

**CircularInnoBooster Fashion and Textile (F&T) is a project funded by the Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) of the European Union.**

**The CircularInnoBooster project is launching a unique business support scheme - CirCoAX – a programme to boost Fashion & Textile SME transition to regenerative, circular and sustainable businesses.**

| **CirCoAX****OPEN CALL 2022**Call for Proposal Document*Version 1.0* 13 July 2021 |
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| **Version** | **Description** | **Owner (Responsible)** |
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**About CircularInnoBooster and CirCoAX**

The **CircularInnoBooster** is a project funded by the COSME programme, under Grant Agreement 958135, with the purpose of supporting 30 SME Partnerships in innovation towards a sustainable and circular fashion & textile industry.

**CircularInnoBooster** is co-managed by a consortium partnership led by the **Istituto Europeo di Design (IED)**, **Texfor (Spanish Confederation of Textile Industry), The Circular Project with HumanNation, Finnova Foundation**, and **Circulab**.

**CircularInnoBooster** is launching a unique Business Support Scheme **CirCoAX,** aiming to accelerate and scale up innovation applications for a sustainable and circular fashion industry. **CirCoAX** is offering an 8 month programme designed to transform businesses in the F&T industry into regenerative, circular and sustainable ones by applying a progressive and innovative approach. It has a holistic approach to the circular economy based on the principles of regenerative business design, people-centred design and models of community engagement. The objective is to implement the widest application of circularity, considering the environmental, social and economic dimensions in a balanced way.

**CirCoAX** Programme (by CircularInnoBooster) applies a progressive and innovative approach, taking into account a holistic and systemic perspective of the **circular economy** based on regenerative business design principles, human process designs and community participation models. The aim is to use circularity in its broadest sense, balancing the **environmental, social and economic dimensions**. It also takes a cross-border perspective to implement interregional and cross-border cooperation, assisting companies in transferring knowledge and best practices of sustainable and circular fashion and textiles.

**CirCoAX** Programme (by CircularInnoBooster) invites innovative project ideas and developing projects led by SMEs, which include **self-employed professionals,** or a team creating a **start-up**. The programme offers the support of the expert partners from the fashion industry, working with experts and mentors in entrepreneurship and sustainability, innovation and enterprising, who will help organize capacity development and support activities for SMEs, designers and industry start-ups. This way, the aim is to fully cover the value chain from raw material to the final product, including products during their use and once its useful life has ended. Thus, the circle of the value chain is closed.

**CirCoAX** Programme (by CircularInnoBooster) will accelerate the projects from concept to market, with experts and mentors guiding the business support scheme. The acceleration programme will include technical, business and direct financial support (paid as a 100% lump sum) to assist the beneficiaries in the development and implementation of innovative applications, products, processes, new business models, new brand-building strategies, and sustainable circular fashion and textile concepts. The **CirCoAX** Programme (by CircularInnoBooster) will support 30 SME Partnerships in the fashion and textile industry.

**OBJECTIVES**

1. Use circularity in its broadest sense, balancing the environmental, social and economic dimensions in the textile sector.
2. Implement interregional and cross-border cooperation, helping to transfer knowledge and best practices in the textile sector.

**PARTNERSHIP**



Instituto Europeo di Design. Project coordinator

The Istituto Europeo di Design is an academic institution that operates in the fields of education, training, and research in the disciplines of design, fashion, visual communication, and management, covering professional, vocational, and business design training. IED has branches across Spain (Madrid, Barcelona), Italy (Milan, Rome, and 5 other cities), and Brazil (São Paolo, Rio de Janeiro). It operates across several EU and COSME countries through collaborations and agreements with institutions, business support organizations, professors, experts, and mentors with whom it has established relationships. IED draws on a broad network of connections in the F&T sector specifically for this project, drawing on R&D in the areas of fashion design, product design, interior design, visual arts, communications, and management.



Texfor. Partner

TEXFOR is the reference textile association in Spain with 400 members. Founded in November 2010 and located in Catalonia, it groups companies of the whole textile value chain, from yarns to fabrics including accessories, finishing processes, printing and dying for the apparel industry, home textiles, and technical/industrial applications. Texfor has specialization and experience, having worked on important EU-level expert committees: University and Vocational Training, Financial capacity building, Cross-Sectoral collaboration, R+D+I promotion, specialized services, and sustainability leadership focused on the circular economy.



