

BURKINA FASO

GDP growth is projected to slow slightly to 4.7 percent in 2025 (2.3 percent per capita), due to weaker agricultural performance, before gradually rising to 5.1 percent by 2027, assuming improved security. Inflation is projected to average 2.7 percent in 2025, and the extreme poverty rate is expected to fall to 34.2 percent. The outlook is subject to downside risks from security threats, climate shocks, debt roll-over, and adverse international dynamics.

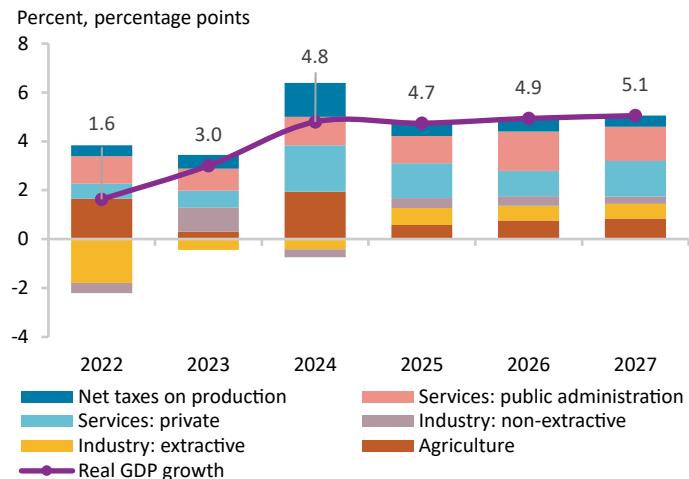
Key conditions and challenges

Burkina Faso's extractive-driven economy remains vulnerable to insecurity, climate, and commodity shocks. The economic landscape is dominated by low-productivity services; rain-fed agriculture, which is highly sensitive to weather and security conditions; and gold mining, which represents 80 percent of exports.

Despite slowly improving, security continues to hinder economic growth, impacting the agriculture and mining sectors. In H1 2025, fatalities, as recorded by the Armed Conflict Location and Event Data (ACLED) fell 23 percent from H1 2024 and 26.6 percent from H1 2023 which saw a peak in violence (4819 death). Access to land has improved, and some mines have reopened after two years of suspension, supporting agricultural and extractive activities.

Burkina Faso faces significant labor market challenges, with the working-age population projected to grow by 3.3 percent to 13.5 million in 2025, while 93.5 percent of jobs remain informal, and 83.0 percent of workers are in vulnerable employment. Youth (15-24) are particularly vulnerable, with 13.8 percent not in education, employment or training.

FIGURE 1 / Real GDP growth and supply-side contributions to real GDP growth



Sources: National Bureau of Statistics (INSD) and World Bank staff estimates.

| | |
|--|---|
| Population ¹ million | Poverty ² millions living on less than \$3.00/day |
| 23.5 | 9.3 |
| Life expectancy at birth ³ years | School enrollment ⁴ primary (% gross) |
| 61.1 | 72.3 |
| GDP ⁵ current US\$, billion | GDP per capita ⁶ current US\$ |
| 23.1 | 982.0 |

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

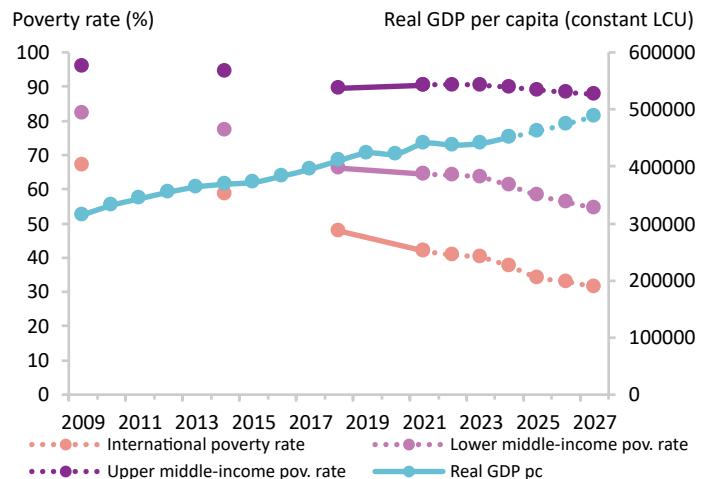
Burkina Faso has been reinforcing economic and political cooperation with Mali and Niger within the Confederation of Sahel States (AES). The authorities have reaffirmed the country's intention to remain in the West African Economic and Monetary Union (WAEMU).

Recent developments

In Q1 2025, GDP growth stood at 3.8 percent year on year (y/y). Growth is expected to reach 4.7 percent in 2025 (2.3 percent per capita), compared to 4.8 percent in 2024 as reported by the Institut National de la Statistique et de la Démographie (INSD). On the supply side, the services sector is expected to contribute 2.5 percentage points (pp) to overall GDP growth in 2025, driven by strong performance in public administration services, which represent 22 percent of the economy. Reduced insecurity in some regions is also likely supporting services growth by boosting retail, trade, and repair activities.

Agriculture is estimated to contribute 0.6 pp to GDP growth in 2025, compared to 1.9 pp in 2024. This weaker performance is due to a more adverse rainfall pattern and a decline in cotton output,

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



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

driven by lower cotton prices and the July 9, 2025 closure of SO-COMA, the country's second-largest cotton company, which affected nearly 800 workers and over 60,000 farms. However, continued government support through the Offensive Agricole initiative is expected to help sustain agricultural output.

Following a negative contribution in 2024, the secondary sector is expected to recover, contributing 1.1 pp to overall growth in 2025, driven by increased mining output. Gold production is estimated to increase, supported by the reopening of previously closed mines and the formalization of artisanal and semi-mechanized production.

