## **CALL FOR EXPRESSION OF INTEREST**

TO ACCELERATE THE RECYCLING OF TEXTILES AND FOOTWEAR AND DEVELOP THE SECTOR'S CIRCULAR ECONOMY IN FRANCE AND EUROPE

# 2025 RULES RECYCLED MATERIALS INCORPORATION 2025 EXPERIMENTS

Application deadline: February 28, 2025 at 12:00 (CET)

Reply to be sent only to: <u>experimentations@refashion.fr</u>

#### **RECITALS**

Refashion is the Producer Responsibility Organisation for the products provided for in article L.541-10-1, point 11 of the French Environment Code (Clothing, Household linen and Footwear, hereinafter "CHF"); it has been approved by Ministerial Order in this capacity for a period extending from 23 December 2022 to 31 December 2028.

Refashion's CHF waste-management targets are defined in the French Ministerial Order of 23 November 2022 instituting a framework for Producer Responsibility Organisations and individualised waste-management systems within the Clothing, Household linen and Footwear (CHF) industry and the extended responsibility of its producers. They include separately collecting 60% of total CHF placed on the French market and recovering it with a recovery rate of no less than 99.5% by 2028. In addition, a target has been set to recycle 80% of non-reusable CHF waste by 2027, including 90% of non-reusable CHF waste containing 90% and more synthetic plastic materials. The incorporation of recycled raw materials is also encouraged by bonus applicable under the terms of the chapter of the Specifications dedicated to eco-design and eco-modulations.

In this context, and to meet the objectives of the authority approval's specifications, Refashion has been funding Material Preprocessing and Recycling Experiments since 2022 to accelerate the development and deployment of material preparation and recycling solutions for non-reusable post-consumer textiles and/or footwear, in response to specifications from recycler-processors. In 2024, Refashion is launching a **Call for Expressions of Interest** to Marketers and Industrialists in the Textile Sector and other industries, registered on Refashion's Recycle platform, to conduct experiments in the incorporation of recycled materials from non-reusable used CHF waste (hereinafter the "**Recycled Materials Incorporation Experiments**").

#### **GLOSSARY AND DEFINITIONS**

The terms used in these rules, when defined in article L. 541-1-1 of the French Environment Code, have the meaning given to them in that article.

"CEI "is the acronym for « Call for Expressions of Interest ».

"CDC" is the acronym for "Cahier des Charges" in French meaning authority approval's specifications.

"**Funding**" refers to the financial support provided by Refashion to the Project selected as part of the RMI 2025 Experiments, the terms of which are detailed in article 3 of the Rules.

**"RMI**" is the acronym for "Recycled Materials Incorporation" and refers to the incorporation of recycled raw materials (RMI) from non-reusable household CHF waste into a new finished or semi-finished product according to customer specifications.

"Marketer" refers to a producer who places products on the market, which then become waste.

« **Closed-loop marketer** » means a producer of household CHF whose products are subject to the principle of extended producer responsibility for CHF in application of article L. 541-10-11° of the French Environment Code.

« **Open loop marketer** » designates a producer who markets products other than household CHF, and which therefore do not fall under the extended producer responsibility of the CHF sector in application of article L. 541-10-11° of the Environment Code.

« **RRM** » is the acronym for Recycling Raw Materials. RRM comes from waste which, after a material recycling operation, can be reincorporated into production processes as a total or partial substitute for virgin raw materials.

"**Refashion approved sorting Operator**" refers to the operator of a sorting facility for separately collected used textiles, household linen and footwear that meets the requirements of the ecoorganization's approval specifications.

"Project Leader " refers to the entity submitting a Project to the RMI Experiments.

« Materials Preprocessing & Recycling » refers to any operation required to prepare nonreusable CHF waste prior to Recycling the materials making up this CHF waste. Recycling itself refers to the steps involved in transforming a waste product in order to recover the material (with a view to reincorporating it into a new product).

"**Project**" refers to a project submitted as part of the RMI Experiments.

