



**Subject: Response to joint declaration regarding Living Wage and Living Income.**

19 February 2021

Dear Minister Kaag,

We would like to congratulate Minister Müller (Ministry of Economic Cooperation and Development of the Federal Republic of Germany) and you on the signing of the joint declaration regarding living wage and income on 27 January 2021. The signatories of this letter applaud your leadership on this topic. Our organisations also underline the importance of a living wage or income as a human right, the need for sustainable supply chains, the importance of social dialogue and empowerment of workers and smallholder producers to achieve a living wage or income.

Your joint declaration is also timely. The current pandemic has taught us the importance of decent jobs. Many workers and farmers lost their income during the pandemic and were almost instantly put into precarious situations because, next to the absence of comprehensive social protection, they lacked the means to build a safety net for themselves. As we are rebuilding our economies, we need to put living wage and income centre stage for all people in the supply chains and promote due diligence on this topic to the companies that place these products and services onto our European Union's market.

To enable our shared future we value this clear signal by the governments of the Netherlands and Germany and that you lead by example on this topic. It is important to push this agenda in the EU as well as in future NAP reviews. But it is equally important that our national governments promote living wage and income at all (federal) ministries, for example:

- by promoting payment of a living wage or income as a topic in all running and future initiatives of the government, for example the covenants, sustainability initiatives, sector agreements, with their trade relations or when promoting investments in developing countries.
- by ensuring that payment of a living wage and income is part of your criteria for public procurement. Only companies that consider costs for a living wage in price negotiations with producers or suppliers as part of their due diligence should be able to take part in public tenders.
- by requiring from companies to implement sustainable purchasing practices that allow for costing of the payment by suppliers of living wage or income to workers or smallholder farmers.
- by guiding companies to contribute to the empowerment of workers by promoting the enabling rights of freedom of association and collective bargaining to be respected in their supply chains, resulting in wages that are sustainably negotiated through social dialogue



- by promoting impact driven human rights due diligence and a smart mix of measures at both national and EU level.
- by making use of (Dutch and German) stakeholders with local partners and/ or access to workers and farmer groups to come up with practical solutions for a payment of a living wage or income.

We look forward to moving from a productive discussion to impact for workers and producers under your leadership.

Yours sincerely,

Fair Wear Foundation

Fairtrade Nederland

FNV

CNV

Solidaridad

IDH

Rainforest Alliance

FairFood

Save The Children