Two years Living Wage Lab for joint action

Towards a living wage in the agri-food sector
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Why the Living Wage Lab?

The Dutch NGOs Hivos and Fairfood launched the Living Wage Lab in November 2015. The goal was to help companies and other stakeholders in the agri-food sector in finding solutions to achieve living wages in their supply chains. Two years later – after a series of sessions – it’s time for some reflection.

The awareness of living wages has, without doubt, increased among a wide range of stakeholders in the past few years. Achieving real change has, however, proved to be a difficult job. Low wages are a persistent problem in many global value chains, and cannot be solved by individual companies alone. Hivos and Fairfood decided to bring together Netherlands-based stakeholders to develop and experiment with innovative ways to realise decent wages. Why did they choose this specific Lab approach?

‘For Hivos, a living wage has been a top priority for some years’, says Kristina Ullrich, who works at the NGO as private sector advocacy officer. ‘We’ve asked True Price to develop a business case for a living wage in the Kenyan flower sector, for growers and retail. When we noticed that Fairfood was...’
busy with the same theme, focusing on food, we decided to collaborate. Originally, we thought of a think tank with stakeholders to consider solutions to realise a living wage in the agri-food sector. We had doubts as to whether this would work, because it would involve too much talk and not enough action. We mainly wanted to bring stakeholders together to really do something, and so the idea of the Lab came about. That offers the space to try things out.’

‘The Lab’s action-oriented approach works well for Fairfood,’ adds Anna Lentink, Living Wage & Livelihood expert. ‘We prefer experimenting and doing to hanging around and talking. Our proposition is that fairer distribution of value in production chains is the core of poverty alleviation. If farmers and workers in developing countries have a better income, they can take care of themselves, and philanthropic projects are not necessary.’

‘Living wages is a complex subject’, says Ullrich, ‘and that’s why the Lab works so well. To make progress, you need many different stakeholders, often including people who do not know or appreciate each other. The lab offers them a safe environment, which creates space for action. It’s a good model for complicated problems where a clear solution is not obvious.'
We are the Lab

The Living Wage Lab is not a laboratory in the traditional sense of the word. The Lab works according to the principles of Theory U, a theory that states that we can only come to solutions for complex global problems through personal leadership, collaboration and experimentation. The Lab was formed by us, the participants. We are stakeholders from different sectors who are in one way or another busy with the living wage issue in the agri-food industry. In our sessions we focus on:

• Considering the living wage issue in the agri-food industry from different points of view, and designing innovative interventions;
• Experimenting with a wide range of ideas and approaches;
• Taking joint action to effectively realise living wages.

But how do two action-oriented NGOs succeed in bringing such different parties to the table?

Ullrich: ‘We are action-oriented, but we don’t pretend to have a ready-made solution. We work together with participants at the table to find out what is needed to move towards living wages, and to share the steps and solutions. That’s what you need to do before you can take action.’

Lentink: ‘I think we have found a good mix between exchanging knowledge, networking, meeting the right people, providing the right tools to get involved, and interactive teamwork. That works in a very inspiring way.’

The Lab has been running for two years. What does the future look like?

Ullrich: ‘When we started, we thought it would last for a year, but we needed more time to build an atmosphere of trust, and to gain more knowledge. This year, we really made progress as you can see in the chapter Pilots & good practices. The pursuit of living wages must be rooted in the supply chains of companies. They must include it in their policies, and also have the means to get started.’
Learning from the textile industry

Since the debate on living wages is furthest developed in the textile and clothing sector, the Living Wage Lab held extensive discussions with participants in the Lab about the lessons that can be learned from this sector.

If the disaster at the Rana Plaza textile factory in Bangladesh made one thing clear, it was that this was not an isolated incident. Abuses are structural, not only in Bangladesh, and certainly not only in the textile sector. Former Dutch Minister Ploumen of Foreign Trade and Development Cooperation therefore took the initiative of drafting sector-risk analyses. The social and environmental risks of thirteen international sectors in addition to textiles were analyzed, including agriculture and horticulture. The Dutch Social Economic Council (SER) was asked to advise on sector agreements with the business community about international corporate social responsibility. The advice to draft international sector agreements on corporate social responsibility (ICSR) was then embraced by the former ministers Ploumen and Kamp of Economic Affairs.

