



KONINKRIJK BELGIË
Federale Overheidsdienst
Buitenlandse Zaken,
Buitenlandse Handel en
Ontwikkelingssamenwerking

D2.4 – Private Sector Development

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Daan Alfons Wensing
Executive Director
IDH The Sustainable Trade Initiative
Arthur van Schendelstraat 500
3511 MH UTRECHT
NEDERLAND

uw bericht van uw kenmerk
27 juli 2021

ons kenmerk
D2.4/ah/DEV10.02/2021/ 3897/2
te vermelden in elke briefwisseling

datum
16/11/2021

Onderwerp: Toekenning van een subsidie van 2.920.000 EUR voor de periode 2021-2022

Mijnheer Wensing,

Ik heb het genoegen U mee te delen dat onze steun aan "The Better Jobs Accelerator Fund" officieel goedgekeurd is. Een subsidie van 2.920.000 EUR voor de periode 2021-2022 wordt aan IDH The Sustainable Trade Initiative toegekend.

In bijlage vindt U een afschrift van het desbetreffende Koninklijk Besluit.

De administratie zal de procedure tot de betaling van de eerste schijf van de subsidie in werking stellen van zodra zij in het bezit is van een door U ondertekende schuldvordering zoals bepaald in artikel 2.3 van de uitvoeringsovereenkomst en een ondertekend exemplaar van de uitvoeringsovereenkomst.

Deze schuldvordering moet samen met één van de twee ondertekende exemplaren van de uitvoeringsovereenkomst worden gericht aan:

Federale Overheidsdienst Buitenlandse Zaken, Buitenlandse Handel en
Ontwikkelingssamenwerking
Directie Thematische en multilaterale samenwerking (D2)
Dienst D2.4 Private Sector Development
Karmelietenstraat 15
1000 Brussel

Omdat de goedkeuring van deze subsidie na de in de overeenkomst voorziene startdatum van 1 september 2021 is gebeurd en er dus vertraging bij het opstarten van implementatie is verzoeken we u vriendelijk om ruim vóór de voorziene einddatum van 31 august 2022 contact op te nemen met de dienst D2.4 om de einddatum van deze interventie door een avenant aan te passen.

Hoogachtend,

Dirk Brems Digitally signed
(Signature) by Dirk Brems
(Signature)
) Date: 2021.11.16
11:04:37 +01'00'

Dirk Brems
Directeur D2 (thematische en multilaterale samenwerking)

Bijlage(n):
- Kopie van het ondertekend Koninklijk Besluit
- Twee exemplaren van de uitvoeringsovereenkomst



KONINKRIJK BELGIE
FEDERALE OVERHEIDSDIENST
BUITENLANDSE ZAKEN,
BUITENLANDSE HANDEL EN
ONTWIKKELINGSSAMENWERKING

KONINKLIJK BESLUIT HOUDENDE
TOEKENNING VAN EEN SUBSIDIE AAN
IDH "THE SUSTAINABLE TRADE
INITIATIVE" IN HET KADER VAN HET
"BETTER JOBS ACCELERATOR FUND"

FILIP, KONING DER BELGEN,

Aan allen die nu zijn en hierna wezen zullen,
ONZE GROET.

Gelet op de wet van 22 mei 2003 houdende
organisatie van de begroting en van de
comptabiliteit van de federale Staat, artikelen
33 en 121 tot 124;

Gelet op de wet van 22 december 2020
houdende de algemene uitgavenbegroting
voor het begrotingsjaar 2021 op sectie 14 -
FOD Buitenlandse Zaken, Buitenlandse
Handel en Ontwikkelingssamenwerking,
Organisatie afdeling 54 - Directie-generaal
Ontwikkelingssamenwerking;

Gelet op het koninklijk besluit van 16
november 1994 betreffende de
administratieve en begrotingscontrole, artikel
14;

Gelet op het koninklijk besluit van 11
september 2016 betreffende de niet-
gouvernementele samenwerking;

Gelet op het advies van de Inspecteur van
Financiën, gegeven op 1 oktober 2021;

Op de voordracht van de Minister van
Ontwikkelingssamenwerking;

HEBEN WIJ BESLOTEN EN
BESLUITEN WIJ:

Artikel 1. Een bedrag van 2.920.000 (twee
miljoen negenhonderd twintig duizend) EUR
wordt verrekend ten laste van de algemene
uitgavenbegroting voor het begrotingsjaar
2021, sectie 14 - FOD Buitenlandse Zaken,
Buitenlandse Handel en
Ontwikkelingssamenwerking organisatie
afdeling 54, activiteitenprogramma 44,
basisallocatie 35.60.45.

ROYAUME DE BELGIQUE
SERVICE PUBLIC FEDERAL AFFAIRES
ETRANGERES, COMMERCE EXTERIEUR
ET COOPERATION AU
DEVELOPPEMENT

ARRETE ROYAL ACCORDANT UN
SUBSIDIE A IDH "THE SUSTAINABLE
TRADE INITIATIVE" DANS LE CADRE DU
"BETTER JOBS ACCELERATOR FUND"

PHILIPPE, ROI DES BELGES,

A tous, présents et à venir,
SALUT.

Vu la loi du 22 mai 2003 portant organisation
du budget et de la comptabilité de l'Etat
fédéral, les articles 33 et 121 à 124;

Vu la loi du 22 décembre 2020 pour l'année
budgétaire 2021 la section 14 - SPF Affaires
étrangères, Commerce extérieur et Coopération
au Développement, Division organique 54 -
Direction générale de la Coopération au
Développement;

Vu l'arrêté royal du 16 novembre 1994 relatif au
contrôle administratif et budgétaire, l'article 14;

Vu l'arrêté royal du 11 septembre 2016
concernant la coopération non
gouvernementale;

Vu l'avis de l'Inspecteur des Finances, donné le
1^{er} octobre 2021;

Sur la proposition de la Ministre de la
Coopération au Développement;

NOUS AVONS ARRETE ET
ARRETONS:

Article 1^{er}. Un montant de 2.920.000 (deux
millions neuf cent vingt mille) EUR est imputé à
charge du budget général des dépenses pour
l'année budgétaire 2021, section 14 - SPF
Affaires étrangères, Commerce extérieur et
Coopération au Développement division
organique 54, programme d'activités 44,
allocation de base 35.60.45.

Art. 2. Het bedrag vermeld in artikel 1 wordt toegekend aan IDH "The Sustainable Trade Initiative", in het kader van de financiering van het "Better Jobs Accelerator Fund".

§1. De subsidie dient aangewend te worden voor de doeleinden waarvoor deze wordt toegekend.

§2. IDH "The Sustainable Trade Initiative" is verplicht om de subsidie terug te betalen aan de Belgische Staat, als:

1° de voorwaarden van de subsidie, zoals gespecificeerd in dit koninklijk besluit en de subsidieovereenkomst bedoeld in artikel 6, inclusief de bijlagen, niet worden gerespecteerd;
2° de subsidie niet wordt gebruikt voor de doeleinden waarvoor deze wordt verleend;
3° IDH "The Sustainable Trade Initiative" de controles en verificaties van de Belgische Staat belet.