« **Refashion** » simplified joint stock company, whose registered office is located at 89-91 rue du Faubourg Saint-Honoré Paris, France, registered with the Trade and Companies Register of Paris under the number 509 292 801

"Rules" means these regulations, their appendices and any subsequent versions.

**"CHF"** is an acronym for Clothing, Household linen and Footwear and designates products cited in article L.541-10-1 11° of the French Environment Code.

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#### 1. SCOPE AND OBJECTIVES

The RMI Experiments meet three objectives:

- Accelerate the incorporation of RRM into new finished or semi-finished products in closed and open loops, and thus encourage marketers to obtain the bonus ("eco-modulation") relating to the incorporation of recycled materials;
- Find sustainable outlets for RRM derived from the processing of non-reusable used CHF waste collected in France;
- Make circularity a market opportunity for marketers and manufacturers rather than a constraint.

With the launch of its Call for Expressions of Interest, Refashion is seeking to support Project Leaders in conducting experiments to incorporate recycled materials into their products in order to substitute them for virgin materials.

RMI Experiments are proposed by manufacturers according to their specifications or those of identified partners, and on the basis of criteria communicated by Refashion in the present Rules. The scope of RMI Experiments extends from product development to validation in industrial application. It includes material research, product development and application tests on finished or semi-finished products.

Refashion will support these experiments at every stage of the process, and will cover all or part of the costs incurred by the Project Leader. Given the emergence of the industry, Refashion also undertakes to help the Project Leader find new industrial partners capable of meeting the requirements of its specifications or those of its partner(s).

At the end of the RMI Experiments, the Project Leader will have all the information (key contacts, value chain, technical and financial data) needed to decide whether or not to produce and market a product containing recycled materials from the French used non-reusable CHF feedstock.

#### 2. ELIGIBILITY FOR RMI EXPERIMENTS

#### 2.1. Project eligibility criteria

To be eligible for RMI Experiments, the Project must :

- Involve the recovery of non-reusable used textiles (clothing and/or household linen) or footwear intended for recycling and originating from household consumption collected in France;
- Identify the nature and volume of CHF products to be tested for incorporation, for the duration of the RMI trial and for subsequent years in the event of a successful trial;
- Identify the volume of PRM required for the experiment;
- Aim to process minimum volumes of CHF by the end of the project in 3 years' time: 500 tonnes minimum in open loop, 10 tonnes minimum in closed loop;
- To involve a PRM whose supply is existing, accessible and easily replicable over time.

The Project Leader may carry out some operations of quality control, incorporation of the recycled material into the finished or semi-finished product or, where applicable, application of the semi-finished product into the finished product and performance test(s) of the finished product, in partnership with other persons established in France or Europe.

In any case, only the applicant, or the representative in the case of a group of applicants, will be considered as the Project Leader for the RMI Experiments.

#### 2.2. Project Leader eligibility criteria

To be eligible for RMI Experiments, the Project Leader must:

- Propose an RMI solution, implemented in France or Europe with no nationality requirement on the part of the Project Leader;
- Be able to use recycled materials from non-reusable household CHF waste collected in France for incorporation/transformation in France/Europe;
- Be mature on the subject of recycling and have already produced a product containing a minimum of 10% RPM (not necessarily from post-consumer used CHF);
- To be a Project Leader only once within the framework of the RMI 2025 Experiments. However, it is possible to be a partner in several Refashion-funded projects, or a member of a group of applicants without being its representative;
- Unreservedly accept the terms and conditions of the Contract, which will be provided by Refashion and available at <u>https://recycle.refashion.fr/en/experiments-</u> <u>incorporation-of-recycled-materials/</u>;
- A company other than a closed-loop marketer. However, the Project Leader may create a partnership or group of legal entities with a closed-loop marketer;
- If the applicant is a group of legal entities, the Project Leader must be represented by the group's representative, who will produce and submit the Call for Expressions of Interest's application file; the group must be jointly and severally liable.
- If one of the partners or members of the Project Leader's group is a closed-loop marketer whose products come under and are subject to the principle of extended producer responsibility for CHF in application of article L. 541-10 of the Environment Code, it must be in compliance with its legal obligations towards Refashion, i.e. it must have signed the standard contract and paid its ecocontributions, provided for respectively in articles R. 541-119 and L. 541-10-2 of the Environment Code;
- Be registered on Refashion's Recycle platform.