Lentink: ‘We want to go in an even more practical direction by developing a number of digital tools that help companies to get started. We will also change our way of working somewhat. In addition to broad meetings, core groups will get the chance to focus on specific themes that are commonly recurring: How do margin escalations work in the agri-food sector? What does a living wage mean in terms of costs? What is the consumer’s role? These issues can be elaborated further in the groups before being discussed again in the plenary. In this way we hope to deepen, as well as widen understanding.’

Ullrich: ‘New topics are also being added. We are currently working on sourcing practices, so that retailers can affect things, no matter how far they are away from the start of the chain. We want to build on that, but the idea of the lab is that ultimately everyone takes responsibility. We have knowledge and can facilitate well, but we are also pleased to see new initiatives. The intention was always for the Lab to enable participating stakeholders to take the next steps.'
The Sustainable Clothing and Textiles Sector Agreement was signed in mid-2016 by 55 companies and their industry organizations. One of the objectives of this agreement is to pay a living wage in this industry by 2020.

The Living Wage Lab held extensive discussions about the lessons that can be learned from recent developments in the textile sector. Here are some issues that were discussed.

**How can Dutch companies contribute to living wages?**

According to Nikolai Bloem (SER) important steps include companies embracing the goal of decent wages in their Code of Conduct, together with the principle of due diligence (as defined in the OECD guidelines). In addition, the ICSR sector agreement asks them to draw up action plans. These will then be submitted to the secretariat and subsequently be implemented. Cooperation with other companies, NGOs and trade unions is also important.

Eva Smulders of the Centre for the Promotion of Imports from developing countries (CBI) asked whether the responsibility for living wages is not disproportionately borne by producers at the beginning of the chain, leading to a risk of small producers being displaced by big players. And how realistic is the goal in the Clothing and Textiles Sector Agreement to make a living wage payable by 2020? Dutch companies account for only 1 percent of global trade in textiles: do they have sufficient influence? And is there a role for Dutch SMEs?

These are not easy questions to answer. The conclusion is, nevertheless, that the Sustainable Clothing and Textile Sector Agreement provides scope for cooperation on complex issues such as living wages, which companies would otherwise have to deal with individually.

**Active Government**

Jos Huber, on behalf of Minister Ploumen, leader of the Living Wage Working Group within the Sector Agreement, points out that this particular working group can count on interest from companies. Within this working group, she is working on a collective project at factory level together with trade unions FNV and CNV, and possibly FairWear, ILO Better Work and the German Textil-Bündnis.

Huber also points out the importance of an active government. For example, the minister organized various international meetings, in which governments and social
partners from producer countries participated. ‘We have transferred knowledge about living wages, and encouraged parties to take steps in that direction. A country like Vietnam does not have independent trade unions, but the government is actively considering increasing the legal minimum wage. For them, the living wage benchmark developed with Dutch support is very useful.’

In countries where a minimum wage is lacking, trade unions and employers organizations can try to make joint arrangements. The Netherlands promotes this through the Strategic Partnership with the Fair Wear Foundation. The Ministry of Foreign Affairs also contributes to training under the textile sector agreement for companies that want to investigate their chain with regard to living wages.
ILO: The link between purchasing practices and living wage

How do global supply chains impact decent working conditions and fundamental rights? Patrick Belser from the ILO explains.

On the 21st of September 2017 Lab partners met at the Social and Economic Council of the Netherlands (SER) in the Hague. For this session Patrick Belser, Coordinator of the Wage Group at the International Labour Organisation (ILO) shared findings of a recently published study, *Purchasing practices and working conditions in global supply chains: Global Survey results* which the ILO carried out in collaboration with the joint Ethical Trading Initiatives (ETIs). 1454 suppliers from 87 countries participated in this survey, including suppliers from the agrifood sector.