§3. IDH "The Sustainable Trade Initiative" respecteert de lijst van niet-subsidieerbare kosten vermeldt in bijlage 4 van het koninklijk besluit van 11 september 2016 betreffende de niet-gouvernementele samenwerking;

§4. Als een organisatie die een project uitvoert binnen het fonds IDH "The Sustainable Trade Initiative" terugbetaalt om één van de redenen genoemd in de subsidieovereenkomst, is IDH "The Sustainable Trade Initiative" gemachtigd om dit bedrag te gebruiken voor een ander project.

In dat geval betaalt IDH "The Sustainable Trade Initiative" dit bedrag terug aan de Belgische Staat.

Art. 3. De betaling zal uitgevoerd worden op de volgende rekening:

Bevestigde: IDH The Sustainable Trade Initiative
Bank: Rabobank
IBAN: NL24RABO0612372094
BIC: RABONL2U

Art. 4. Het bedrag zal uitbetaald worden in 1 schijf van 2.920.000 EUR in 2021.

De schijf van 2.920.000 EUR zal worden overgemaakt na ontvangst van een schuldvordering volgend op de notificatie van dit besluit.

Art. 2. Le montant mentionné à l'article 1^{er} est octroyé au IDH "The Sustainable Trade Initiative" dans le cadre du financement du "Better Jobs Accelerator Fund".

§1. La subvention doit être utilisée aux fins pour lesquelles elle a été accordée.

§2. IDH "The Sustainable Trade Initiative" est tenue de rembourser la subvention à l'Etat belge si:

1° les conditions de la subvention, telles que spécifiées dans le présent arrêté royal et la convention de subside visée à l'article 6, y compris les annexes, ne sont pas respectées;
2° la subvention n'est pas utilisée aux fins pour lesquelles elle est accordée;
3° IDH "The Sustainable Trade Initiative" empêche les contrôles et vérifications de l'Etat belge.

§3. IDH "The Sustainable Trade Initiative" respecte la liste des coûts non subsidiés énumérés en annexe 4 de l'arrêté royal du 11 septembre 2016 concernant la coopération non gouvernementale;

§4. Si une organisation dans le cadre du fonds IDH "The Sustainable Trade Initiative" rembourse sur base d'un des motifs mentionnés dans la convention de subside, IDH "The Sustainable Trade Initiative" est autorisé à utiliser ce montant pour un autre projet.

Dans ce cas, IDH "The Sustainable Trade Initiative" rembourse ce montant à l'Etat belge.

Art. 3. Le paiement sera effectué sur le compte suivant:

Bénéficiaire: IDH The Sustainable Trade Initiative
Banque: Rabobank
IBAN: NL24RABO0612372094
BIC: RABONL2U

Art. 4. Le montant sera payé en 1 tranche de 2.920.000 EUR en 2021.

La tranche de 2.920.000 EUR sera versée sur présentation d'une déclaration de créance après notification de cet arrêté.

Art. 5. IDH "The Sustainable Trade Initiative" zal de aanwending van de ontvangen som verantwoordend door overmaking van narratieve en financiële verslagen en de rekening van inkomsten en uitgaven, opgesteld overeenkomstig de statuten van de organisatie.

IDH "The Sustainable Trade Initiative" is verplicht om het niet verantwoorde deel van de subsidie terug te betalen.

Elke overdracht van schuldvorderingen betreffende deze subsidie is verboden.

Art. 7. De nadere regels van de subsidie worden gespecificeerd in de subsidieovereenkomst met IDH "The Sustainable Trade Initiative".

Art. 8. De minister bevoegd voor Ontwikkelingssamenwerking is belast met de uitvoering van dit besluit.

Art. 5. IDH "The Sustainable Trade Initiative" justifiera l'utilisation de la somme reçue par la transmission des rapports narratifs et financier et de son compte des recettes et des dépenses dressé selon les statuts de l'organisation.

IDH "The Sustainable Trade Initiative" est obligé de rembourser la partie non justifiée de la subvention.

Toute cession de créance relative à ce subsidie est interdite.

Art. 7. Les modalités du subsidie sont précisées dans la convention de subsidie conclue avec IDH "The Sustainable Trade Initiative".

Art. 8. Le ministre qui a la Coopération au Développement dans ses attributions est chargé de l'exécution du présent arrêté.

Gegeven te ~~Brussel~~ 19 oktober 2021 Donnée à ~~Bruxelles~~, le 19 octobre 2021

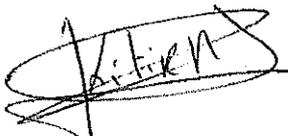


VAN KONINGSWEGE :

PAR LE ROI :

De Minister van Ontwikkelingssamenwerking,

La Ministre de la Coopération au Développement,



Meryame KITIR

N65
11/10



the sustainable
trade initiative



Belgium
partner in development

Better Jobs Accelerator Fund

Grant Agreement

The **Belgian State**, represented by the Minister of Development Cooperation, Mrs. Meryame Kitir, Rue des Petits Carmes 15, 1000 Brussels, Belgium, hereinafter referred to as "**the Belgian State**";

and

IDH The Sustainable Trade Initiative, a foundation under the laws of the Netherlands, registered at the Dutch Chamber of Commerce under number 53521129, having its registered office and its place of business at Arthur van Schendelstraat 500 3511 MH Utrecht, the Netherlands, in this matter duly represented by Mr. D.A. Wensing, executive director, hereinafter referred to as "**IDH**";

The Belgian State and IDH also individually referred to as "**Party**" or collectively as the "**Parties**".

Hereby decide, considering that:

- The overall purpose of IDH is to accelerate sustainability within value chains of various sectors under the IDH strategy 2021-2025: 'Catalyzing Private Sector Solutions for the Sustainable Development Goals (SDGs)' through driving public-private coalitions and viable sustainable business- and finance models to have impact on the SDGs. For this purpose, IDH works with companies, NGOs, governments, trade unions, financial institutions, and universities.
- As human rights are the guiding principle of the Belgian Development Cooperation Policy and decent work is one of its pillars, the Belgian State is willing to contribute to the Better Jobs Accelerator Fund as it combines the contribution of the Belgian cooperation with funding from other donors to substantially increase the living wage of small scale male and female workers and their working conditions, in link with global and Belgian supply chains, and measuring prevailing wages to work with the actors involved to reduce the current wage gaps until living wage is achieved.

The activities of the Better Jobs Accelerator Fund will contribute to initiatives and projects linking to the impact themes Better Jobs of IDH multi-year plan 2021-2025.

to conclude this Grant Agreement, hereinafter the "**Agreement**", to document their collaboration regarding the implementation of the Better Jobs Accelerator Fund as described in the Better Jobs Accelerator Fund Concept Note (Annex 1) and the IDH 2021-2025 Multi-Year Plan (Annex 2), hereinafter "**the Fund Program**":

1. Scope of the Agreement

- 1.1. The Grant is awarded to IDH for the implementation of the Fund Program. The submitted and accepted Concept note and the IDH 2021-2025 Multi-Year Plan are attached to this Agreement as Annex 1 and Annex 2 and describe IDH's strategy and plans in relation to the Fund Program.
- 1.2. On a policy level and in link with the IDH Strategy on Better Jobs and living wage as described in the Fund Program, IDH will actively cooperate in consultation with the competent directorates within the Belgian Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation to cover and advocate all policy areas at EU level.
- 1.3. Any work undertaken by IDH under the scope of this Agreement shall be executed in conformity with the highest professional standards.
- 1.4. The role of the Belgian State is to actively work together with IDH in order to achieve its engagements under the Fund Program.

