

# ANKER REFERENCE VALUE ANNUAL UPDATE 2023<sup>1</sup>

## RURAL REPUBLIC OF CONGO

### LIVING WAGE

**CFA 112,707 (USD 186)**

This report updates the Anker Living Wage Reference Value for rural Republic of Congo to June 2023. This value was CFA 108,338 (USD 172) for 2022 in the original report<sup>2</sup>, comprised of a net living wage (i.e. take-home pay) of CFA 103,181 (USD 164) per month plus CFA 5,157 (USD 8) which would need to be paid by law in social security contributions and income tax on the living wage. The updated values for June 2023 are: (i) Anker Gross Living Wage of CFA 112,707 (USD 186), comprised of a Net living Wage of CFA 107,392 (USD 177), plus social security contribution and income tax of CFA 5,315 (USD 8). Inflation in this period was 4.08%<sup>3</sup> and it increased the net living wage. Without accounting for inflation, the living wage estimated in 2022 would not be sufficient for workers and their families to have a basic but decent standard of living in 2023, because the purchasing power of the living wage would have decreased. Social security contributions and income tax were calculated using the most up-to-date tax laws.<sup>4</sup>

**Table 1.** Anker Living Wage Reference Value for rural Republic of Congo, 2022 and 2023 (in CFA and USD)

	2022		2023	
	CFA	USD	CAF	USD
Anker Net Living Wage Reference Value (1)	<b>103,181</b>	<b>164</b>	<b>107,392</b>	<b>177</b>
Social Security Contributions and Income Tax (2)	<b>5,157</b>	<b>8</b>	<b>5,315</b>	<b>8</b>
Anker Gross Living Wage Reference Value (3) (3) = (1) + (2)	<b>108,338</b>	<b>172</b>	<b>112,707</b>	<b>186</b>
Exchange Rate	<b>629.01</b>		<b>605.28<sup>a</sup></b>	
Inflation from mid-2022 to mid-2023	<b>4.08%</b>			

**Notes:** USD values are indicative only, since exchange rates are volatile. <sup>a</sup> Average exchange rate for June 2023.

<sup>1</sup> Anker Research Institute engages in and disseminates high-quality research, analysis, and training related to living wage and living income (based on the Anker methodology) to inform and influence companies, empower working people, and shape public policy, thereby helping to enhance quality of life and sustainable livelihoods for working people and their families everywhere. Social Accountability International (SAI) is the institutional host. Report prepared by Marcelo Delajara and Rocío Espinosa.

<sup>2</sup> N'Guessan, Y., Prates, I., Anker, R. and Anker, M. (2022) Rural Republic of Congo Reference Value 2022.

<sup>3</sup> Monetary International Fund: <https://data.imf.org/regular.aspx?key=61015892> Inflation is calculated based on the national CPI (2018=100).

<sup>4</sup> <https://taxsummaries.pwc.com/republic-of-congo/individual/other-taxes> In Republic of Congo, employees earning a wage need to pay mandatory contributions to social security at a rate of 4% of gross salary as well as income tax if their taxable income is higher than the tax-free amount. For income tax purposes, employees are allowed to deduct 20% of their earnings and also their contribution to pension fund. A rate of 1% is applicable to taxable earnings until CFA 464,000.