

ANKER REFERENCE VALUE ANNUAL UPDATE 2023¹

RURAL & URBAN GABON

Living Wage for Rural Gabon
FCFA 224,151 (USD 370)

Living Wage for Urban Gabon
FCFA 297,008 (USD 490)

This report updates the Anker Living Wage Reference Value for rural and urban Gabon to account for inflation since the original report.² In 2021, the estimated net living wage was FCFA 189,197 per month for rural areas and FCFA 250,693 per month for urban areas. Without accounting for inflation, this wage would not suffice for a basic yet decent standard of living in 2023 due to decreased purchasing power. This report also considers income tax and social security contributions, using the most up-to-date tax laws.³ The updated net living wage for 2023 is FCFA 205,098 per month for rural areas and FCFA 271,762 per month for urban areas in Gabon. The gross living wage for 2023 is FCFA 224,151 per month for rural areas and FCFA 297,008 per month for urban areas, accounting for income tax and mandatory contributions. In Gabon, employees earning an amount equivalent to a living wage are currently exempt from the progressive income tax (IRPP). This is partly because taxable income is negatively affected by family size.⁴ However, workers do face a complementary tax on salaries (TCTS) with a 5% fixed rate which translates into FCFA 11,208 for rural workers and FCFA 14,850 for urban workers. Social security contributions to the National Social Security Fund (CNSS) amount to 2.50% of an employee's salary, meaning FCFA 5,604 for rural workers and FCFA 7,425 for urban workers, and a 1% contribution to the National Disease Insurance and Social Guarantee Fund (CNAMGS) of FCFA 2,242 for rural workers and FCFA 2,970 for urban workers.⁵

¹ Prepared by: Natasha N. Andersen, Lykke E. Andersen, Agnes Medinaceli, Marcelo Delajara, Richard Anker & Martha Anker.

² N'Guessan, Y.G, Anker, R., Anker M. & Prates, I. (2021). Anker Living Wage Reference Value for Rural & Urban Gabon, 2021. Global Living Wage Coalition. Available online: <https://globallivingwage.org/countries/gabon/>.

³ See <https://taxsummaries.pwc.com/gabon/individual/taxes-on-personal-income> and <https://taxsummaries.pwc.com/gabon/individual/other-taxes>.

⁴ Please note that we have used the same family size of 5 members as in the original report. This implies that a family quotient (number of shares) of 3.5 is used to calculate taxable income.

⁵ This report differs from the original report as we found that the contribution to the CNAMGS is currently 1%, as a temporary measure until Decree 537 comes into effect. For more information, please see <http://www.cnamgs.ga/node/127>.

Table 1. Anker Living Wage Reference Value for Rural Gabon, 2021 and 2023 (in FCFA and USD)

	2021		2023	
	FCFA	USD	FCFA	USD
Anker Net Living Wage Reference Value (1)	189,197	341	205,098	338
Social Security Contributions (2)	9,035	16	7,845	13
TCTS (3)	2,539	5	11,208	18
Anker Gross Living Wage Reference Value (4) (4) = (1) + (2) + (3)	200,770	362	224,151	370
Exchange Rate of FCFA to USD	544.25^a		606.00^b	
Inflation from June 2021 to June 2023	8.40%^c			

Notes: ^a Average exchange rate from January 2021 to March 2021, based on IMF data.

^b Average exchange rate for June 2023. Source: <https://www.exchangerates.org.uk/USD-XAF-exchange-rate-history.html>

^c CPI obtained from IMF DATA. CPI for June 2023 computed based on inflation forecasted for the year in October 2023 by IMF (<https://www.imf.org/external/datamapper/PCPIPCH@WEO/GBN/GAB>).

Table 2. Anker Living Wage Reference Value for Urban Gabon, 2021 and 2023 (in FCFA and USD)

	2021		2023	
	FCFA	USD	FCFA	USD
Anker Net Living Wage Reference Value (1)	250,693	452	271,762	448
Social Security Contributions (2)	18,028	33	10,395	17
TCTS (3)			14,850	25
Anker Gross Living Wage Reference Value (4) (4) = (1) + (2) + (3)	268,721	485	297,008	490
Exchange Rate of FCFA to USD	544.25^a		606.00^b	
Inflation from June 2021 to June 2023	8.40%^c			

Notes: USD values are indicative only, since exchange rates are volatile.

^a Average exchange rate from January 2021 to March 2021, based on IMF data.

^b Average exchange rate for June 2023. Source: <https://www.exchangerates.org.uk/USD-XAF-exchange-rate-history.html>

^c CPI obtained from IMF DATA. CPI for June 2023 computed based on inflation forecasted for the year in October 2023 by IMF (<https://www.imf.org/external/datamapper/PCPIPCH@WEO/GBN/GAB>).