2. Finance

- 2.1. The Belgian State provides IDH a grant for the execution of the Fund Program in the amount of €2.920.000, - (two million nine hundred and twenty thousand euros) as foreseen in Royal Decree (Annex 3)
- 2.2. The funding will be disbursed in a single financial instalment.
- 2.3. An original request for payment must be filled in by IDH on a paper with official letterhead and must be duly stated and signed. The request for payment must also refer to this Agreement, indicating the bank details mentioned in article and can be formulated as follows:



"STATEMENT OF MONEY OWED:

The undersigned, Daan Wensing, who represents IDH the sustainable trade initiative, declares that the Belgian State owes the aforementioned association the amount of 2.92 million EUR, as the grant for the implementation of the Better Jobs Accelerator Fund. This amount can be paid into account nr. NL24 RABO 0162372094"

2.4. The instalment provided by the Belgian State will be transferred and disbursed to IDH at the following bank account:

Bank Name:	Rabobank
Account Name:	IDH Sustainable Trade Initiative
Account Number:	0612372094
IBAN:	NL24RABO0612372094
Routing/ ABA Number:	N/A
SWIFT Code:	RABONL2U

3. Audit and reporting

- 3.1. IDH shall submit an annual audited report in respect of implemented activities relating to the Fund Program, in form of an audited statement as part of the IDH Annual reporting to core donors. The rendering of accounts should be submitted no later than six months after the end of the fiscal year.
- 3.2. The annual audited report shall be submitted to the Belgian State not later than the 30th of June of the year that follows the audited year.
- 3.3. The financial report consists of a certified financial statement regarding the (un)spent balances, and a list of the costs and expenses already taken place. The narrative report consists of the IDH Annual Report 2021 and 2022, to be delivered in line with the agreement made with IDH core donors, by 30th of June of the subsequent year and describing the activities on Better Jobs and living wage as part of the grant provided by the Belgian State as described in Article 2.1 .of this Agreement. The Belgian State is entitled to ask for any additional information.



4. Duration

4.1. The Fund Program will start on the September 1st 2021 and end on the 31 August 2022.

5. Intellectual Property

5.1. Nothing in this Agreement shall grant either Party or any third party any ownership, license, or authorization to use any other Party's trademark or other intellectual property rights.

5.2. No party will make use of another Party's marks, including the name, logo or certification mark of that Party without that Party's prior written consent.

6. Confidentiality

6.1. In the course of the preparation and the execution of the Fund Program, the Parties may receive and become aware of information (such as but not limited to projects, practices, and customer or potential customer information) that is sensitive and confidential in nature. Any information and knowledge shared, obtained before, during or after the Agreement, with the exception of the existence of the Agreement and the purpose thereof, shall be treated confidentially and may not be stored or shared with any other organization without the prior written consent of the other Party.

7. Communication

7.1. Subject to the terms and conditions regarding confidentiality in this Agreement, the Parties may communicate the existence of the Agreement on their website and may inform third parties of its purpose, but shall refrain from mentioning anything relating to the content of the Agreement. The Parties agree that these communications shall be driven and focused on the Agreement's objectives. The Parties will take all necessary precautions to ensure that sensitive information will not be shared with any third parties.

7.2. In the event IDH is communicating, either in public or to local authorities, about the Belgian State's (co)-funded projects of the Better Jobs Accelerator Fund, IDH will make a reference to the support of the Belgian State. In this communication, IDH will emphasize that it does not speak on behalf of the Belgian State and that expressed opinions do not necessarily represent those of the Belgian State and does not commit to it.



8. No Detrimental Activity

8.1. Each Party under this Agreement represents and warrants to the other Party that it knows of no activities or other matters not yet a matter of public information that should preclude a cooperation under this Agreement or prove detrimental to the other Party's interests. In addition, if in the future, any Party becomes aware of any activity or matter that may become detrimental to the interests of the other Party, then that Party shall promptly notify the affected party of the relevant facts and circumstances.

9. Exclusivity

9.1. This Agreement does not prevent the parties to conclude other programs or program covering activities similar to the subject of this Agreement anywhere in the world.

9.2. Double funding of the purposes for which the grant of the Belgian State is given, is nevertheless forbidden. IDH is committed to inform the Belgian State of all other funding of the purposes for which the grant is given.

9.3. Nothing in this Agreement shall be construed as constituting the Parties as partners or as creating between such parties the relationships of employer and employee.

10. Use of the grant and eligible expenses

10.1. Taking into account the law of the 22nd of May 2003, and in particular the articles 121 to 124 thereof, the mentioned grant must be used for the purposes of the Fund Program. IDH is obliged to immediately reimburse the grant to the Belgian State if:

- o The conditions of the grant, as specified in the Royal Decree and this Agreement, including its annexes is not respected, or;
- o IDH prevents the controls and verifications of the Belgian state as mentioned in article 10.3. of this Agreement, or;
- o IDH is obliged to reimburse the part of the grant that has not been justified.

10.2. IDH must respect the list of non- subsidiary expenses mentioned in Annex 4 of this Agreement.



- 10.3. The accounts and original receipts and invoices of IDH in relation to the Fund Program, will be kept available during at least seven years after the end of the duration of this Agreement.
- 10.4. During the period of this Agreement, IDH will allow representatives of the Belgian State to verify and assess the implementation of the Fund Program and the utilization of the grant, including accounts, original receipt, and invoices at the IDH office, provided that reasonable prior notice is given.
- 10.5. The Belgian state can at any time, at its own initiative, decide to assess the Fund Program through an external evaluation and/ or an external audit.
- 10.6. IDH is allowed to sub-contract partners and/ or organizations to implement the Fund Program by using the Belgian State's grant.
- 10.7. In relation to article 10.6, IDH ensures that all partners and/or organizations engaged in the Fund Program respect the obligations in article 10. More in particular, in the event IDH will fund specific projects with the grant, IDH must mention the following in the framework that it concludes with organizations of which the projects are selected and funded under the terms of this Agreement:
- The organization is obliged to immediately reimburse the grant to IDH if the conditions of the grant, as foreseen in the framework concluded between IDH and the organization, are not respected,
 - the grant is not used for the purposes for which it is granted or the organization prevents the controls and the verifications mentioned in the framework;
 - The organization is obliged to reimburse the part of the grant that had not been justified to IDH;
 - The organization must respect the list of non-subsidiary expenses, as laid down in Annex 4 of this Agreement.
 - The accounts and original receipts and invoices of the organization for the project will be kept available during at least five years after the end of the project;
 - During the period of the project, the organization will allow representatives of the Belgian State to verify and assess the implementation of the project and the utilization of the grant, including the accounts, original receipts and invoices at the organization's office, provided that reasonable prior notice is given;
- The Belgian State can at any time, at its own initiative, decide to assess a project through an external evaluation and/or an external audit.



the sustainable
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Belgium

partner in development

- The list of non-subsidiary expenses that is joined to the framework concluded with the organizations is identical to the list of non-subsidiary expenses mentioned in Annex 4.