It should be noted that a Project Leader whose project is the result of a Material Preparation and Recycling (PMR) Experiment can apply to the RMI Experiments in order to continue and finalize the stages of transformation and incorporation of the material.

#### 2.3. Eligible subjects

As an example, the Project may cover the following needs (non-exhaustive list):

- Creation of a filament, a yarn, a fabric, a non-woven ;
- Creation of a sole, an upper material for shoes, a component for shoes;
- Manufacture of finished products incorporating PRM, in closed-loop (textile and footwear industries) and open-loop (construction, automotive, plastics industries, etc.);
- Substitution of an original virgin material by a recycled material;

- Search for a new value chain to obtain the bonus for incorporating recycled materials into one or more products...etc.

#### 3. FINANCING AND ELIGIBLE EXPENSES

The RMI Experiments are financed by Refashion to cover the costs of testing the incorporation of recycled material by the Project Leader.

#### 3.1. Financing, payment terms and receipts

The reimbursement of the costs generated by the RMI Experiment is defined by Refashion, without any obligation to finance all the steps required to complete the Project. The reimbursement of actual costs may concern quality control of the recycled material received, tests on the incorporation of recycled material and costs relating to the transport of recycled material.

Refashion funding covers 100% of eligible expenses incurred, up to a maximum of €150,000 per Project. However, Refashion reserves the right to request a renegotiation of the quotations proposed by providers if the amounts appear disproportionate or inconsistent with the reference prices observed in other MPR or RMI experimentation projects. The aim of this renegotiation is to ensure that prices are in line with market standards.

#### The financing corresponds to grants net of all taxes.

The Project Leader will invoice Refashion at the end of each trial of incorporation of recycled material for the expenses incurred per trial, and at the latest at the end of the RMI Experiment for the balance of the expenses incurred.

Payment by Refashion will be conditional upon presentation by the Project Leader of a global invoice for expenses incurred, accompanied by receipts. Receipts must be submitted no later than three months after the end of the Project, otherwise they will be deemed inadmissible.

The receipts required are :

- A receipted invoice for each item of expenditure equal to or greater than 500 euros excluding tax;
- Affidavits for personnel expenses;
- Affidavits for unit expenses of less than 500 euros excluding tax, indicating the total amount of all these unit expenses, accompanied by an Excel file summarizing the details of the unit expenses concerned. The Project Leader is therefore exempt from presenting receipted invoices.

#### 3.2. Eligible expenses

Expenses eligible for reimbursement of RMI experiments are :

- Expenses related to the incorporation / transformation of recycled material into a new product;
- Expenditure on testing the application of the semi-finished product incorporating recycled material into the finished product, and on testing the performance of the finished product;

- The purchase of recycled materials that have first been prepared for recycling and/or recycled;
- Expenses related to the preparation and/or recycling of the deposit;
- Costs incurred by industrial partners to validate the transition to industrial scale (tests on partners' industrial lines capable of meeting the project's requirements);
- Freight costs;
- Costs of various compliance tests;
- Project-related personnel costs are eligible, but may not exceed 10% of the total budget.

#### 3.3. Ineligible expenses

Expenses ineligible for RMI Experiments include (but are not limited to):

- Overheads;
- Industrial property costs;
- Costs generated by collection and sorting operations if these are not carried out by Refashion-approved collection and sorting operators;
- Costs not directly related to the Project.

#### 4. PHASING AND DURATION

Project duration must not exceed 12 months. RMI 2025 Experimental Projects must be started during 2025 and completed by March 31, 2026, to enable the results to be analyzed during 2026.

The results of the Experimentation Projects must be provided no later than two months after the end of the Experimentation.

