

ANKER REFERENCE VALUE ANNUAL UPDATE 2023¹

RURAL MADAGASCAR

LIVING INCOME
MGA 651,972 (USD 146)

This report provides an update of the Anker Living Income Reference Value for rural Madagascar, taking into account inflation since the original report.² As of 2020, the estimated living income for rural areas in Madagascar was MGA 512,693 per month. This update takes into account the amount of inflation to mid-2023 for the country since mid-2020. Between mid-2020 and mid-2023, the inflation rate in Madagascar was estimated at 27.2%.³ Without accounting for inflation, the living income estimated in 2020 would not be sufficient for families to have a basic but decent standard of living in 2023, because the purchasing power of the living income would have decreased. Therefore, the updated living income for 2023 in rural Madagascar is estimated to be MGA 651,972 per month.

Table 1. Anker Living Income Reference Value for Rural Madagascar (in MGA and USD)

	2020		2022		2023	
	MGA	USD	MGA	USD	MGA	USD
Anker Living Income Reference Value	512,693	140	580,155	143	651,972	146
Exchange Rate of MGA to USD	3,662^a		4,067^b		4,473^c	
Inflation since mid-2020			13.2%		27.2%	

Notes: ^a Average exchange rate from November 2019 to January 2020.

^b Average exchange rate from May 2022 to July 2022.

^c Average exchange rate for June 2023. (<https://www.xe.com/currencycharts/?from=USD&to=PGK&view=5Y>).

¹ Prepared by: Lykke E. Andersen, Marcelo Delajara, Richard Anker & Martha Anker.

² Smith, Prates, Anker and Anker (2020). Anker Living Income Reference Value – Rural Madagascar, 2020. Global Living Wage Coalition. See <https://www.globallivingwage.org/living-income-reference-value-rural-madagascar/>

³ To calculate the amount of inflation, we used the National CPI provided by the Institut National de la Statistique et la Démographie: (<https://www.instat.mg/>). Data on observed inflation is available until April 2023. For the months of May and June 2023, we projected the CPI using the monthly inflation rate equivalent to the annual rate projected by the IMF for the country in 2023.