According to Belser, the study helps to understand how purchasing practices used by the buyer can put pressure on suppliers in terms of timeline, prices and delivery. This, in return, can have direct effects on the capacity of suppliers to provide decent wages and working conditions. ‘We saw for instance, that agreeing on prices that are below production costs puts the suppliers in a difficult position with regard to paying decent wages. Also, insufficient lead times and inaccurate technical specifications provided by the brands directly lead to lower wages and increased numbers of overtime hours.’
Belser: ‘They can of course help to promote better working conditions, but we also found that buyers do not always supplement such standards with support and financial assistance, adding further pressure to the margins of suppliers.’

**The debate on living wages is highly focussed on the garment industry. Is there enough attention within ILO for the agri-food sector, where average wages are even lower?**

‘Agriculture is an important sector within ILO. A lot of work is focussed on working conditions in this sector and in rural areas, but the work on supply chains has mostly been on textiles and the garment sector. It would be interesting to broaden the perspective and work on agricultural supply chains. Also, because in many countries the minimum wages in agriculture are lower than in other sectors. Many African countries have two wage rates, one general and a lower one for agriculture. It’s also a very interesting supply chain because you are dealing with both the wages of paid employees and the incomes of independent farmers.’

You gave a presentation at the Living Wage Lab. What is your opinion on this approach?

‘I am impressed. I think it’s a great idea to create an environment of trust, where people feel safe enough to speak their mind, and to have an honest exchange of experiences and ideas. Employers often feel attacked, especially on the subject of living wages. Public debates can be difficult, which does not help. People throwing mud at each other is not going to bring solutions. So I really believe in this step-by-step approach, where you identify solutions together. Within ILO we usually have more formal types of meetings, with the reading of statements and prepared positions. The Living Wage Lab shows how important it is to have free and spontaneous discussions, but this can also feed back into the more formal structures.

I also want to highlight the government’s participation in this Lab. The Netherlands and Germany are really at the forefront of the debate. They have jointly organised the Asian Living Wage conference in Islamabad and before that, a meeting in Berlin, and they are pushing this debate forward. They also support projects on global supply chains in the ILO. That really helps a lot.’
Olav Boenders, director of the largest Dutch plant cuttings company in Uganda, introduced a plan at the Living Wage Lab to improve the salaries of his employees. He started working on it, together with Fairtrade International.

With 36 hectares of greenhouses and 2,100 employees, Wagagai is a serious international player: ‘Between half and 70 percent of all poinsettias (Christmas star) sold in the Netherlands have once been with us as a cutting.’ The company has several social programmes, but Boenders knows: ‘If you ask a Ugandan what he or she really wants, then the answer is a better salary.’
Recently, Wagagai started selling Fairtrade poinsettia cuttings. That generated 9,000 euro in the first year, which allows employees to finance social projects themselves. But Boenders actually thinks that this is nothing: ‘9,000 euro for 2,000 people. That’s not okay, I’m ashamed of that.’

Through the Living Wage Lab, Boenders sought solutions, together with Fairtrade International. His idea was to pay, on average, a one cent bonus on all of his cuttings. By paying this bonus directly as an additional salary to the employees, they would get something approaching a living wage. The

Fairtrade: from ‘floor wages’ to living wages

Fairtrade International is investigating how it can strengthen its own trading instruments to bring living wages closer. Project Manager Fenny Eshuis says: ‘The Wagagai pilot is the practical translation of one of the available options. We reached agreement really fast.’

A link with the Fairtrade premium is an obvious development. This is already improving the financial situation of households. Employees spend the premium on education, healthcare and sometimes water supply, and these expenses no longer put pressure on wages. Recently, the Fairtrade standard has offered workers the opportunity to add 20 percent of the premium directly to their wages. This is in line with the ideas of Olav Boenders. Eshuis says: ‘We see this plan as a viable approach. You need commitment from parties in the chain who say: we can work with that. The poinsettia market is easy to oversee, which is an advantage.’

As of this year, Fairtrade’s revised certification standard also introduces ‘floor wages’, in countries without a minimum wage, such as Ethiopia. Eshuis says: ‘At Fairtrade, we see wages as the first responsibility of the social partners. But if there is no legal minimum wage, and the social partners are unable to make this happen, something else is needed. Wages below the poverty line should not be possible. From there, it should be step by step towards living wages.