A detailed phasing of the Project and an overall schedule for completion must be attached to the funding application.

#### 5. PROJECT SELECTION CRITERIA

Given the experimental nature of the system, Refashion selects RMI Experimental Projects on the basis of their relevance, quality and organization to achieve the desired objectives, as well as the time required to complete the experiments.

Refashion accepts RMI Experiments projects according to the following criteria:

- Innovative nature of the experiment;
- Resources deployed to carry out the Project and estimated costs and time associated with each stage of the Project;
- Anticipation of the volumes of CHF targeted at the end of the Project if it is successful;
- Strategic nature of the Project, the results of which will benefit the entire Sector;
- Identification of industrial and commercial outlets.

These selection criteria are weighted in an internal Refashion matrix presented in the following table:

Selection criteria	Coefficient
Innovative nature of the experiment	2
Resources deployed to carry out the Project and estimated costs and time associated with each stage of the Project	2
Anticipation of the volumes of CHF targeted at the end of the Project if it is successful	3
Strategic nature of the Project, the results of which will benefit the entire Sector	1
Identification of industrial and commercial outlets	2

#### 6. COUNTERPARTS TO SUPPORT FOR RMI EXPERIMENTS

Information resulting from the RMI Experiments (costs, quantities, products, references) will be communicated to Refashion and will remain confidential.

Samples of finished or semi-finished products relating to the final result of the RMI Experiments will be supplied to Refashion.

#### 7. CALL FOR EXPRESSIONS OF INTEREST'S PROCESS

#### 7.1. Calendar

The Call for Expressions of Interest will take place according to the following provisional timetable:

- A webinar presenting the RMI Experiments will be held in October 2024, setting out the terms and conditions of participation.
- Applications may be submitted between **October 01**, **2024 and February 28**, **2025 at midnight**.
- Two dates have been set for collecting applications, with notification of results within one month of each collection date:

Changeover	Changeover date
1st changeover	January 7, 2025, 12 noon CET
2nd changeover	February 28, 2025, 12 noon CET

These changeover dates mark the start of Refashion's evaluation of new applications.

These dates are subject to change (postponement) by Refashion. Any changes to the schedule will be published on <u>https://recycle.refashion.fr</u>

#### 7.2. Application procedures

Applications should be sent to Refashion at the following e-mail address: <u>experimentations@refashion.fr</u>, from October 01, 2024.

Applications must be submitted in French or English. Failure to do so will render it inadmissible.

Applicants are asked to present their Project as precisely as possible. Objectives must be clearly stated, and the Project must be described from a technical, environmental, economic and financial point of view.

Refashion reserves the right to request additional information on the Projects during the application period and after the closing date of the consultation, as well as to enter into discussions. Applicants may make adjustments, details or clarifications to their initial application after discussion with Refashion.

#### 7.3. Content of the application file

The application file must include at least:

- A free-form dossier presenting the Project, including the following information:
  - A brief presentation of the Project Leader;
  - A summary presentation of the Project, focusing on its objective(s);
  - The phases of the Project and the partners and/or service providers identified for each phase;
  - The overall timetable for completion of the Project.
- Proof that the Project Leader has already manufactured a product containing a minimum of 10% RPM (not necessarily from post-consumer used CHF): product sheet, safety sheet, mock-up of the project or product, label, etc.
- If available, the specifications of the company responsible for incorporating recycled materials into the Project, or of the final client company.
- The Financial Evaluation of the Project detailing costs to be submitted in Word format only (Appendix 1).
- If the applicant is a group of legal entities, the representative of the group fills in the form indicating the members of the group and their representatives (Appendix 2) and sends a copy of the mandate(s) for the application to the RMI Experiments.

#### 7.4. Administrative documents to provide

The administrative documents to be sent to Refashion at <u>experimentations@refashion.fr</u> duly completed with the application file are as follows:

- These Rules in PDF format, dated and signed by the Project Leader;
- The application form available on the RMI Experiments website at: <u>https://recycle.refashion.fr/en/experiments-incorporation-of-recycled-materials/</u>

#### 7.5. Results announcement

The reasons for Refashion's decisions regarding the allocation of funding or a negative decision are not intended to be communicated, but Refashion will endeavor, insofar as possible, to provide explanations of the reasons for its decisions when communicating the results to Project Leaders.