10.8. If an organization reimburses IDH for one of the reasons mentioned in article 10.6, IDH is authorized to use this sum for another project, unless this is no longer possible given the circumstances of the case. In that case, IDH reimburses this sum to the Belgian State.

11. Interpretation of the Agreement, applicable law and jurisdiction

11.1. In case of doubt about the interpretation of this Agreement, IDH will consult the Belgian State. Each decision will be subjected to an exchange of letters between the Parties.

11.2. Only Belgian law is applicable to this Agreement.

11.3. Legal conflicts regarding this Agreement are subject to the jurisdiction of the Belgian courts.

12. Miscellaneous

12.1. This Agreement, together with the Annexes, and the other documents referred to in this Agreement, constitutes the entire Agreement between the Parties.

-SIGNATURE PAGE FOLLOWS-



In witness whereof, the undersigned Parties have confirmed their agreement:

For the Belgian State

Name: Meryame Kitir

Position: Minister of Development Cooperation
and Major Cities Policy

Date:

15 OKT. 2021

For IDH

Name: Daan Alfons Wensing

Position: Executive director

Date: *3 December 2021*

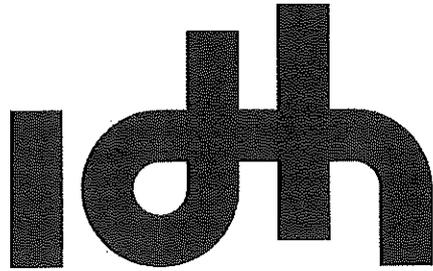
Attached to this Agreement:

Annex 1: 20210617 Better Jobs Accelerator Fund concept note

Annex 2: IDH 2021-2025 Multi- Year Plan

Annex 3: Royal Decree

Annex 4: List of non- subsidiary expenses



**the sustainable
trade initiative**

IDH Better Jobs Accelerator Fund

Version: 15th of June 2021

Working document for discussion purposes

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IDH Better Jobs Accelerator Fund

Strengthening the fundamentals to enable change at scale

1. Linking global trends to Belgian markets

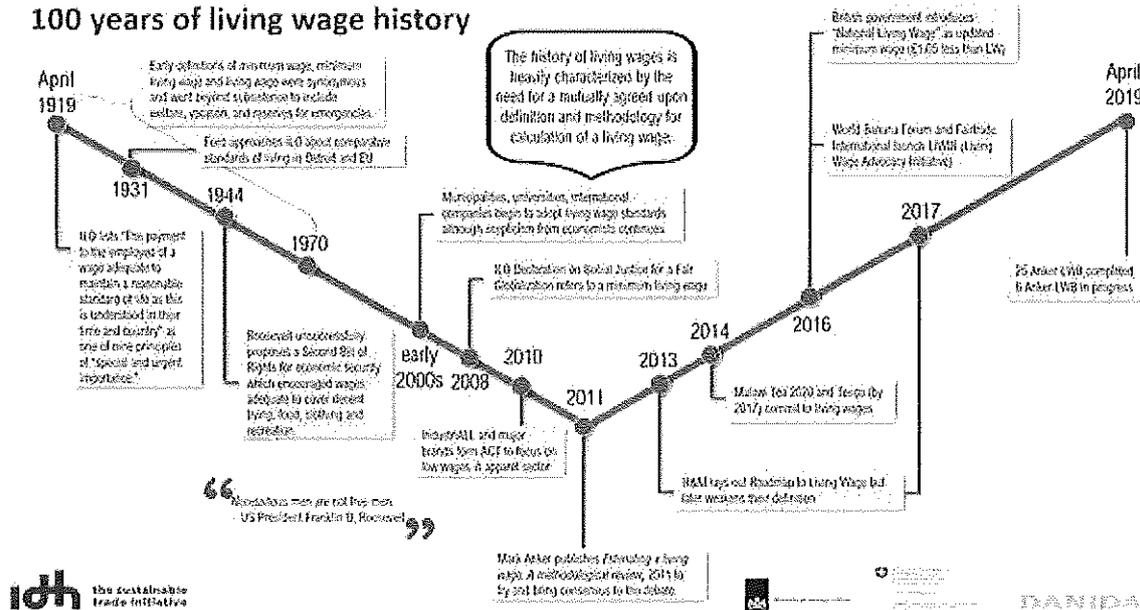
1.1. Challenging times ahead for Better Jobs and living wages¹

Since early 2020 the world has begun to realize the fragility of its social and economic systems due to the ravages of the COVID-19 virus. Millions of lives have been lost, incomes destroyed, global trade, travel and investments severely disrupted and national and personal priorities refocused. Over 100 million people have been pushed back into poverty by COVID-19 and the impacts of the contagion will likely last for years. Despite a growing global middle class, the gap in income inequalities at the extremes is getting bigger. Varying greatly between countries it is partly explained by difficult employment opportunities that particularly impact women. It has important consequences for women's rights, child labour, household incomes and migration patterns. It is now critical to create opportunities for decent jobs in agriculture and manufacturing, especially in countries with rapid population growth.

For over a century attempts have been made to reliably benchmark the wages needed to support a decent standard of living for a family. The concept of paying workers an amount sufficient to maintain a decent standard of life was first published in 1919 by the ILO. The first known effort by a company to pay a living wage was in 1931 when Ford measured costs of living in Detroit (USA) and Europe to establish wages that would enable workers to afford a similar standard of life. However, a lack of data and consistent approaches limited progress until 2011 when the Anker methodology achieved wide international acceptance as a reliable way of determining living wages. Over the last decade its application has played a significant role in catalysing wage improvements in global supply chains. This means more remuneration for female and male workers to achieve a decent standard of living while ensuring the long-term sustainability of the sectors in which they work. The trickle-down effect of investing in better jobs cannot be underestimated, with lasting and enormous impacts on improving the lives of workers and their families.

¹ For a more elaborate trend analysis of COVID-19, trade, climate change, poverty and inequality and technology aspects, please see pages 8-11 of our IDH 2021-2025 Strategic Multi-Year Plan - "Catalyzing Private Sector Solutions for the Sustainable Development Goals, Addressing climate change and inequalities through public-private action".