FINNOVA. Partner

FINNOVA is a foundation that works for the promotion and development of innovation and entrepreneurship at the EU level. With headquarters in Brussels, it operates through collaborations and partnerships across EU countries. FINNOVA expertise in leading communication and dissemination activities for EU projects is coupled with strong proven experience in setting up businesses and entrepreneurial support programmes, like accelerators, incubators and selection and award/ceremonial events.

Circulab. Partner  

CIRCULAB is a business design lab and studio specialised in developing transformation methodology, tools and programmes to help businesses develop circular and sustainable business models. CIRCULAB has designed a toolkit for implementing Circularity in businesses and operates across +23 countries (9 EU countries), supporting projects through +60 certified independent CE consultants, applying the Circ methodology and tools.

The Circular Project with HumanNation. Partner   

CP is a Circular and Slow Fashion promotion firm that collaborates with experts in the field to offer a communication strategy, platform and expertise on circular value chains, applying a broad and systemic approach to Circular Economy, integrating social, ethical, environmental and economic approaches. It has a strong presence and connections to the sustainable fashion world through the Association of Sustainable Fashion of Madrid, Sannas (Triple Bottom Line Business Association) and a broad institutional and industrial network across Spain, Europe and South America.

For this project, The Circular Project works with HumanNation for the co-design and development of the project. HumanNation is a consulting firm specialised in the development of transformative and disruptive ecosystems of innovation and business: the 'New Economy'. Based on the Fourth Economic Sector, systemic thinking and co-creation, it promotes awareness within organizations and ecosystems to respect planetary boundaries and social fabric, creating resilient economies at the local level, with a global perspective.



**ABOUT COSME**

COSME is the program for the Competitiveness of Small and Medium Enterprises of the Executive Agency for Small and Medium Enterprises (EASME) of the European Commission. This program offers assistance to SMEs, helping them to develop their business models, access financing, and internationalize.

Likewise, support is offered to public administrations so that they can improve the business environment and facilitate economic growth in the European Union. During the 2014-2020 funding period, this program allocated 2.3 billion euros to support SMEs.

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# INTRODUCTION AND BACKGROUND

Small and medium-sized enterprises (SME) play a crucial role in reaching the objectives of the Europe 2020 Strategy. Whereas they are considered as crucial engines for growth and job creation, their competitiveness is affected by a limited exploitation of international opportunities and innovation prospects in the Single Market and beyond.

In this context, the Programme for the competitiveness of enterprises and small and medium-sized enterprises (2014-2020), (COSME), aims to promote growth and to strengthen the competitiveness and sustainability of enterprises in the European Union.

Policy Context

In its Communication COM(2017) 479 Investing in a Smart, Innovative and Sustainable Industry - A renewed Industrial Policy Strategy, the European Commission (hereafter the Commission) states its intention to support a more sustainable European industry to facilitate the transition towards a low-carbon and circular economy.

The transformation of our companies towards more sustainable and resource-efficient business models not only helps protect the environment, but also provides competitive advantage by creating important cost savings and boosting innovation for sustainability.

Fashion is one of the most polluting industries on a global level. In the last 15 years, clothing production has approximately doubled. Large amounts of non-renewable resources are extracted to produce clothes that are often used for only a short period, after which the materials are largely lost in landfills or incineration[[1]](#footnote-0).

# CirCoAX OBJECTIVES

The objective of the CirCoAX OPEN CALL 2022 call for proposals is to select and provide funding and business support to **30 transnational partnerships led by one SME[[2]](#footnote-1) according to the definition of the European Commission** (natural person or small company, who is henceforth named as the Lead SME), that aims at creating a new innovative product, process, service or business model, directly impacting the take-up and adoption of sustainability and circularity approaches and practices in the fashion & textile sectors.

The selected partnerships will receive direct funding of up to EUR 12.000 for their innovative projects and will also benefit from additional business support services such as training workshops, mentoring, brokerage events, and support for further funding to ensure the innovative projects in its path to market readiness.

# OPEN CALL INFORMATION SUMMARY

TOTAL BUDGET OF AVAILABLE FOR FUNDING 30 SME PARTNERSHIPS:

€360.000

NUMBER OF PROJECTS TO GET FUNDED

30 projects

NUMBER OF APPLICANTS PER PARTNERSHIP

Minimum of 2 applicants from 2 different eligible countries[[3]](#footnote-2)

MAXIMUM FUNDING PER PROJECT

Up to €12.000

FUNDING RATE

100% of eligible costs

DURATION OF THE PROGRAM

8 Months

TYPE OF LEAD SME PARTICIPANTS

Designers & Makers, Industry, Education, Communication, Community & Platforms

TYPE OF PARTNER PARTICIPANTS

Another SME, as Designers & Makers, Industry, Education, Communication, Community & Platforms, or research and education institution, public body, large enterprise or any other legal entity, whether for-profit or non-for-profit, that adds value to the project outcome.

