



Guiding Principles for Asia Floor Wage Pilot Projects

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The Asia Floor Wage Alliance is moving to exploring several implementation methods for Asia Floor Wage. One such method that AFW Alliance is exploring is “AFW Pilot Project”.

The Asia Floor Wage Alliance is open to conducting pilot projects in supplier factories, with buyers and multi-stakeholder initiatives, on living wage in order to practically test the implementation of AFW.

The following principles are guiding principles for conducting AFW Pilot Projects:

- Involvement of AFW Alliance from the initial stage
- Active involvement of AFW Alliance local partner in the country of the pilot project
- Development of a framework that does not negatively impact workers’ working conditions
- Prioritisation of access to freedom of association
- Identification of the gaps between minimum wage, prevailing wage, AFW and union-defined local living wage in the selected region
- Calculation of the Unit Labour Cost needed to deliver Asia Floor Wage
- Commitment to delivery of Asia Floor Wage as an end goal
- Transparency in the operations of the pilot project
- Stages of evaluation built in to ensure that the guiding principles are being followed