But we realise that you cannot make the employer unilaterally responsible. They usually do not have space in the market, as you can see at Wağagai. Then a chain approach is inevitable.’
consultation led to the current pilot. The one cent deposit on Fairtrade poinsettias has grown to five cents, thanks to the decision of chain partner Selecta One to pass the additional income from Fairtrade sales fully on to Wagagai.

Boenders says: ‘We think we’ll be selling a million Fairtrade certified poinsettias this coming Christmas season. In total, we produce 55 million cuttings, so it’s only a small part of our market. Yet, it already generates 50,000 euro. Ten percent of this goes to the Fairtrade premium deposit, then we keep 45,000 for additional salary. That’s a thirteenth month’s salary for all our low-income workers. Not much, but a good start.’

‘Already this year, we will be able to pay all our low-income employees a thirteenth month’s salary. That’s not enough, but still a good start.’

Further expansion is an obvious next step. ‘It’s about volumes. We are talking now with our main competitor. If they participate and we also make good agreements with supermarkets, it can go quickly. We are aiming for five million Fairtrade poinsettias next year. Then we can already pay five additional monthly salaries. Eventually, we only want Fairtrade, in poinsettias and hopefully more of our other types of cuttings. Then it will become a really positive story.’

Fairtrade living wages: lessons learned

Together with Hivos, Fairtrade International organized meetings in Kenya to talk with stakeholders about living wages in the flower sector. Fairtrade organised similar meetings in the winemaking sector in South Africa. What lessons did Wilbert Flinterman, senior advisor on workers’ rights and trade union relations at Fairtrade International, learn?

• Choose a regional approach when producing countries compete with each other.
• Create the opportunity for parties to be present, by joining scheduled events.
• Provide living wages by embedding them in a wider range of measures such as sustainability of the sector or decent work.
• Make sure that the right people with decision-making power are at the table.
ASN Bank

Towards living wages in the garment industry

ASN Bank, one of the participants of the Living Wage Lab, has publicly announced that it is working towards a living wage in the garment industry. The long-term objective is that all garment companies in the ASN Investment Universe have implemented a living wage in their own operations and first tier supply chain by 2030.

The ASN Bank set this ambitious goal without knowing exactly how to reach it, just because it is the right thing to do. The timeframe provides enough space to experiment and learn while being concrete enough to demand for true action.

‘The starting point for the bank’s policy is the realization that the minimum wage in sectors such as textiles and garments, electronics and food is often not enough to live on’, says Piet Sprengers, Head of Sustainability at ASN Bank. ‘In some cases it is even too low for survival. This particularly applies to workers employed by manufacturers in these sectors. Although awareness of these problems is increasing, including at brand level, the situation demands action.’

AS MUCH INFLUENCE AS POSSIBLE

‘In order to realize the goal of a living wage in the textile sector, we have developed our own methodology and manual’, continues Irina van der Sluijs, Senior Human Rights Adviser. Well-known companies such as H&M, Puma, Adidas, Esprit and Nike belong to the approved companies in the ASN Sustainable Equity Fund. The bank will be having discussions with them over the coming period. In this way, the bank is joining other financial institutions in exerting as much influence as possible.
ASN Bank strategy towards living wages

ASN Bank has developed a methodology, together with the Impact Centre of Erasmus University, to determine the living wage status of the garment companies approved by the bank for investment.

The results of the baseline study are published on the ASN website. In addition to this, ASN Bank has published a manual that supports companies in their aim towards a living wage.

The four steps described in the manual are:
1. Formulate a living wage policy and definition.
2. Assess the current wage level of employees and compare this with living wage benchmarks.
3. Work towards closing the wage gap – the gap between minimum wages and living wages – together with key stakeholders.
4. Share the results publicly and continuously with stakeholders such as trade unions and NGOs.
Living Wage Lab session 7  +++  Initiatives of Lab-mates  +++  13 April 2017  +++  Impact Hub  +++  Living Wage Lab session 7

Rainforest Alliance

The bananas pilot

A pilot was started by Living Wage Lab-participant Rainforest Alliance, focused at living wages in the banana sector. Together with the Sustainable Agriculture Network (SAN) it engaged with key stakeholders.