The current account deficit (CAD) is expected to narrow to 4.2 percent of GDP in 2025, down from 6.6 percent in 2024, driven by higher gold production and projected lower crude oil prices.

Average inflation eased to 1.9 percent y/y in H1 2025, reflecting higher agricultural production in 2024. It is expected to reach 2.7 percent in 2025, down from 4.2 percent in 2024. Low inflation and excellent harvest in late 2024 are expected to reduce extreme poverty, from 37.5 percent in 2024 to 34.2 percent in 2025.

The WAEMU inflation rate declined to 3.5 percent in 2024, remaining above the WAEMU target band of 1-3 percent, while regional foreign reserves increased to 4.6 months of imports. After maintaining its monetary policy unchanged since end-2023, the Central Bank of West African States (BCEAO) reduced its key policy interest rates in June 2025 by 25 basis points, lowering the liquidity call rate to 3.3 percent and the marginal lending facility rate to 5.3 percent.

The fiscal deficit is estimated to narrow to 4.7 percent of GDP in 2025, driven by lower spending on public wages (-0.2 pp of GDP),

alongside stable revenue mobilization. The deficit continues to be financed mainly through domestic borrowing from the regional market, with elevated interest rates.

Outlook

GDP growth is projected to increase to 4.9 percent in 2026 and reach 5.1 percent in 2027, assuming sustained security improvements, average climate conditions, and policy stability. Gold production is projected to reach 65 tons in 2027, boosting the recovery of the secondary sector, and reducing the CAD. Global trade uncertainty is expected to impact Burkina Faso indirectly through changes in gold and oil prices.

The regional inflation rate is expected to align with the WAEMU target band from 2025 onwards, while reserves are projected to rise slightly to 4.7 months of imports in 2025, supported by recovering exports.

The government remains committed to fiscal consolidation, but expenditure needs will remain high. Public debt as a share of GDP is anticipated to slowly trend downward. Robust GDP growth and lower inflation are forecasted to reduce poverty by about 1-2 pp per year, lifting 335 thousand Burkinabe out of extreme poverty with the total number of extreme poor decreasing to 7.9 million by 2027.

Downside risks to the outlook include a reversal of security gains, climate shocks, debt roll-over, and adverse international dynamics. On the upside, reforms to improve the investment climate for private sector companies could lift the growth potential.

Recent history and projections

| | 2022 | 2023 | 2024 | 2025e | 2026f | 2027f |
|--|-------|------|------|-------|-------|-------|
| Real GDP growth, at constant market prices | 1.6 | 3.0 | 4.8 | 4.7 | 4.9 | 5.1 |
| Private consumption | 4.6 | 2.8 | 9.5 | 4.8 | 5.8 | 6.4 |
| Government consumption | 5.7 | 5.2 | 7.5 | 6.2 | 4.0 | 2.5 |
| Gross fixed capital investment | -1.1 | 4.5 | 9.7 | 7.1 | 3.1 | 2.2 |
| Exports, goods and services | -7.0 | -3.8 | -4.2 | 2.0 | 2.5 | 3.5 |
| Imports, goods and services | 7.2 | -2.0 | 13.2 | 5.4 | 3.1 | 2.9 |
| Real GDP growth, at constant factor prices | 1.3 | 2.7 | 4.8 | 4.7 | 4.9 | 5.1 |
| Agriculture | 9.7 | 1.6 | 10.6 | 3.0 | 4.0 | 4.5 |
| Industry | -8.1 | 2.2 | -3.0 | 5.0 | 4.5 | 4.0 |
| Services | 3.8 | 3.4 | 6.6 | 5.2 | 5.5 | 5.9 |
| Inflation (consumer price index) | 14.1 | 0.7 | 4.2 | 2.7 | 2.5 | 2.0 |
| Current account balance (% of GDP) | -7.4 | -8.3 | -6.6 | -4.2 | -4.0 | -3.8 |
| Net foreign direct investment inflow (% of GDP) | 3.5 | 1.9 | 1.2 | 1.1 | 1.0 | 0.9 |
| Fiscal balance (% of GDP) | -11.8 | -6.8 | -5.8 | -4.7 | -4.3 | -3.9 |
| Revenues (% of GDP) | 21.6 | 22.1 | 22.0 | 22.6 | 22.8 | 22.9 |
| Debt (% of GDP) | 59.2 | 56.8 | 57.2 | 55.6 | 54.8 | 54.3 |
| Primary balance (% of GDP) | -9.8 | -4.5 | -3.6 | -2.7 | -2.1 | -1.5 |
| International poverty rate (\$3.00 in 2021 PPP)^{1,2} | 40.8 | 40.2 | 37.5 | 34.2 | 33.0 | 31.4 |
| Lower middle-income poverty rate (\$4.20 in 2021 PPP)^{1,2} | 64.2 | 63.6 | 61.1 | 58.2 | 56.2 | 54.4 |
| Upper middle-income poverty rate (\$8.30 in 2021 PPP)^{1,2} | 90.5 | 90.3 | 89.7 | 89.0 | 88.3 | 87.8 |
| GHG emissions growth (mtCO2e) | 0.2 | 2.5 | 3.8 | 3.8 | 4.0 | 4.0 |

Source: World Bank, Poverty and Economic Policy Global Departments. Emissions data sourced from CAIT and OECD.

Notes: e = estimate, f = forecast. Data in annual percent change unless indicated otherwise.

1/ Calculations based on 2021-EHCVM. Actual data: 2021. Nowcast: 2022-2024. Forecasts are from 2025 to 2027.

2/ Projections using microsimulation methodology.