KEY DATES AND TIMELINE

| **STAGES** | **DATES** |
| --- | --- |
| **Open-Call OPENING** | Monday, July 19th 2021 |
| **Application OPENING** | Wednesday, July 21st 2021 |
| **INFO DAY 1 for applicants** | Wednesday, July 21st 2021 |
| **INFO DAY 2 for applicants** | Wednesday, September 15th 2021 |
| **Open-Call CUT-OFF** | Wednesday, October 13th 2021, 17.00 (CET) |
| **Interview of short-listed projects** | November 2021 |
| **Invitation letter to selected projects\*** | December 2021 |
| **Signature of grant agreements\*** | January/February 2022 |
| **Starting date of the action\*** | March 2022 |
| **Programme Duration** | 8 Months |

**\***Indicative timeline

# SUPPORT PROGRAMME & SERVICES

* **Financial Support:** 12,000 Euros lump sum (100% financing rate)
* **Business & Project Support Services:**
	+ Mentorship on Regenerative, Circular and Sustainable Design
	+ Workshops and training on best practices covering the entire value chain
	+ Tailored workshops for focus areas:
		- Technical Circular Design workshops.
		- Technical Circular Textile and R&D workshops.
		- Communication and marketing.
		- Business Models and Business Plans.
		- Organizational ownership and governance models.
		- Life Cycle Analysis, social and ecological footprint.
		- New partnerships and matchmaking, alliances and transnational corporations.
		- Funding and financing assessment and support.
		- Brand development, communications and marketing support.
	+ Access to IED facilities: FabLab, Design support, CAD, 3D printing etc. (materials not included).
	+ Access to latest trends and development in sustainable fashion and textile; applying transparency and authenticity in circular sustainable design.
	+ Access to the network of European textile industry.
	+ Philosophy-in-Action Lab and Co-creation processes (Social Presencing) to learn about Regenerative principles and practices.
	+ European institutional and advocacy support.
* **Additional Support Activities:**
	+ Partnership development and matchmaking events with ecosystem players
	+ Invitation to sectoral and relevant events for learning and networking
	+ Webinars with designers and fashion brands;
	+ Fashion events, summits, conferences
	+ Participation in the Madrid Sustainable and Circular Fashion Week (subject to further selection process and eligibility criteria)[[4]](#footnote-3).

# ELIGIBILITY OF THE PROPOSALS

## ELIGIBILITY CRITERIA FOR THE APPLICANTS

All applicants must be legal entities of any of the types of entities listed below (the list of types of entities is not exhaustive):

* SME (according to the European Commission definition[[5]](#footnote-4)).
* non-profit organisations (private or public);
* public authorities (national, regional, local);
* universities or educational institutions;
* research or technology centres;
* international organisations;
* non-governmental organisations;
* European umbrella organisations;
* business support organisations;
* providers of sustainable solutions;
* recycling centres;
* profit making or non-for-profit entities;
* providers of financial services and solutions;
* Designers;
* Start-ups

Only applications from legal entities established in the following countries are eligible:

* EU Member States[[6]](#footnote-5) or countries participating in the COSME programme pursuant to Article 6 of the COSME Regulation 23.

All applicants must be legally established according to the national law of the above mentioned countries.

All applicants must be active or have a clear project concept to become active in sustainable or circular fashion.

All applicants must have registered on the CirCoAX Platform (www.circoax.eu) and refer in the application to their (complete) company profile and (if applicable) to a product profile featuring their work of their most relevant collection.

The same organisation can be involved in only one proposal. In case an organisation is mentioned in more than one proposal, only the first submitted project will be evaluated and all the other concerned proposals submitted will be considered ineligible under this call.

Organisations that have already been awarded under a call for proposals published by any of the following three COSME programme awarded projects: **Fashion for Change** (Grant agreement number: 958039) , **S4Fashion** (Grant agreement number: 958038) and **SmallButPerfect** (Grant agreement number: 958060); can participate in this call only if the project idea is completely different from the one already awarded, and while the same lead SME is not involved as lead SME in more than one of the COSME awarded projects running in parallel.