No appeal will be lodged by Project Leaders, who agree to accept the decisions taken by Refashion within the framework of the RMI 2025 Experiments.

#### 8. OBLIGATIONS, CONFIDENTIALITY AND COMPLIANCE WITH REGULATIONS

By submitting their applications, candidates agree to abide by these Rules and accept without reservation the terms and conditions of the Contract which will be provided by Refashion with the corresponding appendices specifying the description of the Project and the financial evaluation of the Project.

Refashion will maintain strict neutrality and impartiality with regard to the Projects submitted to it.

Refashion is under no obligation to inform a Candidate of the ineligibility of its application with a view to its regularization.

Refashion also undertakes to respect and protect the confidentiality of the files submitted to it. All persons having access to application files are bound by confidentiality.

The personal data collected as part of the RMI 2025 Experiments are mandatory for the processing and management of applications, and in particular for the computer processing carried out under the responsibility of Refashion. They are protected under the terms of the Personal Data Protection Policy accessible on the application portal. If you have any questions or wish to exercise your rights, please contact the Data Protection Officer at the following address: <a href="mailto:rgpd@refashion.fr">rgpd@refashion.fr</a>

#### Applicable law and jurisdiction

These Rules are governed by French law. Any dispute between a Project Leader and Refashion relating to the interpretation or execution of these Rules shall be submitted to the Commercial Court of Paris.

#### For any questions:

In the event of difficulties in responding to the RMI 2025 Experiments, Project Leaders may ask questions, addressed exclusively to the following e-mail address: <u>experimentations@refashion.fr</u> In order to ensure equal treatment between candidates, answers to questions likely to be of interest to all Project Leaders are posted online on the <u>https://recycle.refashion.fr/</u> website in the "Experiments" and "FAQ" sections. Questions may be reworded to ensure the anonymity of the applicant. Similar questions can be grouped together, reworded and answered generically.

Date of signature

Signature preceded by "read and approved"

#### Appendix 1

# Financial evaluation of the Experimental Project for the Incorporation of Recycled Materials

Expense item	Unit cost	Total cost	Comment
	excluding tax	excluding tax	Comment

Materials expenses						
<i>If applicable</i> - Purchase of X kg or T of recycled material						
Cost of raw material transport (in euros / batch)						
	of Recycled Materi	als expenses				
If applicable - Cost of upstream recycled material quality control(s) (in euros / control) - specify if several controls are carried out and the cost per control If applicable - Cost of preparing X kg or T of recycled material (in euros / preparation step) Cost of trial(s) incorporating X kg or T of recycled material (in euros/trial) - specify if several trials are carried out and the cost per trial If applicable - Cost of downstream quality control(s) of finished / semi-finished product (in euros / control) - specify if several controls are carried out and the cost per control If applicable - Cost of test(s) to apply semi-finished product to finished product - specify if several tests are carried out and the cost per test If applicable - Cost of performance test(s) of finished product made from semi-						
finished product - specify if several tests are performed and the cost per test						
Project management expenses						
If applicable - Personnel costs (Internal or external service provider) Please note: the sum must be < or = 10% of total project expenditure.						
TOTAL						

## Appendix 2

## Identification form for group of legal entities

# SINGLE CANDIDATE OR GROUP REPRESENTATIVE Company name:

Corporate form: Company registration: Registered office: Legal representative: Quality:

#### **GROUP MEMBER 1**

Company name:

Corporate form:

Company registration:

Registered office:

Legal representative:

Quality:

#### **GROUP MEMBER 2**

Company name:

Corporate form:

Company registration:

Registered office:

Legal representative:

Quality:

#### **GROUP MEMBER 3**

Company name:

Corporate form:

Company registration:

Registered office:

Legal representative:

Quality: