighted interest rates on gourde and U.S. dollar-denominated deposits and credit, and the excess reserves in the banking system.	Monthly	One month
	Monetary and financial statistics. Standardized reporting form, balance sheets of the central bank and other depository corporations.	Monthly	One month
	Detailed balance sheet of the central bank (*table de passage*) with individual account granularity.	Monthly	One month

Attachment II. Table 4. Haiti: Summary of Data to be Provided to the IMF (Concluded)			
Sector	**Data Series**	**Periodicity**	**Timeliness**
Monetary and Financial Data (continued)			
	Information on the composition of gross and net international reserves (reserve template when available).	Monthly	One month
	Banking supervision statistics and commercial indicators on commercial banks.	Quarterly	One month
	The calendar and planned placements of BRH gourde-denominated dollar-indexed bills, including in banks and nonbanks.	Quarterly	One month
	Audited financial statements of the BRH	Annual	Three months
Balance of Payments and IIP			
	Balance of payments (first version)	Quarterly	Six weeks
	Revised balance of payments	Quarterly	Three months after the first reporting
	BRH FX cash flow table; quarterly projections through end of fiscal year.	Quarterly	One month
	International Investment Position (IIP)	Annual	Three months
External Debt			
	External debt report prepared by the BRH showing monthly disbursements; debt service, debt forgiveness and rescheduling, arrears, and debt stocks.	Monthly	One month
	Details of any external public debt and debt guaranteed by the State	Monthly	One month
	Data on stocks, accumulation, and repayment of external arrears	Monthly	Six weeks
	Table of complete amortization of external debt	Annual	Three months

INTERNATIONAL MONETARY FUND

HAITI

December 1, 2025

STAFF REPORT FOR THE SECOND REVIEW UNDER THE STAFF-MONITORED PROGRAM AND REQUEST FOR EXTENSION—DEBT SUSTAINABILITY ANALYSIS

Approved By
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Prepared by staff of the International Monetary Fund and International Development Association.

Haiti: Joint Bank-Fund Debt Sustainability Analysis	
Risk of external debt distress	High[1]
Overall risk of debt distress	High
Granularity in the risk rating	Debt is sustainable
Application of judgment	No

This Debt Sustainability Analysis (DSA) updates the 2024 Article IV consultation assessment. The overall conclusion remains: (i) the risk of debt distress is "high", but (ii) public debt is sustainable, supported by the Venezuelan debt relief, which has significantly improved key debt indicators. Under the baseline scenario, the risk of external debt distress rating is high, due to breaches in export-related external debt thresholds.[2] Public debt is assessed as sustainable, underpinned by gradual security improvement and reforms to boost revenue collection and spending efficiency. Risks are tilted downward due to natural disaster-related shocks, and potential declines in official grants, remittances, and FDI inflows. On the upside, security improvements may follow from the United Nation's Gang Suppression Force. Debt sustainability hinges on the authorities' ability to maintain sound macroeconomic and fiscal management, and securing donor financing.

[1] The current composite indicator (CI) is estimated at 2.611 and is based on the World Bank's 2024 Country Policy and Institutional Assessment (CPIA) and the April 2025 World Economic Outlook (WEO). Haiti's debt-carrying capacity is downgraded to "weak" from "medium" in the previous DSA.

[2] Breaches occur earlier than in the 2024 Article IV DSA, mainly due to Haiti's downgrade from medium to weak debt carrying capacity, reflecting weaker economic fundamentals and institutional strength per the CPIA.

A. Public Debt Coverage

1. Coverage. Gross public debt used for this DSA covers the central government, local governments, extrabudgetary autonomous organisms, the state-owned electricity company Electricité d'Haiti (EDH), and advances by the central bank—Banque de la République d'Haiti (BRH)— to the government (Text Table 1). External debt data come from the BRH and include debt to multilateral and bilateral creditors, including foreign oil companies, as well as an estimate of contingent liabilities. External debt is defined on a residency basis. No data are available on guaranteed debt, including to other state-owned enterprises (SOEs), and non-guaranteed SOE debt.

Text Table 1. Haiti: Public Debt Coverage

	Subsectors of the public sector	Check box
1	Central government	X
2	State and local government	X
3	Other elements in the general government	
4	o/w: Social security fund	
5	o/w: Extra budgetary funds (EBFs)	X
6	Guarantees (to other entities in the public and private sector, including to SOEs)	
7	Central bank (borrowed on behalf of the government)	
8	Non-guaranteed SOE debt	

1	The country's coverage of public debt	The central, state, and local governments plus extra budgetary funds		
		Default	Used for the analysis	Reasons for deviations from the default settings
2	Other elements of the general government not captured in 1. 1/	0 percent of GDP	0.3	
3	SoE's debt (guaranteed and not guaranteed by the government) 2/	2 percent of GDP	2	
4	Public Private Partnership (PPP)	35 percent of PPP stock	0	
5	Financial market (the default value of 5 percent of GDP is the minimum value)	5 percent of GDP	5	
	Total (2+3+4+5) (in percent of GDP)		7.3	

1/ Includes an estimate of external contingent liabilities.

2/ The default shock of 2% of GDP will be triggered for countries whose government-guaranteed debt is not fully captured under the country's public debt definition (1.). If it is already included in the government debt (1.) and risks associated with SoE's debt not guaranteed by the government is assessed to be negligible, a country team may reduce this to 0%.

2. Gross domestic public debt is calculated as the sum of: (i) claims of the overall banking sector (including the BRH) to the non-financial public sector (NFPS); (ii) suppliers' credits; and (iii) domestic arrears as reported by the authorities. Data on claims of the banking sector come from the Fund's Standardized Report Forms 1SR and 2SR Tables reported by the BRH to the Fund. The accounts of the education fund—*Programme Spécial de Gratuité de l'Education* (PROSGATE)—and social security funds—*Pension civile* and Office *Nationale d'Assurance-Vieillesse* (ONA)—are consolidated with the rest of the non-financial public sector (NFPS). In the absence of data, the calculation of domestic public debt does not include treasury bills and bonds held outside the banking sector, which are understood to be negligible.

3. The government remains committed to expanding debt coverage, including to state-owned enterprises (SOEs). Efforts are aimed at improving debt data collection. Preparation and public disclosure of the debt portfolio review were supported by the World Bank. The Government of Haiti (GOH) has successfully implemented several performance and policy actions (PPAs) over the past three fiscal years under the International Development Association (IDA) Sustainable Development Finance Policy (SDFP). To strengthen debt sustainability, the GOH has contracted no new external public or publicly guaranteed (PPG) non-concessional debt in FY2022 or FY2023.[3] Debt transparency had improved with the Ministry of Economy and Finance's (MEF) quarterly publication

[3] Non-concessional borrowing occurred in FY2024 (see Text Table 2), as the Haitian authorities contracted a short-term loan of US$240 million in January 2024 to facilitate the lump-sum payment of US$500 million required as part of the debt cancellation agreement with Venezuela (see ¶9). The loan was repaid in less than a year, through four installments.

of Debt Portfolio Review (DPR) which started in FY2022, following technical assistance and training. However, publication of the DPR stopped in 2023 since MEF's debt department lost most of its staff members due to political instability and insecurity. Fiscal sustainability was improved by a tax expenditure rationalization plan in FY2023. A follow-up on fiscal Performance and Policy Actions (PPA) in FY2024 targeted enforcement of an automated vehicle management module for customs, to level the playing field for importers and strengthen domestic resource mobilization. However, implementation remains incomplete, as civil disturbances resulted in damage to several customs offices. In the context of deepening institutional fragilities and insecurity, the World Bank's SDFP Committee waived the implementation of the customs PPA for FY2024 and exempted Haiti from preparing PPAs for FY2025.

B. Background on Debt

4. Public debt increased in the years following the debt relief granted after the 2010 earthquake. Haiti received debt relief of about US$1.0 billion from international creditors, including US$268 million from the Fund under the Post-Catastrophe Debt Relief Trust Fund (PCDR) and US$36 million from the World Bank.[4] As a result, external public debt fell from 19 percent of GDP at end-FY2009 to under 9 percent in FY2011 (based on old GDP series). Debt levels then rose steadily until FY2020, driven by *PetroCaribe*-related disbursements from Venezuela and unremunerated advances from the BRH. In FY2018, the government secured US$123 million from domestic non-financial companies and, in January 2019, signed a US$150 million loan with Taiwan Province of China. In April 2020, the IMF Board approved a disbursement of US$111.6 million (SDR 81.9 million) under the Rapid Credit Facility (RCF) to help address COVID-19-related needs. In April 2021, Haiti received US$22.6 million (SDR 15.21 million) in debt relief under the IMF's Catastrophe Containment and Relief Trust (CCRT), covering debt service due from April 14, 2020 to April 13, 2022.[5] Haiti also benefited from an SDR allocation of US$224 million (SDR 157 million) in August 2021, half of which was on-lent by the central bank to the government for emergency spending, including recovery spending related to the 2021 earthquake.[6] Finally, in January 2023, the IMF disbursed about US$110 million under the Food Shock Window (FSW) of the Rapid Credit Facility (RCF) to address urgent balance of payments needs related to acute food insecurity and higher import food prices.

5. Central bank financing to the treasury does not trigger an "*in debt distress*" rating for Haiti. Government debt to the BRH, at 10.3 percent of GDP in FY2024, is not serviced. However, the July 2022 Memorandum of Understanding (MoU) between the BRH and MEF imputed accrued interest payment on non-negotiable government debt securities held by the BRH. This resulted in an increase in the stock of the BRH's net claims on central government starting with the October 2021 balance sheet. The MoU recommended converting most of these liabilities into negotiable securities

[4] The World Bank also provided US$508 million in grant financing from the IDA Crisis Response Window (CRW) to support the country's reconstruction and long-term restoration of capacity.

[5] See Catastrophe Containment and Relief Trust, 2021.

[6] While not contributing to gross public debt directly, when SDRs are used (i.e., when holdings fall below allocations through on-lending, for instance) they enter the DSA as a long-term debt liability in the gross external debt statistics and the net interest payments in the debt service.

bearing an annual interest rate of 7.57 percent and payable over a fifty-year period with a grace period of 10 years. In line with the 2019 safeguards recommendations on International Financial Reporting Standards (IFRS), the BRH recently revised its investment policy to align with international best practices—Structural Benchmark (SB) 10 of the 2024 Staff Monitored Program (SMP). Over FY2024-25, monetary financing of public sector spending remained at zero (quantitative target of the 2024 SMP), down from an average of 2 percent of GDP during FY2020-23.