All applicants shall not have any potential conflict of interest with the CirCoAX selection process. All cases of potential conflict of interest will be assessed case by case.

Failure to comply with the above eligibility requirements will lead to the rejection of the application.

## ELIGIBILITY CRITERIA FOR THE PARTNERSHIPS

Applications must be submitted by a partnership (with the signed partnership agreement attached, composed of at least two entities.)

Each partnership must comprise one SME who will be the lead applicant. The partner organisations can be another SME, or and minimum one other partner and a maximum of four (4) partners – comprising a maximum of five (5) legal entities in total.

## ELIGIBILITY AND ADMISIBILITY CRITERIA FOR THE PROJECT PROPOSALS

**The following eligibility criteria must be met by the project proposal:**

1. Proposals must present innovative and collaborative new processes, products, services or business models in the sectors: textiles, clothing, footwear, leather and accessories for sustainable and/or circular fashion.
2. To be considered admissible, a proposal must be:
	1. submitted in the electronic submission system (www.circoax.eu) before the deadline stated in the Call;
	2. written in English language only;
	3. readable, accessible and printable;
	4. complete in all its parts;
	5. respecting the page limits and layout requirements set out in the template of the Call;
	6. including all supporting documents specified in the section Submission Procedures.
3. Proposals must include completed information in all required sections and annexes; PART-A, PART-B, ANNEX-1, ANNEX-2, VIDEO PITCH.
4. The video pitch of maximum 3 minutes must describe the project team, the project idea and its relevance in terms of impact towards a regenerative, sustainable and circular fashion and textile industry.
5. Project activities that have already been funded or are being funded by other funding instruments will be rejected. Double funding is not allowed.
6. Already existing products without a clear development or improvement plan that can not demonstrate a step-change innovation beyond the state-of-art will be rejected. Project must demonstrate an improvement on what is existing on the market.
7. Applications must be submitted no later than the deadline for submitting applications referred to as Open Call Cut-Off specified date and time;
8. Applications must be submitted through the official application form accessible through the CirCoAX website, and submitted through the same electronic system. The attached Technical Annex to the application form must be written and complete;
9. Administration form and Technical Annex of the application form must be drafted in English.
10. Failure to comply with those requirements will lead to the rejection of the application.
11. Incomplete applications may be considered inadmissible. This refers to the requested administrative data, the proposal description and requested grant amount, and any supporting documents specified in this call for proposals.

Failure to comply with the above eligibility requirements will lead to the rejection of the application.

# SUBMISSION PROCEDURES

Applicants shall register and submit their proposals through the [CirCoAX](https://circoax.eu/) Open Call online application form, which is accessed from the Call Page on the CirCoAX by CircularInnoBooster website at www.circoax.eu Application period ends on Wednesday, October 13th 2021 with a cut-off time of 17.00 (CET).

Applications submitted by any other means will not be considered for funding.

**The application package to be submitted must include the following:**

| **Item** | **Document Name** | **Template/Format** | **Mandatory / Optional** |
| --- | --- | --- | --- |
|  | **PART A:** Administrative and Project information | Online *Online Registration Form on www.circoax.eu*Accessed as part of participant registration during application process. | Mandatory |
| 1. 1
 | **Financial Declaration** | Online Form on www.circoax.euOnline check box ticked during the application process. | Mandatory |
| 1. 2
 | **PART B:**Technical Application Form | Online Form on www.circoax.euFormat : Word Document to download - to then attach to the application website as PDF.File Name : Project name\_Application Form | Mandatory |
| 1. 3
 | **ANNEX 1.** Declaration of Honor Form | Attached File Template downloaded. Completed form attached to the online application form.Format : Word Document to download - to then attach to the application website as PDFFile Name : ANNEX1\_Project name\_DoA | Mandatory |
| 1. 4
 | **ANNEX 2.** Partnership Agreement | Attached File Template downloaded. Completed form attached to the online application form.Format : Word Document to download - to then attach to the application website as PDFFile Name : ANNEX2\_Project name\_DoA | Mandatory |
| 1. 6
 | **Video Pitch***Format : MP4* | Recording made by applicant and attached to the online application form.Format : MP4File Name : Project name\_Video Pitch | Mandatory |