The pilot project was formulated in partnership with two traders, producers from their supply chain, workers organizations, the Dutch Sustainable Trade Initiative (IDH) and the Global Living Wage Coalition (GLWC). Two living wage benchmarks have been completed in support of this project. The first one in Costa Rica was partially co-funded by two retailers and a producer group. The second benchmark will take place in Belize. Both will be used to learn about how supply chain actors, working together, can conceptualize and begin working toward improved wages for workers in a way that is both valuable and economically viable. This learning is being shared and discussed with the World Banana Forum and will be shared more broadly through a new GLWC living wage portal (expected in 2018), and with stakeholder platforms such as the Living Wage Lab. ‘It is great to see the growing number of parties getting involved in the work on living wage and in this initiative’, says Martine Willems, manager Sustainable Agriculture Relations and Markets Transformation at the Rainforest Alliance. ‘Building trust is probably the most important part of the work at this point in time.’

The Global Living Wage Coalition

The Global Living Wage Coalition brings together six of the world’s most influential sustainability standards to improve wage levels in certified supply chains. ISEAL members Fairtrade International, Forest Stewardship Council (FSC), GoodWeave, Sustainable Agriculture Network/Rainforest Alliance (SAN/RA), and UTZ Certified, along with Social Accountability International (SAI) recognise that living wage is crucial to their individual certification programmes and they have agreed to a shared approach for measuring living wage.
Fairfood

Fair coconut campaign

Worldwide, there are about sixteen million small-scale coconut farmers. A significant number of them live below the poverty line. As the second largest coconut oil importer, the Netherlands plays an important role. Fairfood started a campaign to move Dutch industry players to pay a living wage in their coconut supply chains.

Fairfood wants the industry to recognize its responsibility and pay farmers a viable income. The organization investigated the different production chains of coconuts, and identified the factors affecting the price obtained by farmers. A lack of organisation and shortage of finance between the coconut harvests makes farmers dependent on brokers. The work of the coconut farmers is also dangerous; they climb the 25 meter tall trees without protection. The chance of an accident is real and has immediate consequences for the living conditions of the whole family.

To raise awareness on the poverty that exists in the coconut supply chain, Fairfood brought fresh coconuts to the Netherlands. Thousand coconuts were bought from 55 farmers, for a ‘living income’ price, using blockchain to verifiably record transactions. This allowed consumers to track the ownership of the nuts throughout the trip, and see what price the farmers received. This pilot demonstrated that food chains can be made transparent using blockchain, and that blockchain can verify that a viable income has actually been paid. Fairfood is conducting talks with industry players to step up efforts towards a living income for coconut farmers.

Living wage or living income?

Living wages refer to people that receive wages from an employer. Living income refers to the self-employed; most smallholder farmers fall in this category. Living incomes are generally more complicated to determine because most farmers depend on multiple sources of income.
Verstegen Spices & Sauces largely obtains its raw materials and products from thousands of smallholders, in many places around the world. Indonesia is a major supplier, and many of the company’s sustainability initiatives have been focused on spice farmers there over the last few years. ‘Our influence is greatest there,’ says Marianne van Keep, Director of Sustainability. ‘If we can make positive changes for them, it improves the living standard of their families and the communities they live in.’

As an example, she mentions a small-scale fund that has been set up for its employees. Buying school uniforms for their children was too expensive. ‘For each kilo of spice that we buy, we now retain an amount to contribute to a fund from which those school uniforms can be bought. In this way we are able to contribute to family income, and also indirectly combat child labour.’

AWARENESS AND MEASURING

Verstegen makes a distinction between producers and processors in the supply chain. Value is added to the product in the processing phase by cleaning, cutting, fermenting, packaging, etc. Van Keep says: ‘Farmers talk about living income, determined by market mechanisms. The question
of what the processors deserve was not yet on our radar. Because of our participation in the Living Wage Lab, that is now taken into consideration.’