6. **The 2020 revision of the national accounts significantly lowered the public-debt-to-GDP ratio**. Following several years of technical assistance (TA), the Haitian Statistics Institute (IHSI) released rebased and re-benchmarked national accounts in October 2020. This resulted in a 65 percent upward revision in nominal GDP for FY2019—partly reflecting the inclusion of the informal sector.[7] Consequently, public debt fell from a projected 51.9 percent in the 2020 DSA under the RCF to 22.7 percent of GDP. The rebasing also reduced domestic revenue ratios, compounded by a real decline in revenue collection. In FY2019, domestic revenue fell from 10.7 percent under the old GDP series to 6.4 percent using rebased GDP. Revenues further declined to 5.9 percent of GDP in FY2021 and to 4.7 percent of GDP in FY2025. The authorities are currently addressing these challenges by implementing reforms to boost domestic revenues under the Staff-Monitored Program (SMP).

7. **The export-to-GDP ratio was also significantly revised downward following the 2020 update of the national accounts.** In FY2019, foreign exchange receipts from exports of goods and services fell from 18.2 percent of GDP under the old GDP series to 11.7 percent using the rebased GDP series—partly due to the expanded GDP base. Under the revised GDP series, exports declined further to 5.6 percent of GDP in FY2023 and 2.4 percent of GDP in FY2025, reflecting the impact of the ongoing security situation.

8. **At the end of FY2024, Haiti's public debt reached US$3.8 billion (15.1 percent of GDP), well below the US$5.9 billion (27.6 percent of GDP) at end FY2023, primarily due to the cancellation of the Petrocaribe debt with Venezuela.** External public debt accounted for 14.6 percent of total public debt (2.2 percent of GDP), mostly concessional loans from multilateral creditors (Text Table 2), including the Organization of the Petroleum Exporting Countries (OPEC), the International Fund for Agricultural Development (IFAD), and the IMF. Haiti's outstanding debt to Venezuela was assessed at US$28.2 million (compared to US$2.2 billion at end FY2023) all of which was

Text Table 2. Haiti: Structure of Public Debt at end-2024
(Fiscal-year basis)

	US$ millions	In percent of Total debt	GDP
Total External Debt	**558.0**	**14.6**	**2.2**
Multilateral creditors	**313.1**	**8.2**	**1.2**
o/w IMF	245.1	6.4	1.0
o/w OPEC	32.3	0.8	0.1
o/w IFAD	35.7	0.9	0.1
o/w IDA	0.0	0.0	0.0
Bilateral creditors	**184.9**	**4.8**	**0.7**
Venezuela 1/	28.2	0.7	0.1
o/w PetroCaribe	0.0	0.0	0.0
o/w BANDES	28.2	0.7	0.1
Taiwan, Province of China	156.7	4.1	0.6
Commercial creditors	**60.0**	**1.6**	**0.2**
Other borrowing	**0.0**	**0.0**	**0.0**
Total Domestic Debt	**3,266.7**	**85.4**	**12.9**
BRH	**2,658.6**	**69.5**	**10.5**
Other creditors	**608.1**	**15.9**	**2.4**
Total Debt	**3,824.7**	**100.0**	**15.1**

Sources: Haitian authorities, and Fund staff estimates.
1/ "Technical Arrears" due to Venezuela were estimated at about US$ 642.1 million at end-September 2023, of which US$ 242.45 million represented unpaid interest. At end-2024, technical arrears to Venezuela had been paid down to US$ 10.0 million.

[7] Annual data refer to the fiscal year ending September 30.

owed to the Banco de Desarrollo Económico y Social de Venezuela (BANDES). Total external "technical arrears" due to Venezuela were estimated at US$10.0 million (compared to US$642.1 million at end FY2023). Domestic public debt picked up in FY2024 to US$3.3 billion from US$3.2 billion in FY2023.[8] About 80 percent of domestic debt consisted of central bank advances to the government. Government debt to the BRH fell to 10.5 percent of GDP in FY2024 from 12.3 percent in FY2023, as monetary financing of public spending (quantitative target of the SMP) was kept at zero, down from an average of 2 percent of GDP during FY2020-23. Public information on private external debt is unavailable.

9. Debt restructuring with Venezuela. In January 2024, Haitian and Venezuelan authorities finalized an agreement under which Haiti paid a lump sum of US$500 million to Venezuela (as a portion of external "technical arrears" due), in exchange for US$1.69 billion in debt forgiveness. However, Haiti faced challenges processing payments to Venezuela for debts incurred under the *Petrocaribe* agreement due to international sanctions on Venezuela. This led the Haitian government to deposit the debt service payments into an escrow account at the BRH.[9] The lump sum payment of US$500 million did not affect the government's gross financing requirements, as it was executed by the BRH (fiscal agent of the government) through a combination of increase short-term liabilities and a drawdown of foreign reserves.[10] The restructuring led to a sharp decline in debt ratios: public debt fell from 27.6 percent of GDP in FY2023 to 16.0 percent of GDP in FY2024, and external debt from 12.9 percent of GDP in FY2023 to 2.2 percent of GDP in FY2024. The agreement also generates annual savings of US$95 million (12.5 billion gourdes) over 2025-35, freeing up resources that can be reallocated toward pro-poor and growth-enhancing spending.

C. Background on Macroeconomic Forecasts

10. The baseline scenario reflects the macroeconomic assumptions and policies under the staff's projections.

- Reflecting worsening security conditions, real GDP is estimated to have contracted by 3.1 percent in FY2025, a downward revision from the 1.0 percent growth rate projected in the previous DSA. The index of economic activity (ICAE) fell by 2.4 percent over the first three quarters of FY2025 (October to June). A deeper contraction is estimated for the fourth quarter, driven by ongoing gang violence, frequent roadblocks, and repeated attacks on the Péligre hydroelectric plant in Mirebalais—a vital electricity source for the county.

- The expiration of the HOPE/HELP Act in September 2025, which had granted preferential trade access for Haitian textile and apparel exports to the United States, is anticipated to negatively impact the economy. As a result, the baseline scenario assumes a 1.2 percent contraction in real GDP for FY2026, revised down from the 1.5 percent growth rate projected in the previous DSA.

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[8] All debt figures cited in this report are in US dollars unless otherwise indicated.

[9] They are recorded in U.S. dollars after proceeds received in gourdes are converted into US dollars.

[10] The coverage of public sector in this DSA does not include the central bank.

Supply chain disruptions caused by gang violence have contributed to keeping inflation high at 31.5 percent in FY2025.

- Conditional on steady improvements in security conditions, economic activity growth is expected to turn positive (0.5 percent) in FY2027. Over the medium-term, growth is projected to gradually converge to 1.5 percent. This moderate long-term growth rate reflects a relatively low potential GDP growth rate, shaped by the crisis's lasting impact on both human and physical capital. Inflation is projected to reach single digits by FY2029 as supply shocks ease and macroeconomic policies remain sound and credible (including continued commitment to zero monetary financing of the budget).

- The primary balance of the NFPS is projected to post a surplus of 0.2 percent of GDP in FY2025, mainly reflecting under-execution of spending. The primary fiscal balance is projected to be zero in FY2026[11]. The primary deficit is expected to widen gradually over the medium term and reach about one percent of GDP by FY2030, as public investment and social spending are scaled up to address the countries' recovery and development needs. This deficit is expected to be covered through concessional external financing—both multilateral and bilateral. Domestic revenue is projected to strengthen over the medium term, reaching 10 percent of GDP by 2035,[12] supported by meaningful progress on the domestic revenue mobilization reform agenda—including efforts to digitalize tax declarations and payments, and enhance transparency, accountability, and audit capacity.

Text Table 3. Haiti: Macroeconomic Assumptions Compared to the Previous DSA 1/

	2025		2026-30 Avg		2031-40 Avg	
	Previous DSA	Current DSA	Previous DSA	Current DSA	Previous DSA	Current DSA
(Annual percentage change, unless otherwise indicated)						
Real GDP	1.0	-3.1	1.4	0.7	1.5	1.5
Consumer prices (period average)	27.2	28.3	13.5	15.8	7.2	8.0
(In percent of GDP, unless otherwise indicated)						
Total revenue and grants	6.0	5.7	6.2	5.6	6.9	9.6
Of which: Revenue	4.9	4.7	5.6	5.3	6.8	9.6
Total expenditure	6.1	5.8	7.2	6.5	8.3	10.9
Of which: Capital expenditure	1.9	1.6	2.7	2.4	2.8	7.9
Overall balance	-0.1	-0.1	-1.1	-0.9	-1.4	-1.5
Current account balance	0.2	0.7	-0.8	-1.4	-1.2	-1.5
Exports of goods and services	2.3	2.4	2.2	1.5	2.5	5.6
Imports of goods and services	14.3	15.9	12.8	9.0	13.0	12.8

Sources: Haitian authorities; and Fund staff estimates and projections.
1/ The previous DSA was conducted at the time of the Request for a Disbursement under the Food Shock Window in January 2023.

[11] The baseline scenario assumes no change in fuel price policy—given the high uncertainty surrounding the likelihood and timing of a fully-fledged fuel price reform.

[12] This level is just slightly below the international benchmark of 12 percent required for basic state capacity.

- The current account balance is estimated at a surplus of 0.7 percent of GDP in FY2025, an increase from a deficit of 0.6 percent of GDP in FY2024. This reflects a sharp increase in net remittances—likely in anticipation of changes in US migration policy, which has helped offset a fall in exports caused by domestic production constraints.[13] With a gradual restoration of security and an expected recovery in economic activity, the current account deficit is estimated to widen from 0.4 percent of GDP in FY2026 to 2.4 percent in FY2030, and to stabilize around 1.5 percent of GDP in the long term. .

- Strong remittance inflows (estimated at 12.8 percent of GDP for FY2025) have bolstered international reserves. These dynamics, combined with prudent monetary policy, have helped maintain a stable currency and mitigate the impact of external shocks.