**Please note the following submission instructions:**

* The Pitch Video is expected to be an ‘informal’ video recording (not a professional video) of maximum 3 minutes, that can be easily recorded with a mobile device or a web conference call recording (e.g. Zoom). The main aim is for the team to present themselves and provide a brief introduction to the project and their values regarding circularity and sustainability. The video must include a presentation made by the main representative of the Lead SME, and any other key team, and can include also representatives of the partner entities (a maximum of 5 people).
* Additional material, which has not been included in the application package above, will not be considered for the evaluation of the proposals
* Proposals will be evaluated as submitted
* Information not included in the proposal will not be considered
* The data provided will remain confidential and will only be shared within the CircularInnoBooster project Steering Board members, Jury and Evaluators. CircularInnoBooster are the custodians and stewards of the CirCoAX programme.
* Upon receipt of the submission a confirmation receipt email will be sent to the Applicant. CirCoAX technical support team are available through the following email info@circoax.eu for further support and inquiries
* Only proposals submitted before the deadline will be accepted. After the call closure no additions or changes to received proposals will be considered.

The Applicants are strongly recommended not to wait until the last minute to submit the proposal. Failure of the proposal to arrive in time for any reason, including extenuating circumstances, will result in rejection of the proposal. The Applicants are solely responsible for verification of the completeness of the form.

# EVALUATION OF THE PROPOSALS

## Evaluation Procedure

After submission, all partners and proposals will be evaluated based on the specific selection criteria and subject to a **two-phases selection procedure** carried out by the Steering Group of the Consortium with the support of a group of external experts that constitute the Steering Board. The Steering Group will evaluate the technical content of the applications (2nd phase of evaluation) of the proposals that score above the threshold.

**STAGE 1- Part A - Eligibility Check**

The first phase consists of the eligibility criteria of applicants and proposals. Applicants will be checked for their administrative compliance to confirm that they are eligible and can take part in the CirCoAX Call for Proposals.

Applicants will be checked for their compliance with the eligibility criteria to confirm that the minimum requirements are met. These criteria examine whether the partners and the proposals fulfill the minimum requirements on e.g. the legal status, the country of origin etc. Eligibility criteria can be answered with a “Yes” or “No”. This check will be carried out by the Consortium and is an on/oﬀ procedure. Proposals that do not meet the eligibility criteria are rejected.

Results of the administrative and eligibility assessment will be approved by the Consortium and applicants will be informed on the eligibility status via automated email. Partners of the rejected applications will be informed accordingly. As a result, the 'Eligible Applications List' will be produced, containing all Eligible Applications.

**STAGE 1- Part B - Quality Assessment**

Eligible proposals will be evaluated by 2 (two) members of the Steering Group who are experts with wide expertise in sustainable and circular fashion. Each evaluator will rank the application assigning a score from 0 to 5 for each criterion section (Excellence, Impact, Implementation). The final score will be calculated as the sum of the individual assessments provided by the Evaluators.

The experts score each award criterion on a scale from 0 to 5 (half point scores may be given).

0 = Proposal fails to address the criterion or cannot be assessed due to missing or incomplete information

1 = Poor – criterion is inadequately addressed or there are serious inherent weaknesses

2 = Fair – proposal broadly addresses the criterion, but there are significant weaknesses

3 = Good – proposal addresses the criterion well, but a number of shortcomings are present

4 = Very good – proposal addresses the criterion very well, but a small number of shortcomings are present

5 = Excellent – proposal successfully addresses all relevant aspects of the criterion. Any shortcomings are minor.

**STAGE 2 - Interview and final selection of candidate projects**

Following the stage 1 of the evaluation and based on the outcomes of the evaluations, 40 projects will be shortlisted and will be invited to the interviews. Interview schedules will be published on the CirCoAX by CircularInnoBooster website for the short-listed applicants to choose the most convenient slot. The interviews will last up to 20 minutes maximum, where the experts will have the opportunity to ask specific questions regarding the proposals and the teams.

 A number of 3 questions will be published before the interview date for the candidates to respond to during the interview. Interviews will be distributed into two parts :

* Part I - Candidates must respond to 3 questions about their project (10 minutes) *- questions are to be submitted in advance*
* Part II - Open pitching to allow each candidate pitch their project in a free style and provide additional clarifications regarding the project if needed(10 minutes)

Candidates which refrain from participating in the interviews will not be considered.

Interviews will be recorded for documentation purposes and will be submitted to ESMEA as part of the supporting documentation of “The selection and evaluation report”. The report will be prepared and sent to ESMEA 1 month after the closing of the evaluations in December 2021 (Exact dates to be confirmed).