This is reflected in the regular consultation with suppliers. An important part of the self-audit questionnaires is about the company’s policies based on fair business. Part of this is whether all employees are paid at least minimum wages, according to legal requirements. The questionnaires also ask whether employment contracts are being used. Van Keep says: ‘Of course, self-audits give a certain degree of freedom to suppliers, but when we actually go to visit them, those questions will not come out of the blue.’

In the Living Wage Lab, they want to learn more about the difference between a minimum wage and a living wage, and about tools to calculate the latter. ‘It’s about awareness and measuring. We are working on awareness. When it comes to measuring, organizations such as ours, need help.’

UTZ

Working on living wages in the coffee sector in East Africa

Living wage is a mandatory requirement in the criteria of UTZ for large farms since over two years. But how to apply these requirements in a country like Ethiopia, which not even has a minimum wage?

As one of the partners in the Global Living Wage Coalition, UTZ is working on defining the concept and calculating living wage benchmarks. So far the Coalition has developed twelve studies, of which six are relevant to the supply chains and countries where UTZ operates.

BENCHMARKS

‘The benchmarks are used both to raise awareness on the condition of workers as well as to audit against our code on living wage’, says Workers’ Rights and Livelihood expert at UTZ and co-chair of the GLWC Noura Hanna. ‘In the lack of these benchmark, wages are still audited of course but against the minimum wage and collective bargaining agreement, for now.’
‘We have largely clarified and strengthened the concept and methodology for calculating a living wage’, says Hanna, ‘and now we are full gear to take up two challenges: the implementation of our criteria in the producing countries and the commitment and involvement of all supply chain actors in support for a payment of a living wage.’

‘For Ethiopia specifically, there is a living wage benchmark study published on flower growing regions. As Ethiopia is a large and diverse country, this level of living wage is not reflecting the living cost in the coffee producing regions so we cannot use it. We need to make an adjustment before introducing this requirement to the Ethiopian stakeholders, producers and auditors among others. We already have the living wage benchmarks for Kenya in place. We can therefore work on implementation of our criteria there.’

PROJECT IN KENYA

UTZ is also starting a project in Kenya with farms and retailers (including Albert Heijn) to map costs linked to living wage implementation through the value chain and the investigation of the business case for the payment of a living wage.
The Living Wage Lab in 2018

Living Wage Lab existed for two years in November 2017. An active community has been created, in which discussions have been conducted in a fair and open manner. The subject of a living wage has been put on the agenda, and partnerships and individual steps have been taken towards this goal. In order to consolidate the lessons learned and to keep moving forward, we are slightly modifying the form of the lab.

DEEPENING AND BROADENING

In workshops we will focus on a specific component of living wage, such as cost structure and margin-escalation within the chain, good buying practices and stakeholder engagement. Committed participants can test solutions and provide products that other Lab-members can use. Their feedback will take place in wider sessions, where we will continue to focus on addressing the topic at all participants.

Actors in the production chain will thus take the lead in implementing steps and actions towards living wages. Hivos and Fairfood will continue to support the supply chain actors along with the other stakeholders in the Lab, and continue to facilitate further lab sessions.

+++ Two years of Living Wage Lab for joint action +++

What's next?
‘By 2030, you will be bankrupt if you do not have living wages in your supply chain’

Michel Scholte, Director of True Price, participates actively in the Living Wage Lab. Why is living wage important for business? Michel shares his vision of the future of living wages against the background of international CSR-frameworks.

‘The debate on living wages has been greatly stimulated by the much improved information exchange between people from the beginning to the end of the chain. The provenance of exchanged goods is becoming increasingly traceable.

There have also been recent international agreements such as the UN Guiding Principles on Business and Human Rights, based on the consultations of Professor John Ruggie, and the OECD Guidelines. These international frameworks make human rights a business responsibility. This means realising that as a company you have your own responsibility, even if governments fail. The principle of due diligence provides huge support for CSR managers within companies. They can take this to procurement, and to the CEO, giving it even more urgency. Companies now have a much better understanding of the implications of international conventions on people and labour rights. And civil society organizations, such as Fairfood and Hivos – which have a lot of information about local situations – now have the tools to work with companies.