100 years of living wage history



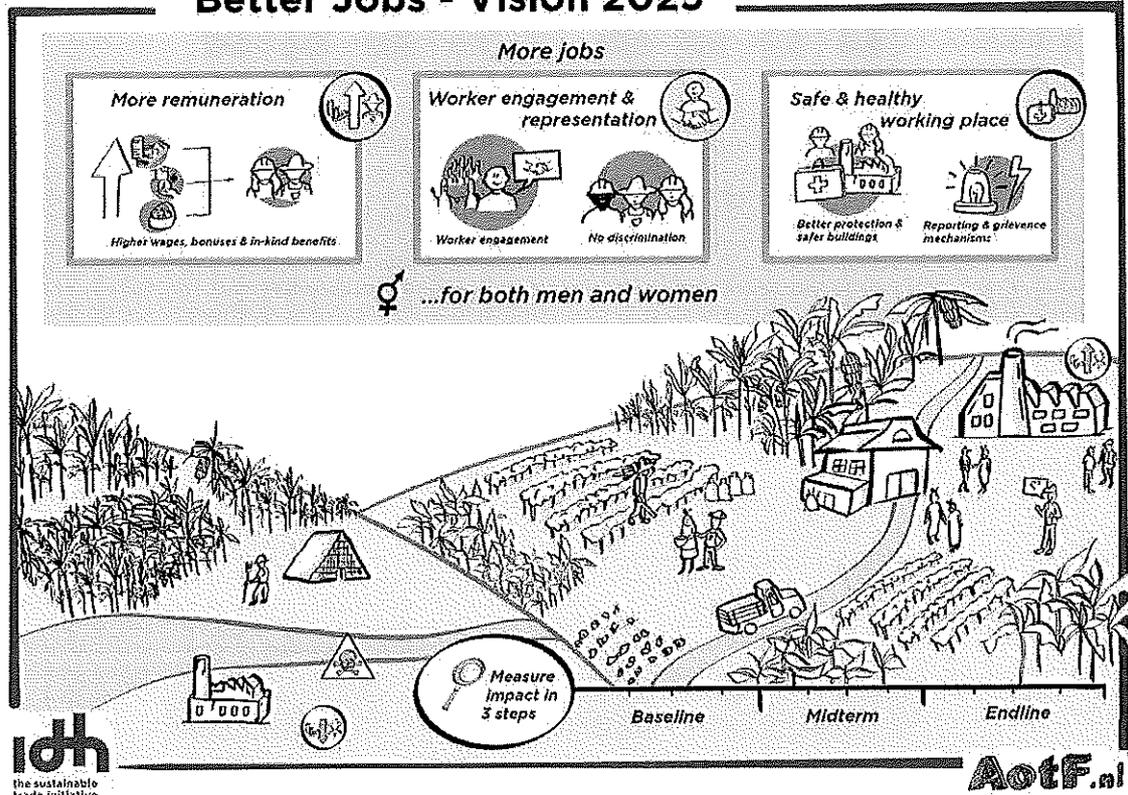
Innovative companies increasingly see the benefits in changing their strategies for procurement, investment, and farmer engagement to address social and environmental concerns. When companies adopt the Sustainable Development Goals (SDGs) as their own, their business and brands can benefit as well as their suppliers and workers, through decreased turnover, higher productivity and lowered reputational risks. Not only are the core elements of better jobs fundamental and globally recognized human rights, but they are aligned with the growing due diligence required by EU legislation.

IDH changes how we conduct business, become better at partnerships, and redefine capitalism, while ever striving for more impact for more people and our planet. We are in a unique position to move businesses further and faster on the road towards sustainable market transformation by aligning public and private players and building on the early successes of our business models to address ever more pressing and ambitious goals like better jobs to create more and deeper impact.

1.2. IDH approach to Better Jobs, Better Income and Better Environment

Through our 2021-2025 Strategy "Catalyzing Private Sector Solutions for the Sustainable Development Goals", IDH is actively working on three impact themes: Better Income, Better Jobs and Better Environment. In the Better Income theme, we are working towards making incomes for smallholder farmers higher, more stable, more equitable (equal chances for men and women to reach a living income) and more sustainable (that do not harm the environment or the health of the farmers). When working on Better Jobs, we work on improving working conditions (safe and healthy working conditions), improving remuneration and supporting collective action. With Better Environment, we work on reducing GHG emissions and restoring and rehabilitating landscapes, integrating the global social and environmental agenda into one holistic approach, touching upon all aspects of the ecosystem in order to bring sustainable change. Gender is now mainstreamed across all themes.

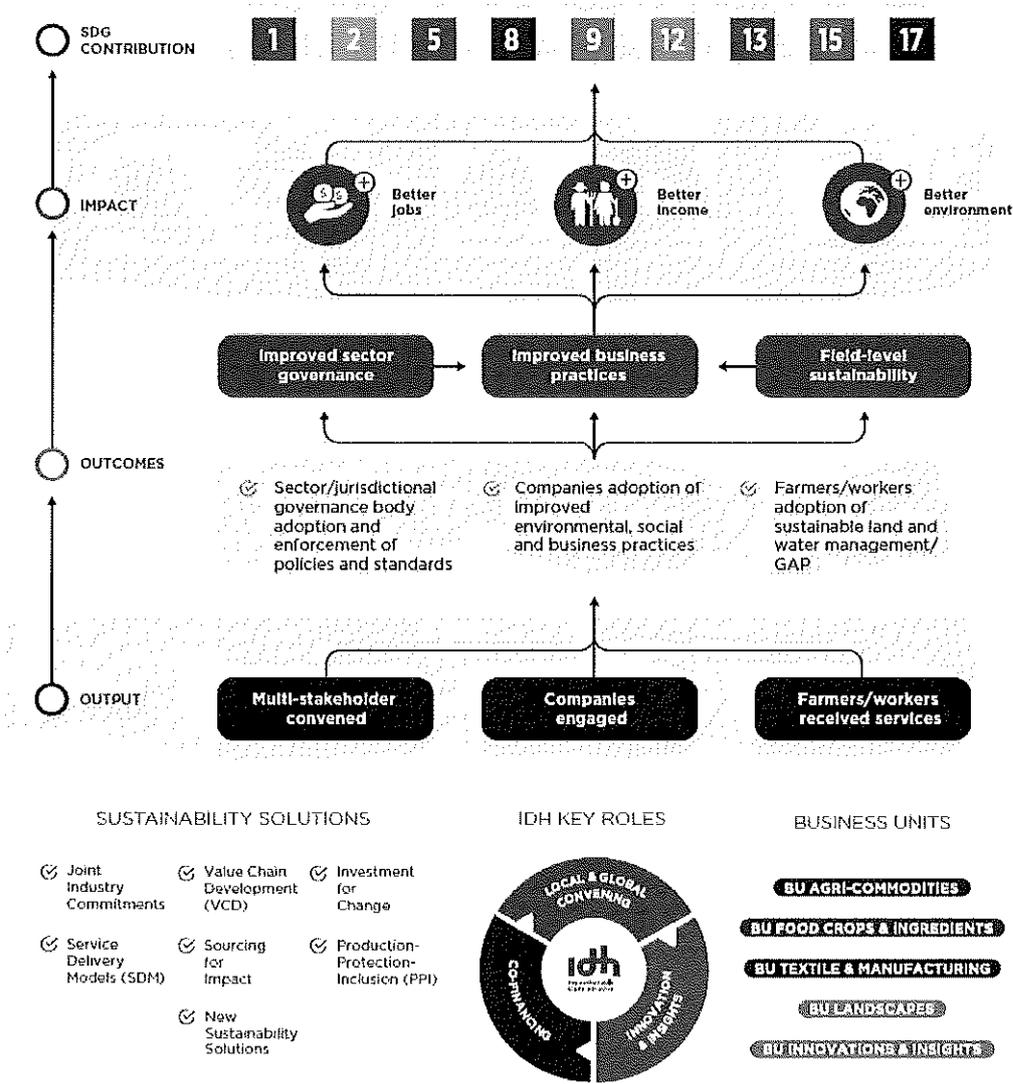
Better Jobs - Vision 2025



IDH has a unique way of working on these impact themes. For too long social and environmental issues have been approached as two different domains, with different interventions and often different organizations working on them. It is part of the IDH 2021-2025 strategy to integrate these two domains. We aim to create long lasting changes in sectors and geographies that we are active in by:

- Convening key actors in the supply chain around a sustainability agenda – creating energy and market demand for sustainably produced goods;
- Leveraging this energy by testing and co-funding innovative approaches with companies in their supply chains;
- Using data-driven insights to inform which innovative approaches make most sense to be tested, collecting data to see what works best and feeding this back to our partner companies;
- In working on concrete projects with companies, supported by hard data we can change their business practices, showing how sustainability makes full business sense;
- As business alone cannot create all changes needed, we also collaborate closely with the public sector, national governments, NGOs and civil society organizations to create the right conditions for change.

