

**STATEMENT FROM THE RSPO STANDARDS STANDING COMMITTEE REGARDING INDICATOR 6.2.6 ON DECENT LIVING WAGE
(Endorsed by the RSPO BoG on 7th November 2019)**

With reference to procedural note of indicator 6.2.6, the RSPO has published a guidance on the DLW calculation in June 2019. The RSPO Secretariat will endeavor to carry out DLW country benchmarks for palm oil producing countries in which RSPO members operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist¹.

Where a GLWC living wage standard (benchmark), or one that fulfills the basic requirements of the RSPO-endorsed living wage methodology, has been established in the country or region of operation, the same should be used as benchmarks.

In the absence of such benchmarks, the RSPO will collaborate with the GLWC and/or local experts on developing oil palm industry benchmarks². These benchmarks will be developed in collaboration and consultation with relevant stakeholders such as palm oil industry members, workers' union, authorities and/or relevant organisations.

For countries where no living wage standard is established, until such time that an RSPO endorsed benchmark for the country is in place, national minimum wages shall be paid to all workers. In addition to the payment of minimum wages, the Unit of Certification (UoC) shall conduct an assessment of the prevailing wages and in-kind benefits provided to workers in the Unit of Certification aligned with the RSPO Guidance for Implementing a Decent Living Wage³.

Once these benchmarks are available, this procedural note is no longer applicable. UoC shall have an implementation plan towards the payment of a DLW with specific targets, and a phased implementation process including:

- Updated assessment on prevailing wages and in-kind benefits
- There is annual progress on the implementation of living wages
- Where a minimum wage, based on equivalent of baskets of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment
- The UoC may choose to implement the living wage payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before eventual scale up of the living wage implementation.

¹ As of September 2019, GLWC has developed national benchmarks in [Bangladesh](#), [Belize](#), [Brazil](#), [China](#), [Colombia](#), [Costa Rica](#), [Dominican Republic](#), [Ecuador](#), [Ethiopia](#), [Ghana](#), [Guatemala](#), [India](#), [Kenya](#), [Malawi](#), [Mexico](#), [Nicaragua](#), [Pakistan](#), [South Africa](#), [Sri Lanka](#), [Uganda](#) and [Vietnam](#). These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate.

² Benchmark in this context may include other approaches and/or methods to calculate the applicability of DLW in the country or region in accordance to the RSPO endorsed method for determining a DLW. Local applicability for benchmarks is important and it may differ based on the needs of each locality or country.

³ RSPO Guidance for Implementing a Decent Living Wage. The RSPO will also develop further guidance and tools to calculate DLW in line with the RSPO endorsed methodology which may include independent studies by local experts in their respective region or country.