Then there are the Sustainable Development Goals. An enormously important benchmark on the horizon, also for living wages. All countries support the SDGs. We must eliminate poverty, at least in the formal economy. Millions of people contribute to products we consume on a daily basis.
It should never be the case that those at the beginning of the supply chain do not receive a living wage to meet their basic needs. Or, in the case of enterprising farmers, no living income. If the SDGs can be achieved, you will be bankrupt in 2030 if you do not have living wages in your supply chain.

**A Huge Challenge**

At True Price, we are seeing a significant increase in the interest of companies in living wages. The Dutch ICSR sector agreements also contribute. Agreements are being made and goals formulated in more and more sectors. The fashion sector is pushing for living wages by 2020! That is such a huge challenge! And it is going to be extremely complicated.

**Companies need to know within a few years how big the income gap is, how that can be closed, and what their contribution should be.**

**Retailers on Board**

There is, however, a business case for addressing this theme. The trouble with living wages is that it seems that a net loss is unavoidable. At the production level, in some cases, payments at three to four times the current levels have to be made. That can amount to millions of euro, but there is growing willingness among consumers to pay more for goods produced in a decent way. Sustainability pioneers have already picked up on this, and following companies such as Moyee Coffee, the retailers are now also coming on board.

When you look at sustainability in an integrated way, more attention is paid to the social aspects.

**The role of retailers**

‘The group of consumers which is aware of ethical products is still a niche. Retailers must take responsibility and tackle the living wage issue in collaboration with civil society.’

**Kitty Koelemijer, Professor of Marketing & Retail at Nyenrode Business University, spoke to Lab Participants during the first session.**
Albert Heijn

We have been a loyal participant of the lab since the beginning. Why? Because I think it’s important to choose a multidisciplinary approach for a difficult topic: what should we do together to continue progressing? The lab always gives new energy and input to actually getting on with things. Albert Heijn and UTZ will therefore soon start a pilot in Kenya on a coffee plantation.’

Liliane van Heteren,
Manager of Sustainability AH (Ahold Delhaize)

LIDL

‘One of our fundamental principles is that our entire range is produced in such a way that the impact on humans, animals and the environment is as low as possible. Living wage is a part of this. But it’s a complex theme. That is why we also participate in the Lab. It’s good that there is a place where people come together and discuss these things.

Change is needed, but what kind of change? We purchase many of the products where living wage is an issue from Lidl internationally. As Lidl Netherlands, our influence is highest on what is being bought in the Netherlands.’

Renée Bijvoets,
CSR Manager at Lidl Netherlands
The Living Wage Lab in 2018

Start-up 2015-2016
- Creating a level of support
- Inspiration and confidence
- Multi-stakeholder dialogue

Foundation 2017
- Knowledge & learning
- Interactive sessions with stakeholders
- Matchmaking

Deepening & broadening 2018
- Deep-dive into core themes in workshops
- Development of living wage tool(s)
- Interactive plenary learning sessions with leading actors

The Living Wage Lab in 2018

Foundation 2017
- Knowledge & learning
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- Matchmaking

Deepening & broadening 2018
- Deep-dive into core themes in workshops
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- Interactive plenary learning sessions with leading actors
My personal journey towards living wage

In what way is living wage/living income of relevance for your work?

What is your personal motivation to work on living wages?

After reading this publication, are there things that you think you can do as well?

What is the smallest thing that you can start doing in the near future?
**Hivos** is an international organisation that seeks new solutions to persistent global issues. With smart projects in the right places, we oppose discrimination, inequality, abuse of power and the unsustainable use of our planet’s resources. Counterbalance alone, however, is not enough. Our primary focus is achieving structural change. This is why we cooperate with innovative businesses, citizens and their organisations. We share a dream with them of sustainable economies and inclusive societies.

**Fairfood** is a fact-based campaigning organization that promotes a decent life for the people producing the food we consume in the Netherlands. Commodity for commodity we will research and unveil income inequalities and unfair practices for workers and farmers in the supply chain. We will communicate our findings to the public and industry and experiment on solutions within the Living Wage Lab. We aim to move industry players to pay living wages and incomes in their supply chains. Fairfood strives for a food system in which people live and work in dignity, the environment is respected and there is social and economic value for all.