11. Funding of gross financing needs is assumed to prioritize external sources in the medium term, aiming to lengthen maturities, reduce rollover risk, and create space for private sector credit. The SMP is expected to catalyze external financing for capital expenditures, with donor support in the form of grants remaining critical in the near term, to preserve debt sustainability. Multilateral concessional debt financing is assumed to resume in FY2027, following the implementation of reforms under the SMP, which are expected to strengthen the country's debt-carrying capacity. During FY2027-30, external financing is projected to dominate, enabling the government to lengthen maturities[14] and support an expansion of credit to the private sector. However, over the long term, starting in FY2032, the share of domestic financing is expected to increase (Text Figure 1), as the government securities market deepens. Treasury bills will continue to account for the bulk of domestic financing in the short and medium term, with longer-term instruments phased in gradually.[15] Central bank financing, historically unremunerated, is expected to remain suspended over the projection period[16].

12. The baseline assumptions are credible, as the DSA toolbox for assessing the realism of macroeconomic forecasts does not raise any major inconsistencies with historical trends and comparisons with peers.

- **Drivers of debt dynamics (Figure 3)**. The sharp decline in the public debt-to-GDP ratio in FY2024 was primarily driven by relief from the Petrocaribe debt granted by Venezuela. This was

[13] Remittances are projected to decline by 3.1 percent of GDP in FY2026—down from 12.8 percent of GDP in FY2025—due to the termination of the TPS program in February 2026 and the imposition of one percent tax on certain types of cash remittances. Remittances are projected to remain at about 8-7 percent of GDP over FY2027-30.

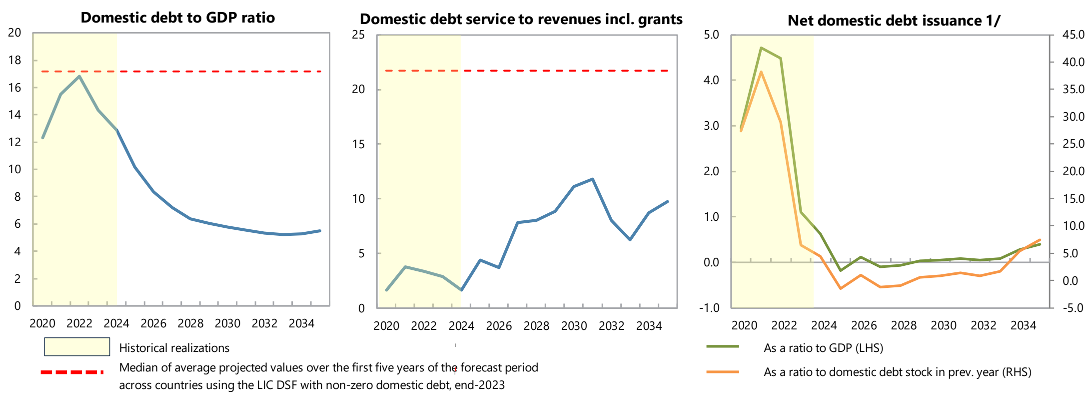
[14] Additional multilateral concessional financing would increase the average maturity of the public debt portfolio, as most domestic borrowing currently consists of Treasury bills with maturities of less than 12 months.

[15] The BRH is developing a Central Securities Depository (CSD) platform for managing domestic securities, which is expected to be launched in the second half of 2026. A pilot phase for issuing medium-term Treasury bonds (with maturities of three to five years) is also planned for the second half of 2026, followed by the full rollout of the Treasury bond market at the beginning of FY2027.

[16] Monetary financing of the fiscal deficit explains the large share of net domestic det issuance over 2022-23. The fall in net domestic issuance over FY2024-25 reflects the authorities' commitment to zero monetary financing of the fiscal deficit.

recorded as a one-time capital transfer in the form of a grant of 6.7 percent of GDP (Table 4) in FY2024. As shown in Figure 3 (upper right chart), over the past five years, debt relief from Venezuela—reflected in the large residual in the decomposition of external debt—and inflation contributed to reducing external debt.[17] By contrast, the current account deficit and weak growth were the main contributors to external debt accumulation. For total public debt (Figure 3, lower right chart), a historically positive and large residual, combined with weak growth, has been a major driver of debt accumulation. The residual in the decomposition of total public debt also accounts for the bulk of forecast errors in total public debt projections, underscoring a need to sustain efforts to improve debt coverage.

Text Figure 1. Haiti: Indicators of Domestic Public Debt, 2020-2035
(In percent)



Borrowing Assumptions (average over 10-year projection)	Value
Shares in new domestic debt issuance	
Medium and long-term	19%
Short-term	81%
Borrowing terms	
Domestic MLT debt	
Avg. real interest rate on new borrowing	1.1%
Avg. maturity (incl. grace period)	3
Avg. grace period	2
Domestic short-term debt	
Avg. real interest rate	-5.6%

Sources: Country authorities; and staff estimates and projections.
1/ Net domestic debt issuance is an estimate based on the calculated public gross financing need net of gross external financing, drawdown of assets, other adjustments and domestic debt amortization. It excludes short-term debt that was issued and matured within the calendar year.

- **Realism of planned fiscal adjustment (Figure 4).** The projected fiscal adjustment of -7.8 percentage points of GDP in the primary fiscal balance between FY2024 and FY2027 appears to be an outlier compared to historical adjustments among LICs. However, this magnitude is realistic, as the FY2024 NFPS primary surplus of 7.2 percent of GDP was driven by a one-off

[17] The residual in the decomposition of total public debt does not include the FY2024 debt relief from Venezuela. In the case of public debt, the debt relief operation is instead captured in the fiscal balance as a one-time capital transfer grant.

capital transfer operation related to debt relief from Venezuela. Furthermore, despite anticipated gains in domestic revenues, the primary fiscal balance is projected to shift to a deficit by FY2027 (0.6 percent of GDP), reflecting improved budget execution and increased social and capital spending associated with recovery efforts.

- **Consistency between fiscal adjustment and growth (Figure 4)**. The FY2025 growth outturn falls below the level implied by the different multiplier scenarios shown in Figure 4. This is consistent with the fact that the significant downward adjustment to the fiscal balance between FY2024 and FY2027 is caused by the one-off capital transfer operation related to debt relief, rather than expansionary fiscal policy. Additionally, deteriorating security conditions during FY2025 adversely affected growth. Looking ahead, the baseline assumes that the expiration of the HOPE/HELP initiative in September 2025 will weigh negatively on growth, contributing to a projected contraction of 1.2 percent in FY2026.

- **Consistency between public investment and growth (Figure 4).** Public investment presents a more optimistic medium-term outlook, compared to the previous DSA. This is in line with an expected improvement in security conditions, and ongoing reforms to boost revenue collection and execution capacity[18].

D. Country Classification and Stress Tests

13. Haiti's debt-carrying capacity is downgraded from "medium" to "weak" in the current DSA. This is due to a deterioration of the Composite Indicator (CI), which declined to 2.611 in the current DSA from 2.642 in the previous DSA (Table 1). The downgrade is mainly driven by a deterioration in the CPIA index (2.433 vs. 2.687 in the previous DSA), and a weaker growth outlook.[19] Improvements in reserve adequacy coverage (53.1 percent of imports vs. 40.5 percent in the previous DSA) and remittances (13.3 percent of GDP versus 11.5 percent of GDP in the previous DSA) helped dampen the impact of worsening macroeconomic conditions, but were insufficient to prevent the overall CI score from falling below the threshold, thus triggering the downgrade to a "weak" debt carrying capacity[20].

14. In addition to standard stress tests, the analysis includes a one-off major natural disaster scenario, reflecting Haiti's vulnerability to frequent severe events (Tables 5 and 6). The shock assumes damage equivalent to 25 percent of GDP—similar to Hurricane Matthew in 2016. While the 2010 earthquake caused losses estimated at 120 percent of FY2009 GDP, such events are less frequent than

[18] While private investment is also expected to scale up over the projected years, divergence from the previous DSA mainly reflects a lower FY2024 outturn than projected in the previous DSA.

[19] The average growth rate for the 10-year period covering the last five years of historical data and the next five years of projection—second row of the CI index calculation table—was -2.6 percent (compared to -1.4 percent in the previous DSA) and 0.9 percent (compared to 1.2 percent in the previous DSA).

[20] The CI index also fell below the threshold for "weak" debt-carrying capacity in the previous DSA. However, the debt-carrying capacity was assessed as medium because a downgrade would have required a breach of the threshold over two consecutive DSAs.

hurricanes and thus considered tail risk events.[21] Under the natural disaster shock, the present value (PV) of external PPG debt-to-GDP ratio rises from 1.6 percent of GDP in FY2025 to 20.4 percent of GDP by FY2030, and then stabilizes around 18 percent of GDP by FY2043—compared to 7.5 percent of GDP in FY2045 under the baseline. Under this scenario, the PV of public debt rises from 11.8 percent of GDP in FY2025, to 28.1 percent in FY2045, compared to 18.4 percent under the baseline.

E. Debt Sustainability

External Debt Sustainability Analysis

15. External debt is projected to rise, starting in FY2027, reflecting resumption of concessional borrowing (Table 3). This projection assumes normalizing security conditions and an improved debt-carrying capacity, following the successful implementation of structural reforms under the SMP. External debt is expected to reach 10.7 percent of GDP in FY2035, up from 1.1 percent in FY2026. The non-interest current account deficit remains the main driver of external debt dynamics, reflecting increased imports of foodstuffs as well as capital and intermediate goods as part of the investment drive associated with recovery efforts.

16. Under the baseline scenario, some of Haiti's export-related external debt indicators are projected to breach their indicative thresholds (Figure 1 and Table 3):

- The *PV of external PPG debt-to-GDP ratio* is projected to increase from 1.6 percent in FY2025 to 7.5 percent in FY2045—remaining well below the distress threshold, due to continued concessional financing.

- The *PV of external debt-to-exports ratio* is projected to rise from 68.4 percent in FY2025 to 142.2 percent in FY2028, when it breaches the 140 threshold. The threshold is breached through 2037, but without exhibiting an explosive trajectory.