All applicants will be informed about the result of the interviews only after the Steering Board's final decision by email. The results will be published on the CirCoAX website and all the social media channels.

## Evaluation Criteria

The proposals will be evaluated based on the following award criteria:

1. EXCELLENCE will consider:
	1. **Ambition**: The applicants have to demonstrate to what extent their proposal is going beyond the current State of the Art, contributing to a substantial impact on the development and adoption of sustainable and circular fashion.
	2. **Innovation**: applicants should provide information about the level of innovation (incremental to disruptive) in terms of sustainability and circularity aspects and about the degree of diﬀerentiation that this proposal will bring with respect to current linear models applied in the fashion industry.

Table below presents the excellence selection parameters that will be considered based on the information provided in the application forms.

| **EXCELLENCE SELECTION CRITERIA PARAMETERS** |
| --- |
| **Based on the primary Project value proposition category selected in the application form.** |
| **Industry** | **Designers & Makers** | **Education** | **Dissemination** | **Communities & Platforms** |
| Team capacities | Team capacities | Team capacities | Team capacities | Team capacities |
| Prevention Principle  | Prevention Principle | Prevention Principle | Prevention Principle | Prevention Principle |
| **Eco Design\*** | **Eco Design\*** | Facilities | Contents | Goals |
| **LifeCycle** | **LifeCycle** | Temary | Target | Organisational Structure |
| Business Structure | **EPR\*\*** | Target | Emission measurement | Actions |
| Consumption Reduction | Materials | Emission measurement | Emission Compensation | Emissions measurement |
| Emissions measurement | Elimination of Toxic Substances | Emission Compensation | Measuring tools | Emission Compensation |
| Emissions Compensation | Waste Prevention | Measuring tools | Certifications | Certifications |
| **EPR\*\*** | Emission Measurement | Certifications | Transparency | Transparency |
| Microplastics | Emission compensation | Transparency | Alliances | Alliances |
| Elimination toxic substance | Measuring tools | Alliances | - | - |
| Measuring tools | Traceability | - | - | - |
| Reuse | Transparency | - | - | - |
| Recycling  | Durability | - | - | - |
| Durability | Certifications  | - | - | - |
| Certifications | Alliances  | - | - | - |
| Traceability |  | - | - | - |
| Transparency |  | - | - | - |
| Alliances |  | - | - | - |
| **\* Eco Design** - Component Design/ Dimensional Reduction/ Disassembly/ Technology application/ Recycling/ Reus**\*\* EPR** - Extended Producer Responsibility |

1. IMPACT will consider:
	1. **Market and Environmental Impact**: The Applicants have to indicate the expected market potential of the new/improved product/service/process (e.g. because it solves a specific problem in their value chain). Applicants should provide evidence of their current position on the market and their go to market strategy if they will enter a new market. Does this project address typical problems in an innovative way regarding the environment applying a cradle-to-cradle and planet-centred mindset in designing out waste across the value-network?
	2. **Replicability/Scalability, with a local context**: The Applicants have to demonstrate the level of replicability/scalability of the new/improved product/service/process (e.g. it is not addressinging a specific problem, but able to be commercialised to solve a structural problem in a specific sector/value chain/etc). Even if the problems dealt with are local in terms of nature and action, the project results should provide a framework and model that can be replicated and expanded elsewhere.
	3. **Social Impact**: Social Impact will be also considered by evaluators when scoring the proposals. Does this project address typical problems in an innovative way regarding human welfare and society?
2. IMPLEMENTATION will consider:
	1. **Team the partnership**: Applicants should describe 3-5 leading team members, including also the strategic managers. The Lead SME in its application should be able to convince that it will be successful in learning, adapting and meeting the targets, and that it has a potential to achieve the best results in line with your project’s specific objectives, when compared to other potential candidates.
	2. **Strategy level**: Each partner will have to explain the fit of the project within their development strategy. Each partner needs to state their involvement in the implementation phase and their contribution to the commercial success of the new/improved product/service/process.
	3. **Previous experience.** Portfolio, credentials and track record of the applicant and partners.
	4. **Feasibility of the implementation plan.** The applicants have to provide a clear action plan, with timeline and KPIs to measure success.

The proposals that scored above the threshold will be evaluated by 2 members of the Steering Board using the same evaluation process and selection criteria based on the primary project value proposition category. Each criteria will be weighted (% to be defined further) with a total mark of 100%.

A shortlist of pre-selected “finalist” projects will be created across all Fashion industry sectors to ensure a balanced representation of each sector.

