



## Position of the Ecuadorian Banana Cluster in Living Wage

Thursday, 2 December 2021

From the Ecuadorian Banana Cluster, an organisation that brings together the main banana producer and exporter associations in the country, representing 100% of exporters and 70% of producers, our mission is to contribute to the competitiveness and sustainability of the value chain of the Ecuadorian banana industry.

As banana producers and exporters, we are fully aware of the impact of this sector in producing countries, strongly connected to rural communities, a source of income for small and medium-sized producers and a basic input in the food basket of many households. Likewise, due to the characteristics of the fruit itself, planting, harvesting, and handling are very labour-intensive jobs, which means that it is an activity that generates high levels of employment.

In Ecuador, we have been pioneers in demanding that banana plantation workers receive above-living wages that allow them to have a decent standard of living, which ultimately allows for the overall well-being and sustainability of the producers' communities. Thus, in Ecuador we have been pioneers in the development of projects such as the Living Wage Initiative (LIWIN) in coordination with the Food and Agriculture Organisation of the United Nations (FAO), **setting benchmarks to measure the impact of wages on the lives of workers and tools for their negotiation according to the Anker<sup>1</sup> methodology.** In this way, we want to highlight how Ecuador not only meets the living wage standards but exceeds them. It is worth highlighting the increase in wages and social benefits that our workers have received in recent years, maintaining our commitment to labour and social equity, and advocating for an improvement of these conditions every year.

Time has shown that the Ecuadorian model, pioneered with the initiative presented at the World Banana Forum in 2016, has provided government authorities with additional information and strategies that support policies to promote human rights and improve working conditions. Thus, **the Republic of Ecuador itself recognises a living wage in its Constitution** and punishes employers who do not register their workers with social security, which is revolutionary in its neighbouring countries.

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<sup>1</sup> <https://www.elgaronline.com/downloadpdf/9781786431455/chapter02.xhtml>



We, the Banana Cluster of Ecuador, reaffirm our commitment to the struggle for the living wage and the establishment of optimal conditions so that our workers and their families can have a decent life. This work must not only be fulfilled and limited to our operational framework, but, through **the establishment of a framework of shared responsibility**, all actors in the value chain must become aware and assume their share of the responsibility.

The struggle for **economic sustainability and compliance with the new regulations on access to foreign markets**, which increase production costs, must be shared among the different actors, and it will then be through the fulfilment of this responsibility that we will be able to face without difficulty the pressures established by third parties, such as certifiers or retailers, who have a negative influence on the banana production sector.

Therefore, from the Banana Cluster Ecuador we consider Ecuador's track record on Living Wage with and for its workers as very positive, since the current Anker methodology has allowed banana workers to strengthen their dialogue in collective bargaining and to improve their individual social conditions as a result. Conclusions also endorsed by the main banana certification agencies and associations such as Fairtrade<sup>2</sup>. We also invite all actors in the different value chains who are in a similar position to ours to be part of this strategy of shared responsibility; fighting for the establishment of commitments by all actors in the value chain, and improving the quality of life of all our workers and their families.

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<sup>2</sup> <https://www.fairtrade.net/news/fairtrade-highlights-ecuador-colombias-progress-banana-wages>