

# TERMS OF REFERENCE

## PUBLISHING LIST OF LIVING WAGE BENCHMARKS FOR PRIORITY REGIONS

### A. INTRODUCTION

In 2019, IDH launched the [Roadmap on Living Wages](#), an initiative aimed at providing producers and buyers with practical guidance and tools to advance living wage efforts in their supply chains. As part of this effort, IDH is committed to assisting companies in measuring potential gaps between current wages (through the Salary Matrix) and up-to-date, credible living wage estimates that are relevant to their respective locations. IDH and partner companies also plan to assist in the development of projects to help address living wage gaps and improve worker's access to decent wages.

To measure living wage gaps against current wages, IDH advises using living wage benchmarks published by independent and credible methodologies. This includes the Global Living Wage Coalition's full-fledged Anker Methodology as well as those methodologies recognized by the [IDH Recognition Process](#). For a variety of projects and initiatives, IDH and our partners are seeking a variety of living wage benchmarks published by such credible methodologies.

These terms of reference have been created to contract a consultancy, an organization or a methodology that can provide to IDH the living wage benchmarks for the regions listed in Annex 1.

### B. DELIVERABLES

The selected consultant, methodology or organization ("Consultancy" hereafter) will provide IDH and its partners with living wage benchmarks for the regions listed in Annex 1. The living wage benchmark methodology used needs to have been previously recognized by IDH through the [process for recognizing living wage benchmark methodologies](#)<sup>1</sup>. Other requirements are:

- The benchmarks should be region specific. In the cases where the country (with no regions specified) is listed as a priority, at least two benchmarks are needed for rural and urban settings within that country.
- The living wage benchmarks and the data generated will be made public by the consultant, and made available for any company/organization wanting to use such data for furthering living wage projects in those regions.
- There is a breakdown of the cost of living which includes the total value of each category of cost (such as food, housing, transportation, education, etc.), the total cost of living for a typical family, the number of full time equivalent adults expected per family, the net value of living wage, the value of standard deductions such as taxes, and the final gross living wage.
- It is expected that from the above breakdown of each calculation of living wage, living income benchmarks for the same regions can be derived.
- Data will be updated yearly for the following 5 years and shared with IDH in April of each year from 2022 to 2026.
- Deadline for completing all benchmarks is April 30<sup>th</sup>, 2021.

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<sup>1</sup> GLWC published benchmarks developed using the Anker methodology do not need to go through IDH's recognition process.

## C. REQUIREMENTS

### *Experience and qualifications*

- The Consultancy must either utilize the GLWC full-fledged Anker Methodology or any living wage benchmark methodology that has been recognized by IDH's Process for Recognizing Living Wage Benchmark Methodologies (meaning it complies with the Criteria for Recognizing Living Wage Benchmark Methodologies and is listed on IDH's website as a recognized methodology).
- The Consultancy should use methodologies that have at least one living wage benchmark published.
- The Consultancy should use a methodology that has been operational for a period of at least 12 months.
- The Consultancy is a legally registered body such as an organization or research institution.
- The team put together by the Consultancy to undertake this task, shall have demonstrable knowledge on living wages, living income and the benchmark methodology to be utilized.

### *Skills*

The Consultancy should propose a team and a leader that have:

- Tracked experience working on living wages.
- Good organisational and time management skills.
- Excellent written and oral communication skills in English. Spanish and other languages would be valuable.
- The ability to effectively and systematically assess situations and information to make informed decisions on objective and verifiable evidence.
- The ability to produce clear and accurate reports.
- Good people management and leadership skills.
- Able to keep relevant information confidential in accordance with non-disclosure or confidentiality agreements.
- Able to maintain strict independence from self-interest or personal bias.

## D. APPLICATION

Interested candidates should send the following information to Ronald Sanabria at [sanabria@idhtrade.org](mailto:sanabria@idhtrade.org):

- Up-to-date organizational CV and individual CVs for the entire team highlighting experience and skills.
- A proposal including a methodological description detailing the steps that will be undertaken to develop the living wage benchmarks.
- A detailed timeline.
- A detailed budget.
- 3 professional references
- Declaration note outlining any potential conflict of interests.

Application deadline: March 12<sup>th</sup>, 2021.

## E. SELECTION CRITERIA

The following criteria will be used to assess the applications:

- Completeness of the proposed methodological approach.

- Completeness of the proposed mechanisms that will be utilized to verify accuracy of the data and corresponding calculations.
- Proposed timeline to generate the living wage benchmarks.
- Total budget associated with the development of the benchmarks without sacrificing the integrity and thoroughness of the results.

## F. REQUIREMENTS

### *Contract and Timeframe*

Upon approval of the proposal, the Consultant will sign a contract with IDH and its General Terms and Conditions.

Payments will be made as follows: 25% at the beginning against signing of the contract, 25% when half the benchmarks are completed and then 50% on final completion.

## ANNEX 1

The following is the list of priority regions for which living wage benchmarks are needed.

The following list indicates the minimum possible area of coverage for living wage benchmarks. It is not intended to prescribe the maximum area for living wage benchmarks and applicants must indicate the cases where benchmark areas are broader than the areas listed. Similarly, multiple regions may be covered by a single benchmark if suitable in the methodology.

Country	Region
Belize	Stan Creek
Belize	Toledo
Colombia	Santa Marta
Colombia	Uraba
Colombia	Magdalena (N. Colombia)
Colombia	Turbo/Apartado (Antioquia)
Colombia	West Colombia
Dominican Republic	Valverde
Dominican Republic	Santiago Rodriguez
Dominican Republic	Montecristi
Dominican Republic	Dajabo
Ecuador	Guayas
Ecuador	El Oro
Ecuador	Los Rios
Guatemala	Escuintla
Peru	Piura
Peru	Tumbes

For one or more of these areas, there may be an existing benchmark from an IDH Recognized Living Wage Benchmark Methodology.