# ELIGIBLE COSTS

Only costs generated during the lifetime of the project can be eligible. Costs described in the submitted budget must be determined in accordance with the usual accounting and management principles and practices of the beneficiary.

* Direct personnel costs: costs hours of the staﬀ of the beneficiary dedicated to actual work under the project.
* Subcontracting costs: work carried out by a provider which has entered into an agreement on business conditions with the beneficiary.
* Other direct costs: further direct incurred costs can be claimed for travel, equipment, etc. Only the part of equipment costs used for the project, and the usual depreciation rules of the company have to be applied.
* Indirect costs: costs incurred within the context of a project that cannot be attributed directly to the project, e.g. room rent, energy costs or general administration costs. A flat rate of 7% of the direct eligible costs shall be applied.
* Period of costs' eligibility is from the project starting date until the end date of the project. Expenditures incurred before the signature of the grant agreement are not eligible. Expenditures incurred after the reporting period are not eligible.

# PAYMENTS AND BENEFICIARY OBLIGATIONS

Selected projects will be requested to provide the documents listed below in order to receive the payment. The payment will be eﬀectuated by CircularInnoBooster Project coordinator, and assigned to one of the CircularInnoBooster partners to whom the specific grant for each project is allocated. CircularInnoBooster coordinator, IED is responsible for the overall supervision and coordination of the payments to beneficiaries.

The lump sum payment to the beneficiary will take place based on the following schedule:

**Initial Payment:**

* Timing: Before the project starts
* Proportion: 30%
* Documentation and procedures:
	1. Signed Grant Agreement by the Lead SME
	2. Partnership Agreement signed by all partners
	3. Profit & Loss account and/or
	4. Financial identification form of Lead SME
	5. Legal Entity Form of Lead SME

**Interim Payment:**

* Timing: On the 6th month of the project
* Proportion: additional 30% *\* see conditions*
* Documentation and procedures:
	1. Technical Report- this report will contain a description of the pilot project's eﬀorts towards the desired outcome.
	2. Payment Request

**Final Payment:**

* Timing: After the project's completion
* Proportion: remaining grant, up to 40% *\* see conditions*
* Documentation and procedures:
	1. Final Technical Implementation Report - with the final proof of concept of the product, service or business model -with high scale up potential for the sustainable or circular fashion- developed within the project.
	2. Financial Statement
	3. Payment request

**Payment Conditions**

The submission of the below documents is required in order for the Beneficiary to receive the pre-financing payment:

1. Signed Grant Agreement by the Project Leader
2. Partnership Agreement signed by all partners of the project
3. Profit & Loss account or Financial Identification form of Project Leader
4. Legal Entity Form of Project Leader

Subject to the amount of justified expenses. If 30% costs have been justified and sufficient cases are made for the remaining 30%, a further 30% lump sum will be provided at the interim period. Otherwise the full eligible costs will be justified at the end of the project, once all project costs can be justified.

If the technical reporting is not considered satisfactory by the Steering Board, this second payment will not be carried out.

## LEGAL COMMITMENTS

In the event of a grant awarded, a grant agreement drawn up in euro and detailing the conditions and level of funding, will be sent to the applicant, as well as the information on the procedure to formalise the agreement of the parties.

Please note that the award of a grant does not establish an entitlement for the full amount to the completion of the project, as justification of expenditure is required and reporting obligations must be met to award the full grant.

The jury team may draw a reserve list of proposals that have passed the above thresholds. In the event that the original budget of the action is increased or that selected proposal(s) fail to conclude the grant agreement, a grant may be awarded to proposals from the reserve list, following their order on the ranking list in accordance with the scores obtained.

## REPORTING REQUIREMENTS AND DELIVERABLES

Beneficiaries will be requested to submit the following reports during the programme :

* A two-way interview with the assigned mentor at month 3 to report progress with the project and review the project plan.
* 1 interim periodic technical and financial report at month 4, linked to a request for interim payment, covering the first part of the project implementation;
* 1 final technical and financial report, linked to the request for the payment of the balance, covering the second part of the project implementation.

 Further details are included in the model grant agreement.

# EXCLUSION CRITERIA AND REMEDIAL ACTION

See the model grant agreement Articles 12 and 13 for details of the exclusion criteria and Remedial Action.