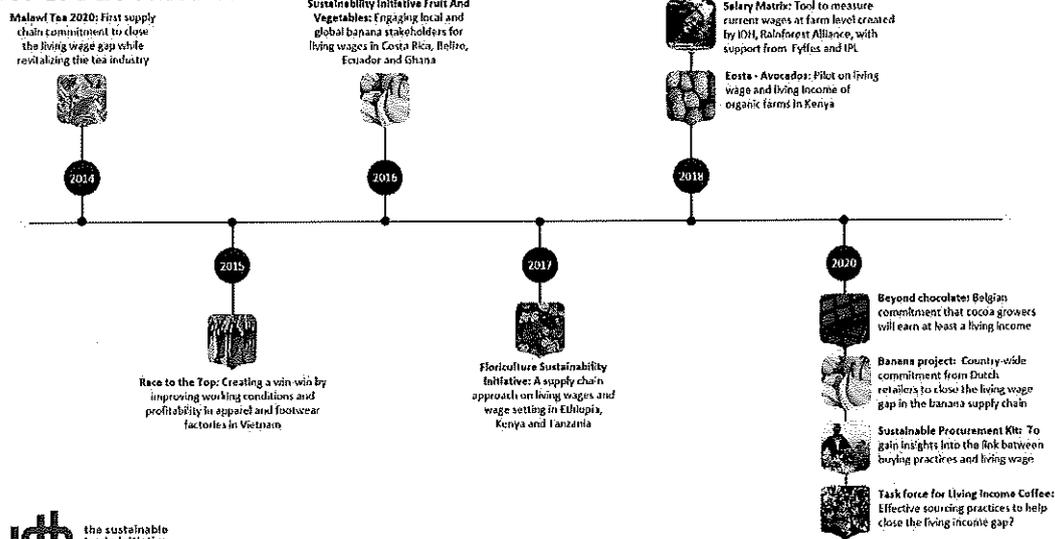
FIGURE 1: IDH APPROACH TO INCLUSIVE AND SUSTAINABLE TRADE



1.3. IDH Strategy and action on Better Jobs

IDH has built a track record in the areas of living wages and decent working conditions over many years. We started our work on living wage through creating more market demand with retailers and brands in several key commodities (a.o. bananas, floriculture and tea). Those initiatives informed our current strategy on Better Jobs.

IDH & BETTER JOBS



As part of our three impact themes, for Better Jobs we have built our existing insights and innovations on several impactful initiatives.

- Creating alignment and removing barriers to improve wages
 - o IDH founded the Roadmap on living wages based on five key barriers that companies faced when working to improve remuneration in their supply chains. Companies need reliable living wage benchmarks for every sourcing region; an understanding of workers' current earnings and how these compare to living wage benchmarks; uniformity in how living wage gaps are verified; practical solutions to remove barriers and close living wage gaps and finally access to best practices and learning on how the gaps can be reduced over time. By providing strong guidance and actionable tools like the Salary Matrix and the Living Wage Benchmark Finder Tool, the Roadmap brings together key companies, certifications and key partners to take an aligned approach on action.



- Public commitments for living wage
 - o With Malawi Tea 2020, IDH has used its strength in convening the full tea sector and civil society to work towards closing the living wage gap. Concrete action and projects have been implemented in the last 5 years with a good result of closing the gap with 30%. This concrete experience taught us what worked well and illuminated challenges to transforming a sector in a specific geography.
 - o In the Dutch Retailers Commitment to Living Wage Bananas, a single buying country committed to close the living wage gap by 75%. The commitment is part of the Dutch

Agreement for the Food Products Sector on International Responsible Business Conduct and relies on the annual use of the Salary Matrix – a tool for measuring living wage gaps in supply chains that was developed by the Roadmap on Living Wages.

- Improving safe and healthy working conditions in apparel factories
 - o With our engagement in the cotton and apparel sector and in the aftermath of the Rana Plaza events of 2013, we took up the challenge to work with the private sector to improve working conditions in apparel factories through the Life and Building Safety program (LABS). LABS is an industry-driven program, in which multiple brands and retailers are joining forces with public organizations to operate a scalable program to mitigate preventable fire, electrical and structural safety risks in key apparel and footwear producing countries in a targeted way. The program is successfully operating in Vietnam and India. To date, 172 factories were onboarded, 407.876 workers were reached, and 145 factories have been assessed.

Across all efforts on better jobs, gender has been a key theme. For example, the salary matrix shows sex disaggregated data – being able to see whether women get equal pay for equal tasks compared to men. Malawi 2020 had a strong gender component, by a.o. paying attention to gender-based violence and in our LABS program gender is an important element while looking into safe working conditions for women.

These three parallel initiatives have created the groundwork for our 2021 – 2025 strategy on Better Jobs in which we plan to work on:

- Rolling out and scaling up our **Roadmap on Living Wages and Call to Action**
 - o Convening more industry players in more sectors to commit to paying a living wage with our Call to Action (more under 2.2)
 - o Work with those companies on how to best close the living and equal wage gap by innovating procurement practices, work with companies on social dialogues and leverage consumer and brand engagements. With these companies we plan to unlock the necessary investments to close living wage gaps.
 - o We will further leverage data and transparency by upgrading existing tools and developing new tools to inform action companies based on data and evidence. This includes the use of the Salary matrix and other compatible tools which will allow for targeted actions to close living wage gaps.
 - o We will convene standards to integrate IDH tools on living wages in their certification schemes.
 - o Learnings from those pilots will be shared in the sector platforms to facilitate sector wide adoption and cross sector learning, opening up our work to relevant Belgian sectors and globally active companies.
- Develop new and inclusive local, regional and international value chains and better jobs for workers in value chains in Africa.
- We will **expand our work with LABS** to Cambodia, reinforce the current LABS program in India and Vietnam and invest in the working conditions of **Verified Industrial Parks in Kenya and Ethiopia**.

In our strategy we will use investment and technology as enablers to replicate and scale successful interventions and business models. As during the previous strategy, gender is a key theme that is being mainstreamed throughout our program and project portfolio.