- The *external debt-service-to-exports ratio* is projected to increase from 4.8 percent in FY2025 to 10.9 percent in FY2028, thus breaching the 10 percent threshold. It then rises to about 14 percent by FY2030, after which it declines and remains below the threshold. This decline in debt servicing reflects a gradual recovery of the export-to-GDP ratio, which increases from 2.2 percent in FY2031 to 5.3 percent in FY2035 driven by structural reforms aimed at enhancing governance and competitiveness.[22]

- The *external debt-service-to-revenue ratio* is projected to remain well below the indicative threshold of 14 percent until the end of the projection horizon in FY2045, supported by improved revenue collection under the authorities' reform agenda.

[21] See "Small States' Resilience to Natural Disasters and Climate Change – Role for the IMF," IMF, December 2016.

[22] As a reference, the export-to-GDP ratio hovered around 6 percent during FY2021-23 before declining to 2.4 percent in FY2025 due to the security crisis.

Table 1. Haiti: Debt Carrying Capacity and Thresholds

Debt Carrying Capacity and Thresholds

Country	Haiti
Country Code	263
Debt Carrying Capacity	Weak

Final	Classification based on current vintage	Classification based on the previous vintage	Classification based on the two previous vintages
Weak	Weak	Weak	Medium
	2.61	2.63	2.69

New
New

Applicable thresholds

APPLICABLE EXTERNAL debt burden thresholds	
PV of debt in % of	
Exports	140
GDP	30
Debt service in % of	
Exports	10
Revenue	14

APPLICABLE TOTAL public debt benchmark	
PV of total public debt in percent of GDP	35

Calculation of the CI Index

Components	Coefficients (A)	10-year average values (B)	CI Score components (A*B) = (C)	Contribution of components
CPIA	0.385	2.433	0.94	36%
Real growth rate (in percent)	2.719	-0.839	-0.02	-1%
Import coverage of reserves (in percent)	4.052	53.138	2.15	82%
Import coverage of reserves^2 (in percent)	-3.990	28.237	-1.13	-43%
Remittances (in percent)	2.022	13.283	0.27	10%
World economic growth (in percent)	13.520	2.973	0.40	15%
CI Score			2.611	100%
CI rating			Weak	

New framework	Cut-off values		
Weak	CI <	2.69	
Medium	2.69	≤ CI ≤	3.05
Strong	CI >	3.05	

Reference: Thresholds by Classiciation

EXTERNAL debt burden thresholds	Weak	Medium	Strong
PV of debt in % of			
Exports	140	180	240
GDP	30	40	55
Debt service in % of			
Exports	10	15	21
Revenue	14	18	23

TOTAL public debt benchmark	Weak	Medium	Strong
PV of total public debt in percent of GDP	35	55	70

17. Stress test scenarios confirm the vulnerability of external debt to natural disasters and declines in remittances, official grants, or FDI inflows (Figure 1 and Table 5). A natural disaster shock would raise the PV of PPG external debt-to-exports above the 140 percent threshold as early as in FY2026. Similarly, under one-standard deviation shocks to non-debt-creating flows—such as reductions in remittances, official grants, or FDI inflows—and to the primary balance, the PV of PPG external debt-to-exports breaches the indicative threshold in FY2026. Under a one-standard deviation shock to exports, the PV of PPG external debt-to-exports breaches in FY2027—a year earlier that under the baseline, further underscoring the external vulnerabilities stemming from Haiti's narrow exports base.

Public Sector Debt Sustainability Analysis

18. Public debt is sustainable under the baseline scenario (Figure 2 and Table 4). Total public debt is projected to follow a U-shaped behavior—declining from 11.7 percent of GDP in FY2025 to 8.9 percent if FY2027 and then gradually picking up due to economic recovery-related investments, reaching 20.8 percent in FY2045. In PV terms, public debt resembles the same U-shaped behavior, increasing from 11.8 percent of GDP in FY2025 to 18.4 percent of GDP in FY2045, but remaining below the indicative benchmark of 35 percent. The debt profile is expected to remain favorable, supported by the long maturities of multilateral debt and a focus on productive investment.

19. Debt service is projected to be driven by repayments of domestic debt, and to remain moderate over the forecast horizon. Repayments of short-term domestic debt—mainly treasury bills—are expected to drive up debt service costs over time due to their larger share in the total debt stock as of end FY2025, and the higher associated interest rates and shorter maturities. As a result, and despite a moderate fiscal deficit, gross financing needs (GFNs) are expected to rise from 0.1 percent of GDP projected in FY2025 to about 2 percent of GDP by FY2030, and to reach 3.6 percent in 2045. In FY2026, these GFNs are expected to be met through domestic borrowing (Text Figure 1). During FY2027-30, GFNs beyond domestic debt servicing are projected to be met through concessional external borrowing. This helps mitigate liquidity risks, while providing time for the government securities market to deepen. Improved tax collection contributes to a steady increase in the revenue-to-GDP ratio which stabilizes around 10 percent of GDP beyond 2035 (compared to 4.7 percent in FY2025). As a result, the public debt service-to-revenue ratio remains below 30 percent through the projection horizon, despite increased borrowing to support recovery and development efforts.

20. While the PV of public debt-to-GDP ratio remains below its benchmark for all stress test scenarios, it is highly vulnerable to natural disasters (Figure 2 and Table 6). A natural disaster shock would raise the PV of public debt-to-GDP ratio from 11.8 percent in FY2025 to 30.7 percent in FY2026, before stabilizing around 29 percent by the end of the projection period.

F. Risk Rating and Vulnerabilities

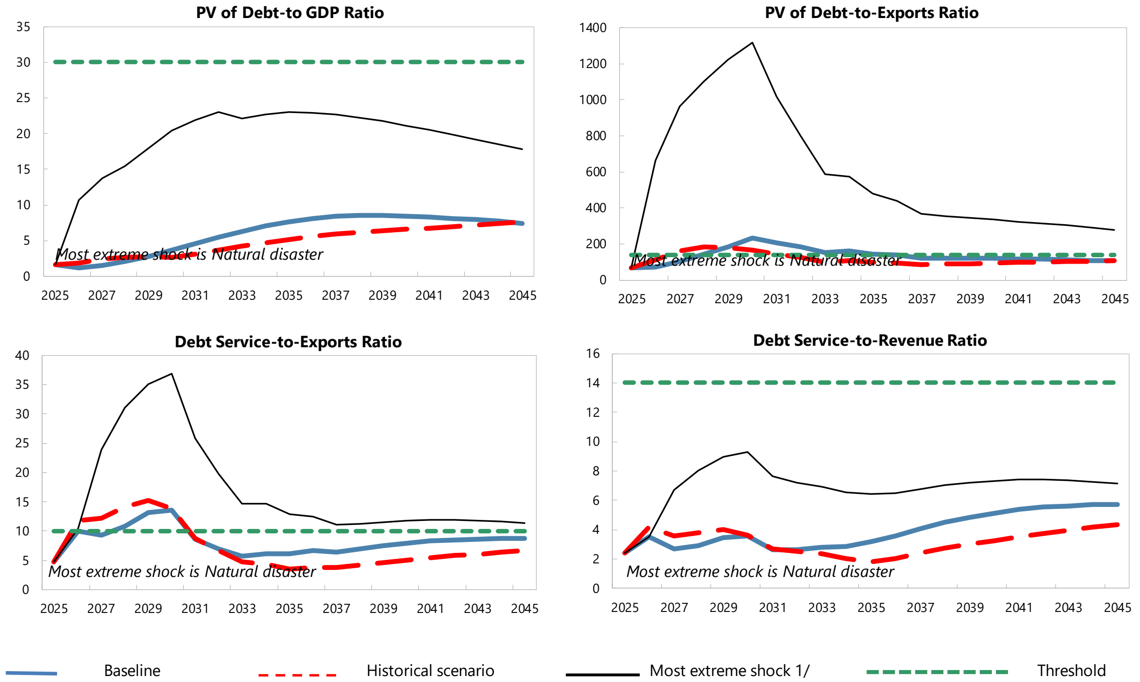
21. Haiti's external and overall risk of debt distress rating remains "high" and debt is assessed as sustainable. The high risk of external debt distress rating stems from breaches in both export-related external debt indicators—baseline scenario. Since these breaches occur within the 10-year projection horizon, the mechanical rating points to a high risk of debt distress—driven by the continued erosion of Haiti's production and export base which has been exacerbated by the ongoing security crisis. Debt sustainability hinges on a steadfast commitment to a sound macroeconomic framework, the implementation of reforms to boost revenue and enhance governance, and continued donor support to secure grants and concessional financing.

22. The debt outlook for Haiti is vulnerable to shocks. A drop in official grants, remittances, FDI, or a natural disaster comparable to Hurricane Matthew could push debt ratios back to pre-Petrocaribe relief levels. External debt service capacity is particularly sensitive to declines in official grants, remittances, and FDI, as illustrated by the increase in debt-service-to-revenue under stress scenario (Table 5).

Authorities' Views

23. The authorities agreed with the staff's assessment of an external and overall high risk of debt distress and sustainable debt. They reiterated their commitment to implementing sound macroeconomic policies, including a prudent fiscal policy and a debt strategy prioritizing concessional external financing in the short and medium term, in order to safeguard debt sustainability. However, the authorities expressed concerns about the limited availability of concessional external financing, which they deemed insufficient to meet the country's huge investment and development needs. Nevertheless, they committed to pursuing ongoing efforts to improve public debt management and promote greater transparency. The authorities also stressed the urgency of restoring security, which is an essential condition for the resumption of economic activity and the revival of exports, with a view to containing debt vulnerabilities exacerbated by the weakness of the country's narrow export base.

Figure 1. Haiti: Indicators of Public and Publicly Guaranteed External Debt Under Alternatives Scenarios, 2025–45



Customization of Default Settings	Size	Interactions
Tailored Tests		
Combined CLs	Yes	
Natural Disasters	Yes	No
Commodity Prices 2/	n.a.	n.a.
Market Financing	n.a.	n.a.

Note: "Yes" indicates any change to the size or interactions of the default settings for the stress tests. "n.a." indicates that the stress test does not apply.