## REJECTION FROM THE CALL FOR PROPOSALS

The steering committee and the jury team shall not award a grant to an applicant who:

(a) is in an exclusion situation established in accordance with section 7.1; or

(b) has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information; or

(c) was previously involved in the preparation of documents used in the award procedure where this entails a breach of the principle of equal treatment, including distortion of competition, that cannot be remedied otherwise.

Administrative sanctions (exclusion) may be imposed on applicants or linked third parties where applicable], if any of the declarations or information provided as a condition for participating in this procedure prove to be false.

Supporting documents

Applicants and their partnerships must provide a declaration on their honour certifying that they are not in one of the situations referred to in Articles 136(1) and 141 of the EU Financial Regulation (FR)[[7]](#footnote-6), by filling in the relevant form attached to the application form accompanying this call for proposals.

## BENEFICIARIES OBLIGATIONS

The partners must — for a period of five-years after the payment of the balance — keep records and other supporting documentation in order to prove the proper implementation of the action.

They must make them available upon request or in the context of checks, reviews, audits, or investigations.

If there are on-going checks, reviews, audits, investigations, litigation or other pursuits of claims under the grant agreement, the consortium must keep the records and other supporting documentation until the end of these procedures.

The partners must keep the original documents. Digital and digitised documents are considered originals if they are authorised by the applicable national law. Non-original documents may be accepted if they oﬀer a comparable level of assurance.

## RIGHT TO APPEAL

If a prospective applicant considers that they have been adversely aﬀected by any of the provisions of this Call, a request for a revision concerning such provisions shall be submitted within 20 calendar days after the publication of the Call itself and addressed to CircularInnoBooster project coordinator, IED (info@circoax.eu) with a clear specification of the reasons for such appeal. However, the submission of a request for revision does not waive the obligation to submit the application by the set deadline if the requestor wishes to be considered as a valid applicant to the Call. Likewise, a complaint against the decision of the Steering Board on the final ranking of received applications may be lodged to CircularInnoBooster project coordinator at the same email address specified above within 20 calendar days after the publication of the ranking and will be examined in the next 20 days. Against the final decision an appeal can be lodged before the European Court of Justice and/or the European Ombudsman.

# IPR

The ownership of all IPR created by the projects, via the CirCoAX Programme (by CircularInnoBooster), will remain with the beneficiaries. Results are owned by the Party that generates them.

# COMMUNICATION

Any communication or publication of the Beneficiaries shall clearly indicate that the project has received funding from the European Union and the CircularInnoBooster project, therefore displaying the EU and CirCoAX by CircularInnoBooster logo on all printed and digital material, including websites and press releases. Moreover, Beneficiaries will agree that certain information regarding the projects selected for funding, can be used by CircularInnoBooster project Consortium for communication purposes. Additionally, Beneficiaries commit to actively contribute to the communication and dissemination strategy of CirCoAX Programme (by CircularInnoBooster).

# APPLICANTS SUPPORT

**Proposal stage support**

An info day will be provided on two separate dates where Q&A can be submitted and expert support provided for proposal writing and submission related matters. *Dates will be published on the website and project social media.*

For further information on the Call for proposals, in case of any doubts regarding the eligibility rules, the information that is to be provided in the Application Form, or any encountered problems with the Application Form, the helpdesk email: info@circoax.eu is provided.

# FAQs

Based on the received questions, FAQs will be added on the call page section of CirCoAX by circularInnoBooster website (www.circoax.eu). *We will also provide some responses as typical FAQs expected to be received.*

1. [A New Textiles Economy: Redesigning fashion’s future](https://www.ellenmacarthurfoundation.org/publications/a-new-textiles-economy-redesigning-fashions-future) Ellen Macarthur foundation – 2017 [↑](#footnote-ref-0)
2. For details about the SME definition and whether your enterprise qualifies as an SME see the following document: <https://ec.europa.eu/docsroom/documents/42921> - note that a Natural Person (Self-Employed) with a Tax Number can also apply as an SME. [↑](#footnote-ref-1)
3. Eligible countries include : EU member state or COSME associated country (Iceland, Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia, Turkey, Moldova, Ukraine and Armenia) and UK [↑](#footnote-ref-2)
4. To be defined and communicated during the programme. [↑](#footnote-ref-3)
5. <https://ec.europa.eu/growth/smes/sme-definition_en> [↑](#footnote-ref-4)
6. Eligible countries include : EU member state or COSME associated country (Iceland, Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia, Turkey, Moldova, Ukraine and Armenia) and UK [↑](#footnote-ref-5)
7. <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32018R1046> [↑](#footnote-ref-6)