With our 2021 – 2025 strategy we plan to reach the following targets on the IDH corporate level:

IMPACT / RESULT AREA	INDICATORS	Targets		
		Baseline	Target 2021	Target 2021-2025
Better Jobs	Number of workers with improved working conditions	365,000 (233,750 women)	386,900 (242,750 women)	4,130,000 (2,612,000 women)
	Number of workers with reduced living wage gap	50,000 (15,000 women)	3,000 (1,500 women)	146,000 (60,000 women)

2. Creating a Better Jobs Accelerator Fund

2.1. Strengthening the fundamentals to enable change at scale

In the past 12 years, our 3 IDH core donors (the Danish, Swiss and Dutch governments) have been crucial supporters of our pioneering work in the field of decent work, living wage, social protection and social dialogue for emerging economies in link with global trade. For IDH the key entry points of our actions are international trade and the private sector. Only by joining forces with the private sector in its many forms, by testing and improving business models for change, can we generate impact at scale. To deliver on our ambitions for Better Jobs, as part of our multi-year strategy and planning, we need to grow our group of strategic partners, expand the core donor group and together lift our partnerships to the next level. Linking up on a more strategic, policy and political level with our core donor and strategic program donors, will accelerate our work and drive faster systems change.

By creating a Better Jobs Accelerator Fund for 2021 and beyond, actively supported and funded by the Belgian Development Cooperation, we can strengthen the fundamentals that will help us deliver on the planned actions for the 2021-2025 period. Substantial new funding for 2021 will also allow us to fast-track some of our planned strategic work to 2021, namely:

- **Expanding the scope of our business reach** – with an accelerator fund we can engage with a larger number of companies in the first steps of the roadmap, mapping their supply chains and measuring the prevailing wages. This creates that necessary fundament to work with companies on closing the living wage gap.
- The role of the Belgian market is in this respect a very important one, always in link with the global trading and sourcing patterns. **A Belgian Beyond Bananas initiative** is a perfect follow-on of our overall work on living wages in the banana sector and can build on our insights gathered through the Dutch Banana Retailer Commitment on Living Wage. The Belgian market has been scoped with The Shift and shows great promise for an ambitious way forward.
- **Fast-track relevant tool development**. For example, developing a tool to support companies to understand the potential costs and benefits of interventions to close the living wage gap. We will also be able to expand the Salary Matrix quicker to the manufacturing sector by adjusting the tool to the needs of this sector and opening the tool to companies on the Belgian market.
- **Scale our program work on LABS for India and Vietnam and expand our tested operations to Cambodia**. Many workers in Cambodia work in unsafe environments which potentially have lethal consequences. From an additionality perspective, IDH has identified a clear gap for the

Cambodian market. The LABS program will organize its activities focused on identifying and solving risks related to fire, electrical hazards, structural building safety, and evacuation, so workers can live and work in a safer working environment. This is done by developing country-specific solutions by creating a life-safety program that delivers a harmonized framework for monitoring, assessment, risk reduction, and remediation. The outreach in Cambodia will support the roll out of the LABS methodology and program. In addition, it will support the launch of a worker's helpline which will allow the workers to raise and share concerns on the working conditions at their factories with fear of management backlash, this additional element of a toll-free service strengthens the program. The program is further reinforced in terms of capacity building within factories, LABS program trains staff members and key safety personnel to build up their skills around flagging safety issues, evacuation, and create additional awareness around structural, electrical, and fire safety proficiency. The program and its participant commit to complete transparency. Results of the factory inspections, remediation plans and the progress being made are shared with the public for the workers in the factories, government, and the buyers to be able to monitor progress on the ground. The inspections, quality assessments and remediation are all carried out by vetted, independent third-party organizations to ensure quality, impartiality, and integrity in the process. With the private sector support to the LABS program, we are able to provide a 1:2 private sector match funding from contributions to the broader LABS program.

- **Expand the Verified Industrial Parks approach to the African continent:** IDH will intensify its activities by establishing a program to create, enable, and drive investments in Verified Industrial Parks (VIPs), while improving wider environmental and social performance as emerging economies seek to increase industrial output. The driving logic throughout is the self-reinforcing virtuous circle: sustainable production can improve competitiveness and improved competitiveness can lead to better jobs, improved livelihoods, and a better environment. The combination of creating a framework for VIPs with a continuous improvement culture for social and environmental management will set a high bar. A program to ensure safe working conditions within the factories of the Industrial Parks in Ethiopia and Kenya will be important to ensure that we do not repeat the mistakes that have been made in different Asian countries in the past. At the same time, we learn from those to build the system into the framework for the Industrial Parks to assess, remediate and transparently report on the conditions of the factory in the Industrial parks. IDH will set up a Building Safety Standard (BSS) based on international benchmarks, local legal requirements and applicable to a variety of factory types that operate in the Industrial Parks. We will take our learning from the LABS program in Asia and build out a self-sustaining engagement model that will from Year 3 onwards of the program run on private sector funding. The program will engage with the government to ensure that the framework established by the BSS will be incorporated into local legislation to further secure that the Workers have a safe working environment. This will support the foundation of the VIP program that will provide the crucial enabling environment (e.g., most new industrial parks will then have firefighting services, water towers for improved water pressure (stand alone, so no structural risk), etc.) to help support the functioning, reporting and transparent management of the safety standards at the park. The broader VIP Indicative budget includes an assessment framework, a focus on Working conditions (Worker safety, worker dialogue, space for worker unions and representation, and improved benefits), Community & worker services (daycare for example) and access to finance solutions.

2.2. 2021 and beyond: Belgian policy, EU and global agenda setting

Amidst the pandemic, governmental actors at the different policy levels are picking up their game by accelerating the evolution towards more joint action. The European Union is trying to bring many Team Europe Initiatives to life. Alongside its programming for the 2021-2027 period, EU is developing long-awaited environmental and human rights due diligence regulations. We should however do more, take concrete public-private action to make sure we get on track to deliver on the SDGs. 2030 is right around the corner. The need for impact at scale is not a slogan, but a bare necessity. The time to implement beautiful sustainability projects not linked with market demand or scalability is long overdue.

Early 2021, the Dutch and German government have shown a clear commitment to start pushing the agenda setting on the European and global level for both living wage and living income. The two EU member states called upon the European Union to include living wage and living income in EU policy (a link to the joint declaration can be found [here](#)). In our IDH Multi-Donor Committee Meeting, representatives of The Netherlands welcomed IDH support to closely involve the Belgian government in the global living wage agenda setting and welcomed the possibility for Belgium to join their group of like-minded EU member states. This joint action is still at the early stages but holds promise to create visibility and effect for the like-minded states involved. Since Belgium has been driving the agenda setting on living income in the global cocoa and chocolate sector via the ambitious living income goals of Beyond Chocolate, a logical next step would be to team up with its fellow EU member states and continue to drive EU and global agenda setting for the living wage and broader Better Jobs work too.

In close collaboration with governments, private sector and our civil society partners, IDH has organized the first of a series of events to support the global agenda setting for a living wage. A Call to Action was launched during the [Living Wage Summit in March 2021](#) and will remain open for partners to join. We are managing this [Call to Action](#), from Business to Business, to accelerate the progress towards a living wage economy. It speaks for itself that the Belgian Development Cooperation could potentially play a very important and visible role in the further development and governance of the Living Wage Roadmap and its claim to impact.

3. Indicative budget for 2021

As part of the IDH Strategy for 2021-2025 the IDH Business Units have done extensive activity planning for the new period. Due to the COVID-19 crisis IDH has been revising the multi-year planning and budgets. Hence the teams have been revising their planned actions in relation to the new budget forecasts. The initiatives and projects linking to the impact theme Better Jobs, thus being eligible to resort under a new program 'Better Jobs Accelerator Fund', amount to a total of **2.070.000 € for 2021**.

In light of a new program 'Better Jobs Accelerator Fund,' the IDH business unit teams were tasked to budget for a fast-track and bring some of their planned activities for 2022 and beyond forwards to the 2021 activity year. These new actions add up to a total of about **850.000 € for 2021**.

This brings our projections for planned and new work on Better Jobs to **a total of 2.920.000 € for 2021**.

It is important to note that both the planned and fast-trackable activities should remain part and parcel of the IDH Strategy and its implementation process. Only then can we deliver on our 2025

targets. Since we are at the start of the new strategy cycle, the teams are in the process of continuing ongoing activities, finishing programs from the 2016-2020 period and preparing the set-up of the new activities for 2021-2025.

In our multi-year planning the **private sector co-funding ratio ambition** has been put at a 1:1 ratio. For each € of funding, we will attract at least 1 € of private sector investment in sustainability project support. Keeping a multi-annual perspective and investing in the continuation of our Better Jobs actions and initiatives will be important for the long-term sustainability effects of our work and for ensuring the continued support of our private sector and other partners.

4. About IDH, The Sustainable Trade Initiative

IDH, the Sustainable Trade Initiative (IDH) restores flourishing markets with better jobs, better incomes and a better environment. When IDH is successful, companies rebalance the relationships between the workers they employ, the customers they serve and the planet that serves all of us.

IDH achieves this by creating public-private partnerships, and by using data to design, test and invest in more sustainable ways of doing business. In Belgium we are responsible for Beyond Chocolate, SiFav (Sustainability Initiative Fruit and Vegetables) and the FSI (Floriculture Sustainability Initiative) coalition. We engage closely with the Belgian Alliance Sustainable Palm oil for our NISCOPS program. IDH is headquartered in the Netherlands, with over 250 employees of almost 50 nationalities globally, operating in 24 countries with well over 600 public and private partners. Our Belgian office is located in Brussels with 4 people and counting, building on our EU hub. Our global teams partner with several Belgian (Development Cooperation) partners, such as ILO, FAO, World Bank, IFC, ASDB, AFDB, UNDP, UNEP, UNICEF, UN Women, Amfori, (the international offices of) Fairtrade, Oxfam, WWF, The Shift, Enabel, Bio Invest, and others.

In 12 years of operation, IDH has generated over 390 M in private sector investment and support for new business models that create positive impact. In 2020 alone, we generated over 50 M private sector investments in sustainability solutions. Together with our partners we provided 3.7 million people with access to finance or good agricultural practices; supported protection, restoration and sustainable rehabilitation of 524,243 hectares of agrarian landscapes and tested 40 different business cases with our private sector partners on their potential to improve the lives, wages and incomes of smallholders, workers and their families. IDH's work is made possible because of the funding and trust of multiple European governments and private foundations. The Danish, Swiss and Dutch governments contribute directly to the 2021-2025 Strategy of IDH "Catalyzing Private Sector Solutions for the Sustainable Development Goals - Addressing climate change and inequalities through public-private action".

FR

Art. N4. Annexe 4. - Coûts non-subsidiables

Les coûts suivants ne sont pas éligibles en tant que coûts subventionnés :

1. les écritures comptables n'entraînant pas un décaissement, sauf si elles découlent d'une obligation légale à charge de l'intervention;
2. les provisions pour risques et charges, pertes, dettes ou dettes futures éventuelles;
3. les dettes et les intérêts débiteurs à moins que ces intérêts soient la conséquence directe d'un retard dans le paiement d'une déclaration de créance qui respecte les conditions de l'article 32 qui dépasse deux mois;
4. les créances douteuses, en ce compris les pertes réelles ou estimées résultant de montants à recevoir irrécupérables et d'autres réclamations ainsi que les frais juridiques liés à leur récupération
5. les pertes de change;
6. les crédits à des tiers;
7. les garanties et cautions;
8. les coûts déjà pris en charge par une autre subvention;
9. les factures établies par d'autres organisations pour des produits et services déjà subventionnés;
10. les contrats de sous-traitance ou de consultance pour des tâches essentielles de l'intervention faisant partie du " core business " de l'organisation subventionnée;
11. la sous-traitance par des contrats de service ou de consultance aux membres du personnel, aux membres du conseil d'administration ou de l'assemblée générale de l'organisation subsidiée;
12. la sous-location de toute nature à soi-même;
13. les achats de terrains et d'immeubles sauf si ces achats sont indispensables à l'atteinte des objectifs de l'intervention et à condition que leur propriété soit transférée à un partenaire au terme du programme;
14. les coûts liés à une indemnisation en cas de sinistre découlant de la responsabilité civile de l'organisation;
15. les indemnités de cessation d'emploi pour le délai de préavis non-presté
16. les dépenses connexes à l'expatriation (déménagement, prime d'installation, tickets d'avion pour le conjoint et les personnes à charge) pour des contrats de moins de 12 mois;
17. l'achat de boissons alcoolisées, de tabac et de leurs produits dérivés.

NL

Art. N4. Bijlage 4. - Niet-subsidieerbare kosten

De volgende kosten komen niet in aanmerking als gesubsidieerde kosten :

1. alle boekhoudkundige verrichtingen die geen betalingen inhouden, tenzij ze voortkomen uit een wettelijke verplichting ten laste van de interventie;
2. voorzieningen voor risico's en kosten, verliezen, schulden of eventuele toekomstige schulden;
3. schulden of debetinteressen tenzij deze interesten het directe gevolg zijn van een vertraging in de betaling van een schuldvordering overeenkomstig de voorwaarden van artikel 32, die de twee maanden overschrijdt;
4. dubieuze schuldvorderingen, met inbegrip van werkelijke of geschatte verliezen, ingevolge niet-invorderbare tegoeden en andere vorderingen, evenals de juridische kosten verbonden aan het terugvorderen ervan;
5. wisselkoers verliezen;
6. leningen aan derden;
7. waarborgen en borgtochten;
8. kosten die al gedekt zijn door een andere subsidie;
9. facturen van andere organisaties voor goederen en diensten die reeds gesubsidieerd werden;
10. contracten voor onderaanneming of consultancy voor essentiële taken in het programma, project, synergieproject of partnerschapsproject met de gouvernementele samenwerking, die tot de "core business" van de gesubsidieerde organisatie behoren
11. uitbesteding via diensten- of consultancycontracten aan eigen personeelsleden, aan leden van de beheerraad en de algemene vergadering van de gesubsidieerde organisatie;
12. onderverhuring van allerlei aard aan zichzelf;
13. de aankoop van terreinen en onroerend goed, tenzij deze aankopen onontbeerlijk zijn voor het bereiken van de doelstellingen van de interventie, en op voorwaarde dat de eigendom daarvan aan het einde van het programma aan een partner wordt overgedragen.
14. uitgaven ten gevolge van een schadeloosstelling naar aanleiding van een schadegeval voortvloeiend uit burgerlijke aansprakelijkheid van de organisatie;
15. opzegvergoedingen voor niet gepresteerde opzegperiode;
16. uitgaven verbonden aan expatriëring (verhuis, installatiepremie, vliegtickets voor de partner en personen ten laste) voor contracten van minder dan twaalf maand;
17. de aankoop van alcoholhoudende dranken, tabak en afgeleide producten.