Borrowing Assumptions for Stress Tests*	Default	User defined
Shares of marginal debt		
External PPG MLT debt	100%	
Terms of marginal debt		
Avg. nominal interest rate on new borrowing in USD	1.7%	1.7%
USD Discount rate	5.0%	5.0%
Avg. maturity (incl. grace period)	21	21
Avg. grace period	4	4

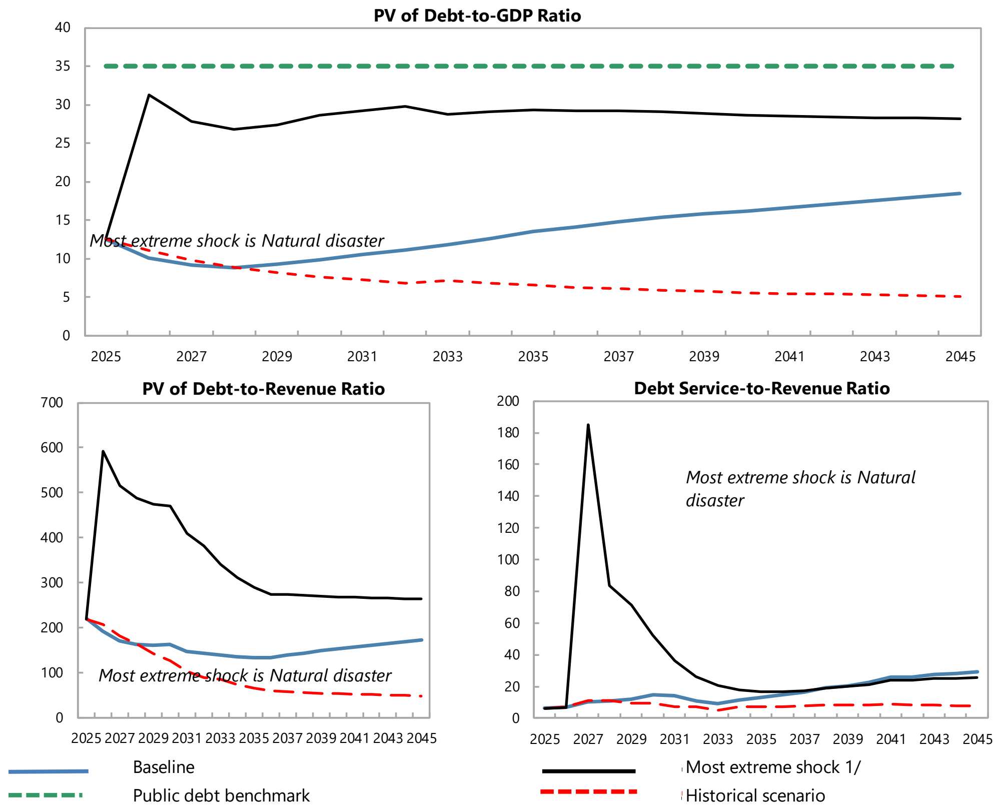
* Note: All the additional financing needs generated by the shocks under the stress tests are assumed to be covered by PPG external MLT debt in the external DSA. Default terms of marginal debt are based on baseline 10-year projections.

Sources: Country authorities; and staff estimates and projections.

1/ The most extreme stress test is the test that yields the highest ratio in or before 2035. Stress tests with one-off breaches are also presented (if any), while these one-off breaches are deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most extreme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

2/ The magnitude of shocks used for the commodity price shock stress test are based on the commodity prices outlook prepared by the IMF research department.

Figure 2. Haiti: Indicators of Public Debt Under Alternative Scenarios, 2025-45



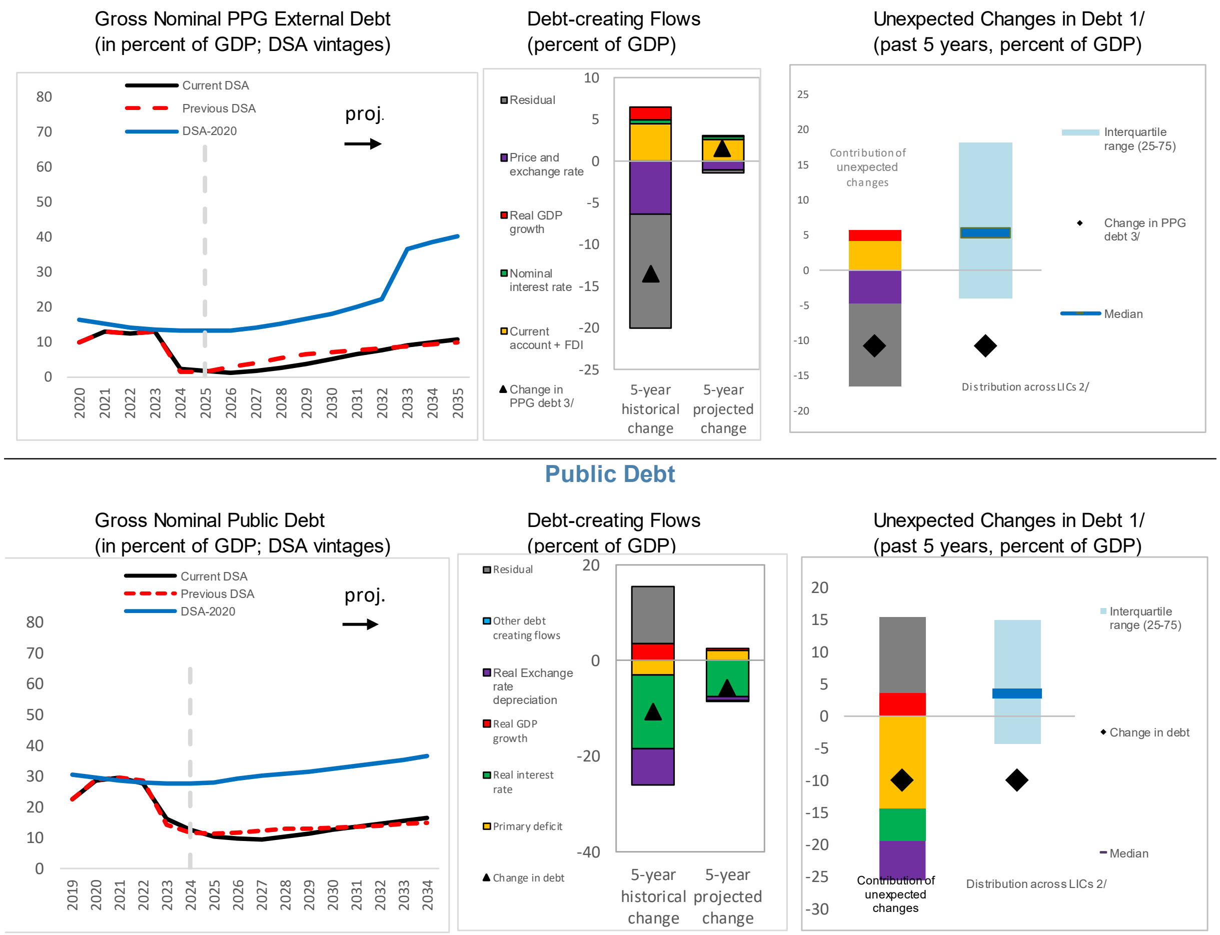
Borrowing Assumptions for Stress Tests*	Default	User defined
Shares of marginal debt		
External PPG medium and long-term	54%	54%
Domestic medium and long-term	9%	9%
Domestic short-term	38%	38%
Terms of marginal debt		
External MLT debt		
Avg. nominal interest rate on new borrowing in USD	1.7%	1.7%
Avg. maturity (incl. grace period)	21	21
Avg. grace period	4	4
Domestic MLT debt		
Avg. real interest rate on new borrowing	1.1%	1.1%
Avg. maturity (incl. grace period)	3	3
Avg. grace period	2	2
Domestic short-term debt		
Avg. real interest rate	-5.6%	-5.6%

* Note: The public DSA allows for domestic financing to cover the additional financing needs generated by the shocks under the stress tests in the public DSA. Default terms of marginal debt are based on baseline 10-year projections.

Sources: Country authorities; and staff estimates and projections.

1/ The most extreme stress test is the test that yields the highest ratio in or before 2035. The stress test with a one-off breach is also presented (if any), while the one-off breach is deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most extreme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

Figure 3. Haiti: Drivers of Debt Dynamics-Baseline Scenario



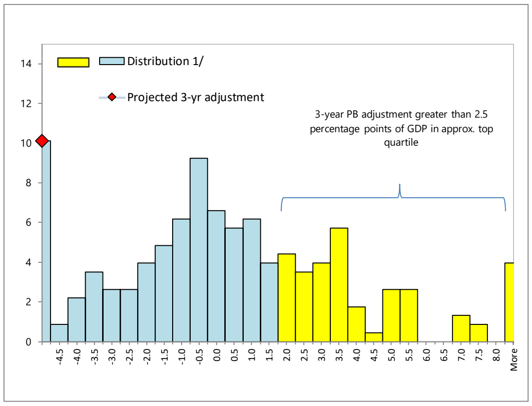
1/ Difference between anticipated and actual contributions on debt ratios.

2/ Distribution across LICs for which LIC DSAs were produced.

3/ Given the relatively low private external debt for average low-income countries, a ppt change in PPG external debt should be largely explained by the drivers of the external debt dynamics equation.

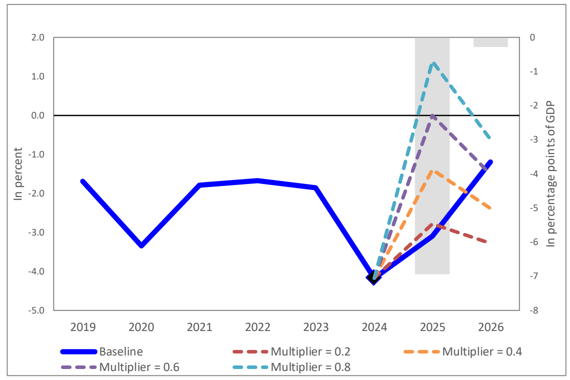
Figure 4. Haiti: Realism Tools

3-Year Adjustment in Primary Balance
(Percentage points of GDP)



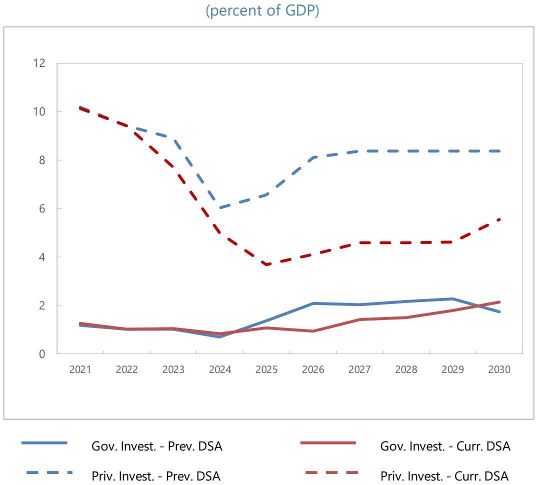
1/ Data cover Fund-supported programs for LICs (excluding emergency financing) approved since 1990. The size of 3-year adjustment from program inception is found on the horizontal axis; the percent of sample is found on the vertical axis.

Fiscal Adjustment and Possible Growth Paths 1/



1/ Bars refer to annual projected fiscal adjustment (right-hand side scale) and lines show possible real GDP growth paths under different fiscal multipliers (left-hand side scale).

Public and Private Investment Rates
(percent of GDP)



Contribution to Real GDP growth
(percent, 5-year average)

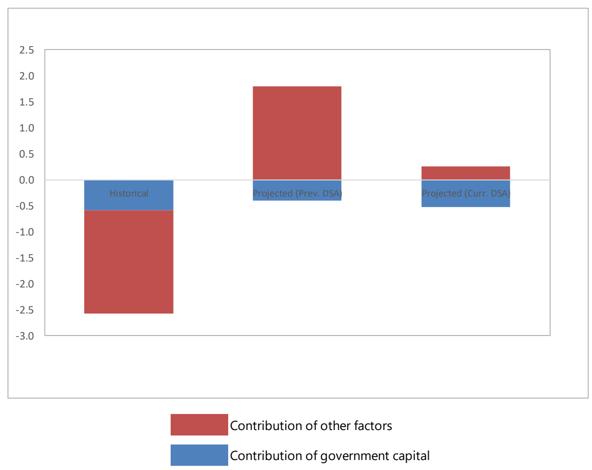


Table 2. Haiti: Structure of Public Debt and Debt Service
(Fiscal-year basis)

	Debt (at end-2024)			**Debt Service**					
		In percent of		2025	2026	2027	2025	2026	2027
	US$ millions	total debt	GDP	US$ millions			In percent of GDP		
Total	**3,824.7**	**100.0**	**15.1**	**36.2**	**66.9**	**61.7**	**0.1**	**0.2**	**0.1**
External	**558.0**	**14.6**	**2.2**	**36.2**	**66.9**	**61.7**	**0.1**	**0.2**	**0.1**
Multilateral creditors	**313.1**	**8.2**	**1.2**	**24.7**	**43.7**	**39.3**	**0.1**	**0.1**	**0.1**
IMF	245.1	6.4	1.0	16.7	36.4	32.3	0.1	0.1	0.1
OPEC	32.3	0.8	0.1	4.9	4.2	3.8	0.0	0.0	0.0
IFAD	35.7	0.9	0.1	3.1	3.1	3.1	0.0	0.0	0.0
IDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bilateral creditors	**184.9**	**4.8**	**0.7**	**11.4**	**23.2**	**22.5**	**0.0**	**0.1**	**0.0**
Paris Club	-	-	-	-	-	-	-	-	-
Non-Paris Club	184.9	4.8	0.7	11.4	23.2	22.5	0.0	0.1	0.0
Venezuela	28.2	0.7	0.1	2.3	2.2	2.2	0.0	0.0	0.0
PetroCaribe	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BANDES	28.2	0.7	0.1	2.3	2.2	2.2	0.0	0.0	0.0
Taiwan, Province of China	156.7	4.1	0.6	9.2	21.0	20.3	0.0	0.1	0.0
Bonds	-	-	-	-	-	-	-	-	-
Commercial creditors	**60.0**	**1.6**	**0.2**	**60.0**	**0.0**	**0.0**	**0.2**	**0.0**	**0.0**
Other international creditors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic	**3,266.7**	**85.4**	**12.9**	-	-	-	-	-	-
Held by non-residents, total	-	-	-	-	-	-	-	-	-
Held by residents, total	3,266.7	85.4	12.9	-	-	-	-	-	-
Loans, total	3,266.7	85.4	12.9	-	-	-	-	-	-
BRH	2,658.6	69.5	10.5	-	-	-	-	-	-
Other creditors (incl.T-Bills)	608.1	15.9	2.4	-	-	-	-	-	-
Total	**3,824.7**	**100.0**	**15.1**	**36.2**	**66.9**	**61.7**	**0.1**	**0.2**	**0.1**
Memo items									
Collaterized debt	-	-	-	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-	-	-	-
External arrears	10.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0

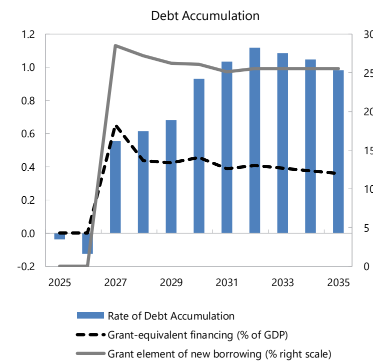
Sources: Haitian authorities, and Fund staff estimates.

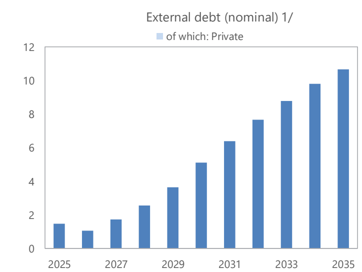
Table 3. Haiti: External Debt Sustainability Framework, Baseline Scenario, 2022–2045

(In Percent of GDP, unless otherwise indicated)

	Actual			Projections								Average 8/	
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2035	2045	Historical	Projections
External debt (nominal) 1/	12.3	12.9	2.2	1.5	1.1	1.7	2.5	3.6	5.1	10.7	9.9	12.3	5.3
of which: public and publicly guaranteed (PPG)	12.3	12.9	2.2	1.5	1.1	1.7	2.5	3.6	5.1	10.7	9.9	12.3	5.3
Change in external debt	-0.6	0.6	-10.8	-0.7	-0.4	0.6	0.8	1.1	1.5	0.9	-0.4		
Identified net debt-creating flows	3.1	3.5	-2.4	-0.7	0.3	0.7	1.1	1.5	2.1	1.2	0.3	0.5	1.0
Non-interest current account deficit	2.4	3.4	0.5	-0.5	0.3	0.8	1.3	1.8	2.3	1.3	1.4	1.4	1.2
Deficit in balance of goods and services	20.7	21.5	15.5	13.5	11.0	9.7	9.3	9.4	9.6	8.5	8.5	19.9	9.5
Exports	6.8	5.6	3.4	2.4	1.7	1.5	1.4	1.5	1.6	5.3	7.0		
Imports	27.5	27.1	18.9	15.9	12.7	11.2	10.7	10.9	11.2	13.8	15.5		
Net current transfers (negative = inflow)	-18.1	-18.0	-14.9	-12.5	-9.2	-8.1	-7.9	-8.2	-8.5	-8.7	-8.4	-18.1	-8.9
of which: official	-1.0	-0.9	-0.8	-1.1	-0.6	-0.4	-0.4	-0.5	-0.5	-0.5	-0.5		
Other current account flows (negative = net inflow)	-0.2	-0.1	-0.1	-1.6	-1.5	-0.8	0.0	0.6	1.2	1.6	1.3	-0.3	0.5
Net FDI (negative = inflow)	-0.2	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2	-0.3	-0.2	-0.2	-1.1	-0.6	-0.2
Endogenous debt dynamics 2/	0.9	0.3	-2.9	-0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0		
Contribution from nominal interest rate	0.1	0.1	0.1	-0.1	0.0	0.0	0.1	0.1	0.1	0.2	0.2		
Contribution from real GDP growth	0.2	0.2	0.4	0.1	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1		
Contribution from price and exchange rate changes	0.5	-0.1	-3.3	...	...	...	...	...	...	...	...		
Residual 3/	-3.7	-2.9	-8.3	0.0	-0.7	0.0	-0.3	-0.4	-0.6	-0.3	-0.6	-1.5	-0.2
of which: exceptional financing	-0.5	-0.5	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Sustainability indicators													
PV of PPG external debt-to-GDP ratio	...	...	2.1	1.6	1.2	1.5	2.0	2.7	3.7	7.7	7.5		
PV of PPG external debt-to-exports ratio	...	...	61.5	68.4	71.8	105.3	142.2	182.5	233.7	144.3	106.3		
PPG debt service-to-exports ratio	8.3	11.8	13.7	4.8	10.0	9.2	10.9	13.1	13.6	6.1	8.7		
PPG debt service-to-revenue ratio	10.7	10.4	8.8	2.4	3.5	2.7	2.9	3.5	3.6	3.2	5.7		
Gross external financing need (Million of U.S. dollars)	625.0	812.5	269.6	-120.4	227.1	491.4	820.6	1102.9	1277.8	1083.4	3024.5		
Key macroeconomic assumptions													
Real GDP growth (in percent)	-1.7	-1.9	-4.2	-3.1	-1.2	0.5	1.2	1.3	1.5	1.5	1.5	-0.6	0.7
GDP deflator in US dollar terms (change in percent)	-4.1	0.8	34.6	32.1	26.7	12.6	4.3	-2.3	-2.4	2.9	3.7	7.2	7.6
Effective interest rate (percent) 4/	0.7	0.9	0.5	-8.4	3.9	4.2	3.2	2.7	2.4	2.0	1.8	0.8	1.7
Growth of exports of G&S (US dollar terms, in percent)	6.6	-19.2	-21.2	-11.8	-12.1	0.1	3.6	3.9	4.5	27.3	5.5	-4.5	14.1
Growth of imports of G&S (US dollar terms, in percent)	8.0	-2.7	-9.8	7.4	-0.1	-0.1	0.9	1.2	1.4	13.7	5.5	0.7	4.9
Grant element of new public sector borrowing (in percent)	...	...	...	...	...	28.5	27.2	26.2	26.1	25.6	23.6	...	26.2
Government revenues (excluding grants, in percent of GDP)	5.3	6.3	5.3	4.7	4.7	5.0	5.3	5.7	6.0	10.1	10.7	6.7	6.8
Aid flows (in Million of US dollars) 5/	-5570.2	-11514.2	-200778.5	335.0	236.4	188.4	81.9	54.6	27.3	0.0	0.0		
Grant-equivalent financing (in percent of GDP) 6/	...	...	...	...	...	0.7	0.4	0.4	0.5	0.4	0.1	...	0.4
Grant-equivalent financing (in percent of external financing) 6/	...	...	...	...	...	51.9	37.8	32.8	28.8	25.6	23.6	...	31.0
Memorandum items:													
PV of external debt 7/	...	...	2.1	1.6	1.2	1.5	2.0	2.7	3.7	7.7	7.5		
In percent of exports	...	...	61.5	68.4	71.8	105.3	142.2	182.5	233.7	144.3	106.3		
Total external debt service-to-exports ratio	8.3	11.8	13.7	4.8	10.0	9.2	10.9	13.1	13.6	6.1	8.7		
PV of PPG external debt (in Million of US dollars)			530.4	520.7	479.9	705.2	986.1	1315.4	1760.3	4450.4	7367.8		
(PVt-PVt-1)/GDPt-1 (in percent)				0.0	-0.1	0.6	0.6	0.7	0.9	1.0	0.1		
Non-interest current account deficit that stabilizes debt ratio	3.0	2.7	11.3	0.2	0.7	0.1	0.5	0.7	0.8	0.5	1.7		

Definition of external/domestic debt	**Residency-based**
Is there a material difference between the two criteria?	**No**





Sources: Country authorities; and staff estimates and projections.

1/ Includes both public and private sector external debt.

2/ Derived as [r - g - ρ(1+g) + Ɛα (1+r)]/(1+g+ρ+gρ) times previous period debt ratio, with r = nominal interest rate; g = real GDP growth rate, ρ = growth rate of GDP deflator in U.S. dollar terms, Ɛ=nominal appreciation of the local currency, and α= share of local currency-denominated external debt in total external debt.

3/ Includes exceptional financing (i.e., changes in arrears and debt relief); changes in gross foreign assets; and valuation adjustments. For projections also includes contribution from price and exchange rate changes.

4/ Current-year interest payments divided by previous period debt stock.

5/ Defined as grants, concessional loans, and debt relief.

6/ Grant-equivalent financing includes grants provided directly to the government and through new borrowing (difference between the face value and the PV of new debt).

7/ Assumes that PV of private sector debt is equivalent to its face value.

8/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

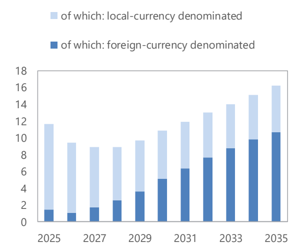
Table 4. Haiti: Public Sector Debt Sustainability Framework, Baseline Scenario, 2022–2045

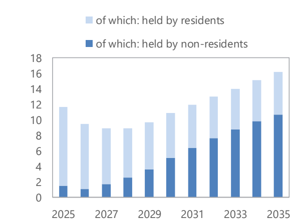
(In Percent of GDP, unless otherwise indicated)

	Actual			Projections								Average 6/	
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2035	2045	Historical	Projections
Public sector debt 1/	**29.2**	**27.3**	**15.1**	**11.7**	**9.4**	**8.9**	**8.9**	**9.7**	**10.9**	**16.2**	**20.8**	**24.4**	**11.8**
of which: external debt	**12.3**	**12.9**	**2.2**	**1.5**	**1.1**	**1.7**	**2.5**	**3.6**	**5.1**	**10.7**	**9.9**	**12.3**	**5.3**
Change in public sector debt	0.7	-1.9	-12.2	-3.4	-2.2	-0.5	0.0	0.8	1.2	1.1	0.4		
Identified debt-creating flows	**-2.3**	**-6.0**	**-11.6**	**-3.4**	**-2.1**	**-0.5**	**0.0**	**0.7**	**1.0**	**0.9**	**0.2**	**-1.8**	**-0.1**
Primary deficit	**1.5**	**-1.1**	**-7.2**	**-0.2**	**0.0**	**0.6**	**0.7**	**0.9**	**1.2**	**1.2**	**0.5**	**0.4**	**0.9**
Revenue and grants	6.6	7.2	12.2	5.7	5.3	5.4	5.5	5.8	6.1	10.1	10.7	**9.0**	**7.0**
of which: grants	1.3	0.9	6.9	1.0	0.6	0.4	0.2	0.1	0.1	0.0	0.0		
Primary (noninterest) expenditure	8.0	6.2	5.0	5.5	5.3	6.0	6.2	6.7	7.3	11.4	11.2	**9.4**	**7.8**
Automatic debt dynamics	**-3.7**	**-4.9**	**-4.4**	**-3.1**	**-2.2**	**-1.1**	**-0.8**	**-0.3**	**-0.2**	**-0.4**	**-0.3**		
Contribution from interest rate/growth differential	-3.4	-4.1	-2.0	-2.7	-1.9	-1.1	-0.8	-0.4	-0.4	-0.3	-0.1		
of which: contribution from average real interest rate	-3.9	-4.6	-3.1	-3.2	-2.0	-1.0	-0.7	-0.3	-0.2	-0.1	0.2		
of which: contribution from real GDP growth	0.5	0.6	1.2	0.5	0.1	0.0	-0.1	-0.1	-0.1	-0.2	-0.3		
Contribution from real exchange rate depreciation	-0.3	-0.8	-2.4	...	...	...	...	...	...	...	...		
Other identified debt-creating flows	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Privatization receipts (negative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Recognition of contingent liabilities (e.g., bank recapitalization)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Debt relief (HIPC and other)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Other debt creating or reducing flow (please specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Residual	**3.0**	**4.1**	**-0.7**	**-0.5**	**-0.4**	**-0.1**	**0.0**	**0.2**	**0.3**	**0.2**	**0.0**	**1.2**	**0.1**
Sustainability indicators													
PV of public debt-to-GDP ratio 2/	**...**	**...**	**15.0**	**11.8**	**9.6**	**8.7**	**8.4**	**8.9**	**9.6**	**13.3**	**18.4**		
PV of public debt-to-revenue and grants ratio	**...**	**...**	**122.6**	**206.0**	**180.8**	**161.8**	**154.1**	**153.3**	**157.2**	**131.1**	**171.8**		
Debt service-to-revenue and grants ratio 3/	**12.0**	**12.0**	**5.5**	**6.3**	**6.8**	**10.3**	**10.9**	**12.2**	**14.7**	**12.9**	**29.0**		
Gross financing need 4/	2.2	-0.2	-6.5	0.1	0.4	1.2	1.3	1.7	2.1	2.6	3.6		
Key macroeconomic and fiscal assumptions													
Real GDP growth (in percent)	-1.7	-1.9	-4.2	-3.1	-1.2	0.5	1.2	1.3	1.5	1.5	1.5	**-0.6**	**0.7**
Average nominal interest rate on external debt (in percent)	0.8	1.0	0.5	-8.4	4.0	4.2	3.2	2.7	2.5	2.0	1.8	**0.8**	**1.7**
Average real interest rate on domestic debt (in percent)	-21.5	-22.8	-18.3	-21.9	-19.8	-12.4	-9.6	-4.3	-3.9	-1.6	2.1	**-14.0**	**-8.4**
Real exchange rate depreciation (in percent, + indicates depreciation)	-2.6	-7.1	-18.5	...	...	...	...	...	...	...	...	**-1.4**	**...**
Inflation rate (GDP deflator, in percent)	29.8	31.5	24.4	31.3	27.0	16.8	13.5	7.4	7.3	7.5	7.4	**18.4**	**13.5**
Growth of real primary spending (deflated by GDP deflator, in percent)	-13.0	-24.5	-22.0	5.7	-4.1	13.8	4.5	9.7	10.5	9.4	1.3	**-10.3**	**8.6**
Primary deficit that stabilizes the debt-to-GDP ratio 5/	0.7	0.8	5.0	3.2	2.3	1.1	0.7	0.2	0.0	0.2	0.1	**2.2**	**0.8**
PV of contingent liabilities (not included in public sector debt)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		

Definition of external/domestic debt	**Residency-based**
Is there a material difference between the two criteria?	**No**

Public sector debt 1/





Sources: Country authorities; and staff estimates and projections.

1/ Coverage of debt: The central, state, and local governments plus extra budgetary funds. Definition of external debt is Residency-based.

2/ The underlying PV of external debt-to-GDP ratio under the public DSA differs from the external DSA with the size of differences depending on exchange rates projections.

3/ Debt service is defined as the sum of interest and amortization of medium and long-term, and short-term debt.

4/ Gross financing need is defined as the primary deficit plus debt service plus the stock of short-term debt at the end of the last period and other debt creating/reducing flows.

5/ Defined as a primary deficit minus a change in the public debt-to-GDP ratio ((-): a primary surplus), which would stabilizes the debt ratio only in the year in question.

6/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

Table 5. Haiti: Sensitivity Analysis for Key Indicators of Public and Publicly Guaranteed External Debt, 2025–45

(In Percent)

	Projections 1/																				
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
PV of debt-to GDP ratio																					
Baseline	2	1	2	2	3	4	5	5	6	7	8	8	8	9	9	8	8	8	8	8	7
A. Alternative Scenarios																					
A1. Key variables at their historical averages in 2025-2035 2/	2	2	2	3	3	3	3	4	4	5	5	6	6	6	6	7	7	7	7	7	8
B. Bound Tests																					
B1. Real GDP growth	2	1	2	2	3	4	5	6	7	8	8	9	9	9	9	9	9	9	9	8	8
B2. Primary balance	2	2	4	5	6	8	9	9	9	9	10	9	9	9	8	8	7	6	6	5	4
B3. Exports	2	1	2	3	3	4	5	6	7	8	8	9	9	9	9	9	9	8	8	8	8
B4. Other flows 3/	2	3	5	6	6	8	8	9	10	10	10	11	11	11	10	10	10	9	9	8	8
B5. Depreciation	2	1	1	1	2	3	4	5	6	7	8	9	9	10	10	10	9	9	9	9	9
B6. Combination of B1-B5	2	3	5	5	6	7	8	9	10	10	11	11	11	11	11	10	10	10	9	9	9
C. Tailored Tests																					
C1. Combined contingent liabilities	2	4	5	6	7	9	10	10	10	11	11	11	11	10	10	9	9	8	7	7	6
C2. Natural disaster	2	11	14	15	18	20	22	23	22	23	23	23	23	22	22	21	21	20	19	19	18
C3. Commodity price	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
PV of debt-to-exports ratio																					
Baseline	68	72	105	**142**	**183**	**234**	**209**	**185**	**151**	**161**	**144**	**140**	123	122	123	121	119	117	113	110	106
A. Alternative Scenarios																					
A1. Key variables at their historical averages in 2025-2035 2/	68	110	**162**	**184**	**181**	**164**	**141**	125	101	108	97	96	87	89	92	95	97	100	102	105	108
B. Bound Tests																					
B1. Real GDP growth	68	72	105	**142**	**183**	**234**	**209**	**185**	**151**	**161**	**144**	**140**	123	122	123	121	119	117	113	110	106
B2. Primary balance	68	**144**	**278**	**352**	**411**	**473**	**385**	**315**	**236**	**233**	**194**	**176**	**144**	135	127	117	107	97	86	76	65
B3. Exports	68	110	**227**	**284**	**347**	**427**	**370**	**320**	**255**	**269**	**238**	**229**	**200**	**198**	**197**	**194**	**190**	**186**	**180**	**174**	**168**
B4. Other flows 3/	68	**182**	**346**	**384**	**425**	**476**	**380**	**304**	**229**	**230**	**196**	**183**	**156**	**151**	**148**	**143**	138	133	127	121	115
B5. Depreciation	68	72	36	72	112	**163**	**157**	**150**	127	**141**	129	127	113	114	115	114	113	111	109	106	103
B6. Combination of B1-B5	68	**171**	**306**	**424**	**475**	**537**	**434**	**351**	**267**	**270**	**232**	**217**	**185**	**180**	**177**	**172**	**167**	**161**	**154**	**147**	**140**
C. Tailored Tests																					
C1. Combined contingent liabilities	68	**239**	**347**	**412**	**474**	**535**	**433**	**354**	**266**	**264**	**221**	**202**	**167**	**158**	**151**	**142**	132	122	112	101	90
C2. Natural disaster	68	**662**	**964**	**1104**	**1225**	**1318**	**1017**	**798**	**586**	**574**	**477**	**438**	**366**	**352**	**345**	**335**	**325**	**314**	**303**	**292**	**280**
C3. Commodity price	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140	140
Debt service-to-exports ratio																					
Baseline	5	10	9	11	13	14	9	7	6	6	6	7	6	7	7	8	8	9	**9**	**9**	**9**
A. Alternative Scenarios																					
A1. Key variables at their historical averages in 2025-2035 2/	5	12	12	14	15	14	9	7	5	4	3	4	4	4	5	5	5	6	6	6	7
B. Bound Tests																					
B1. Real GDP growth	5	10	9	11	13	14	9	7	6	6	6	7	6	7	7	8	8	9	9	9	9
B2. Primary balance	5	10	11	15	18	19	16	16	13	13	12	12	10	11	11	11	10	10	10	9	9
B3. Exports	5	13	15	18	22	23	16	14	11	11	11	12	11	12	12	13	14	14	14	14	14
B4. Other flows 3/	5	10	12	16	19	19	18	18	13	13	12	12	10	11	11	11	11	12	11	11	11
B5. Depreciation	5	10	9	9	11	12	8	4	3	4	4	5	5	6	6	7	7	8	8	8	8
B6. Combination of B1-B5	5	11	14	19	22	22	20	20	15	15	13	13	12	12	13	13	13	14	14	13	13
C. Tailored Tests																					
C1. Combined contingent liabilities	5	10	13	16	19	20	13	10	8	8	8	8	7	8	8	8	8	8	8	8	8
C2. Natural disaster	5	10	24	31	35	37	26	20	15	15	13	12	11	11	12	12	12	12	12	12	11
C3. Commodity price	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Debt service-to-revenue ratio																					
Baseline	2	4	3	3	3	4	3	3	3	3	3	4	4	4	5	5	5	6	6	6	6
A. Alternative Scenarios																					
A1. Key variables at their historical averages in 2025-2035 2/	2	4	4	4	4	4	3	3	2	2	2	2	2	3	3	3	4	4	4	4	4
B. Bound Tests																					
B1. Real GDP growth	2	4	3	3	4	4	3	3	3	3	3	4	4	5	5	6	6	6	6	6	6
B2. Primary balance	2	4	3	4	5	5	5	6	6	6	6	6	6	6	6	6	6	6	6	6	5
B3. Exports	2	4	3	3	4	4	3	3	3	3	4	4	5	5	5	6	6	6	6	6	6
B4. Other flows 3/	2	4	3	4	5	5	6	7	7	6	6	6	7	7	7	7	7	8	7	7	7
B5. Depreciation	2	4	3	3	4	4	3	2	2	2	3	3	4	5	5	5	6	6	6	6	6
B6. Combination of B1-B5	2	4	4	5	5	5	5	7	6	6	6	6	7	7	7	7	8	8	8	8	8
C. Tailored Tests																					
C1. Combined contingent liabilities	2	4	4	4	5	5	4	4	4	4	4	4	4	5	5	5	5	5	5	5	5
C2. Natural disaster	2	4	7	8	9	9	8	7	7	7	6	6	7	7	7	7	7	7	7	7	7
C3. Commodity price	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14

Sources: Country authorities; and staff estimates and projections.
1/ A bold value indicates a breach of the threshold.
2/ Variables include real GDP growth, GDP deflator (in U.S. dollar terms), non-interest current account in percent of GDP, and non-debt creating flows.
3/ Includes official and private transfers and FDI.

Table 6. Haiti: Sensitivity Analysis for Key Indicators of Public Debt, 2025–45

	Projections 1/																				
	2025	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**	**2045**
										PV of Debt-to-GDP Ratio											
Baseline	12	10	9	8	9	10	10	11	12	12	13	14	15	15	16	16	17	17	17	18	18
A. Alternative Scenarios																					
A1. Key variables at their historical averages in 2025-2035 2/	12	10	9	8	8	7	7	7	7	7	6	6	6	6	6	6	5	5	5	5	5
B. Bound Tests																					
B1. Real GDP growth	12	10	10	10	11	12	13	14	15	15	16	17	17	18	18	19	19	19	20	20	21
B2. Primary balance	12	12	13	13	13	14	14	15	15	15	15	15	15	15	15	15	14	14	14	14	14
B3. Exports	12	10	9	9	9	10	11	11	12	13	14	14	15	16	16	16	17	17	18	18	18
B4. Other flows 3/	12	11	12	12	13	14	14	14	15	15	16	16	17	17	17	18	18	18	18	19	19
B5. Depreciation	12	9	8	8	8	8	8	8	8	8	8	8	8	7	7	7	6	6	5	5	5
B6. Combination of B1-B5	12	11	10	8	9	9	10	11	11	11	12	13	13	14	14	14	15	15	16	16	16
C. Tailored Tests																					
C1. Combined contingent liabilities	12	16	14	14	14	15	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
C2. Natural disaster	12	31	27	26	27	28	29	30	29	29	29	29	29	29	29	29	28	28	28	28	28
C3. Commodity price	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Public debt benchmark	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
										PV of Debt-to-Revenue Ratio											
Baseline	206	181	162	154	153	157	143	140	137	133	131	131	137	142	146	150	155	159	163	168	172
A. Alternative Scenarios																					
A1. Key variables at their historical averages in 2025-2035 2/	206	196	172	154	135	120	98	85	82	71	63	58	56	54	53	52	51	50	49	48	48
B. Bound Tests																					
B1. Real GDP growth	206	190	182	180	184	194	181	181	173	165	160	157	162	167	170	174	177	181	185	188	192
B2. Primary balance	206	231	245	231	226	228	203	193	176	162	150	142	141	140	138	136	135	134	132	131	130
B3. Exports	206	185	173	165	164	168	152	147	143	139	136	135	140	145	149	153	157	161	165	169	173
B4. Other flows 3/	206	215	228	219	218	222	197	185	176	166	159	154	158	161	163	165	167	170	172	175	178
B5. Depreciation	206	177	151	138	131	128	112	105	98	88	80	73	71	68	65	61	57	54	51	48	45
B6. Combination of B1-B5	206	211	182	151	151	154	141	137	128	123	120	118	124	128	132	135	139	142	146	150	154
C. Tailored Tests																					
C1. Combined contingent liabilities	206	297	261	248	243	245	217	207	189	173	162	153	153	153	151	150	149	148	147	146	145
C2. Natural disaster	206	581	506	480	467	464	404	378	337	309	288	272	272	270	269	267	266	265	264	264	263
C3. Commodity price	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
										Debt Service-to-Revenue Ratio											
Baseline	6	7	10	11	12	15	15	11	9	12	13	15	17	19	21	23	26	26	28	28	29
A. Alternative Scenarios																					
A1. Key variables at their historical averages in 2025-2035 2/	6	7	11	11	9	9	7	7	5	7	7	7	8	8	8	8	9	8	8	8	8
B. Bound Tests																					
B1. Real GDP growth	6	7	12	15	17	21	21	17	15	15	16	18	19	22	23	25	29	29	31	31	32
B2. Primary balance	6	7	33	38	27	25	22	17	15	14	14	15	15	17	18	19	22	21	22	22	22
B3. Exports	6	7	10	11	12	15	15	11	10	12	13	15	17	19	21	23	26	26	28	28	29
B4. Other flows 3/	6	7	11	12	14	16	17	15	13	15	16	18	19	21	23	25	28	28	30	30	31
B5. Depreciation	6	7	11	9	12	14	14	10	8	10	10	12	13	15	15	16	18	17	18	17	17
B6. Combination of B1-B5	6	7	10	11	12	15	14	11	8	11	12	14	15	18	19	21	24	24	26	26	27
C. Tailored Tests																					
C1. Combined contingent liabilities	6	7	61	32	29	25	20	15	12	11	11	11	12	14	15	16	19	19	20	20	21
C2. Natural disaster	6	7	185	84	71	52	36	26	20	18	17	17	17	19	20	21	24	24	25	25	26
C3. Commodity price	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Sources: Country authorities; and staff estimates and projections.

1/ A bold value indicates a breach of the benchmark.

2/ Variables include real GDP growth, GDP deflator and primary deficit in percent of GDP.

3/ Includes official and private transfers and FDI.