Fashion for Change

D2.3
Open Call announcement and the statute of the Growth Programme

DELIVERABLE INFO	
Project number	958039
Call title	COS-CIRCFASH-2019-3-02: Accelerate and scale up innovation applications for a sustainable and circular fashion industry
Start of the project	15/01/2021
Duration	36 months
Deliverable title	D2.3 Open Call announcement and the statute of the Growth Programme
Planned delivery	M12
Delivery date	15/01/2022
Dissemination level	PU (Public)
Responsible beneficiary	Katalista Ventures (KV)
Abstract	The Open Call announcement and the statute of the Growth Programme for the selection of applicants participating in the Programme.

REVISION HISTORY			
Version no	**Date**	**Description**	**Contributors**
V0	25/10/2021	Initial draft	KV
V1	16/11/2021	Completed first version	KV, CE, EKA, EP
V2	09/11/2021	WP lead updated and validated	EKA, CV, EP
V3	14/01/2022	PM updated and validated	CE, KV, EKA, EP

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Co-funded by the COSME programme of the European Union

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1. Introduction

Context

The Fashion for Change Open Call for proposals is supported by the Fashion for Change 3-year development programme, funded by the COSME Programme, under Grant Agreement 958039 and led by consortium of 5 partners (Civitta Estonia, Estonian Academy of Arts, Ecopreneur.eu, Katalista Ventures and Singleton Group) from Estonia, Belgium and Lithuania.

The overall purpose of the programme is to implement a financial and technical support programme to SMEs, designers and startups working in the fashion industry and enable them to develop innovative applications, products, processes and ideas towards circular fashion.

The purpose of the call for proposals is to select 35 transnational most promising partnerships at different stages of the fashion value chain to present their circular fashion ideas at a 48-hour long Fashion Sprint hackathon event. The selected 35 partnerships with the most impactful ideas will benefit from mentorship, workshops, and networking opportunities during the hackathon. At the end of the event, 25 teams will be selected to enter the Fashion for Change Growth Programme accompanied by the direct financial support of 10 000 EUR per team. During 6 months, the selected teams receive technical and business support through intensive circular fashion and business mentoring, workshops, networking, and study visits. Through the provision of technical and business expertise, teams will be able to develop, test, and make their products more scalable. Then 5 most outstanding teams out of 25 will receive an additional lump sum of 5 000 EUR to increase their investment readiness. At least 2 investor meetups per team will be organized, and additional business support will be provided to revise the business plan.

Aim and Objectives

The main objective of the Fashion for Change Open Call for proposals is to select 35 outstanding partnerships led by at least one SME, designer, or startup (SME, micro-company, or self-employed professional) that seek to create or develop innovative products or services for circular fashion. Out of 35 teams, the best 25 teams selected during the designathon Fashion Sprint for Change (see D2.1 Methodology of the Designathon) will receive financial and business support.

The call will consider the following specific objectives in order to cover the entire value chain from resources, design, production, retail, consumption to the products´ end-of-life: 1) New fiber development and materials recycling; 2) Design and manufacture of fashion products using sustainable, recycled and upcycled materials; 3) Retail customer services incl. repair and return; 4) New clothes sharing and reselling business models; 5) Software systems for on-demand fashion production.

The selected partnerships/projects will be provided with:

- Financial support for 25 teams (10 000 EUR per team). In addition to 5 teams, another 5000 EUR.
- Mentorship on circularity and sustainability, product/service development, and business development.
- 2 study visits focusing on manufacturing and marketing/business development.
- Workshops and training cover circularity, product/service development, and business development.
- Networking with partners, investors, and experts.
- Access to the Knowledge Hub.
- Support and assistance from the Consortium throughout the project.

2. Call Summary

A total funding pool of the call: 275 000 EUR

Opening date: 10th of January 2022 at 00:00 CET

Deadline: 19th of April 2022 at 17:00 CET

Number of proposals to get funded: 25 selected projects

Number of applicants per partnership: at least 2 applicants from at least 2 different eligible countries: the EU-27 or COSME associated countries (Albania, Armenia, Bosnia and Herzegovina, Iceland, Kosovo, Moldova, Montenegro, North Macedonia, Serbia, Turkey, Ukraine[1])

Maximum funding per proposal: up to 15 000 EUR

Funding rate: 100% of eligible costs

Duration of the programme: 8 months

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[1]

https://ec.europa.eu/research/participants/data/ref/other_eu_prog/cosme/legal/3rd-country-participation_en.pdf

Type of lead applicants: SMEs, designers, and startups from the fashion industry.

Type of partner applicants: Other SMEs, designers, and startups; communication, marketing, education, or other industries' representatives; supporters of the fashion ecosystem that can add value to the overall project outcome.

3. Call for proposals timeline

- Fashion for Change Open Call will be announced on the 10th of January, 2022.
- Fashion for Change Open Call application submission will open on the 10th of January, 2022.
- The Open Call pre-recorded info session, introducing the programme to the potential applicants, will be launched during 24th - 28th of January, 2022.
- The Open Call live Q&A session, with the instructions for applying to the programme, will be held on the 3rd of March, 2022.
- Up to 3 matchmaking events for individual applicants and teams will be held during the application process.
- The deadline for the Open Call will be 19th of April 2022 at 17:00 CET.
- 35 selected teams will be invited to the Fashion Sprint Designathon.
- The pre-designathon event to onboard the newly formed teams will take place on the 8th of May, 2022.
- Fashion Sprint designathon will take place on the 16-17th of May, 2022.
- 25 winner teams will be announced on the second day of the Fashion Sprint.

4. Eligibility criteria

4.1 Eligibility criteria for the applicants

The individual applicants must meet the following eligibility criteria:

- All applicants should have a high potential for sustainable innovation in the fashion industry (applications, products, processes, ideas).
- The lead applicant must be an SME, a designer, or a startup (SME or micro-company or self-employed professional) working in the fashion sector as well as textiles, apparel, footwear, and accessories.

- The transnational partner applicant can be another designer, another startup, corporation, investor, sponsor, incubator, a self-employed expert on the circular economy or sustainable fashion, communication, academia, technology center, marketing, education, logistics, or other industries representative.
- All applicants must be legally established in the EU-27 or COSME countries (Albania, Armenia, Bosnia and Herzegovina, Iceland, Kosovo, Moldova, Montenegro, North Macedonia, Serbia, Turkey, Ukraine).
- Additional criteria will be considered, if necessary, to assess the startups' investment readiness.

4.2 Eligibility criteria for the partnerships

The partnerships/projects proposals must meet the following eligibility criteria:

- Partnerships must present innovative applications, products, processes, services, or ideas in textiles, clothing, footwear, leather, and accessories, or new business models for circular fashion.
- Each project must comprise one SME, designer or startup who will be the lead applicant.
- Each partnership should be formed from at least 2 eligible (EU27 and COSME) countries. If an applicant does not have a partnership, the Fashion for Change consortium will assist in forming the partnerships and reaching agreements beneficial for both parties.
- Partnerships who apply as partnerships are expected to provide proof of being in partnership (letters of intent as a minimum).
- Proposing a sound plan on using the financial support (developing proofs of concept and prototypes of new products and services, developing and testing new business models, developing collaboration to test more sustainable/recycled material, supporting participation in trade shows or other showcase events).

4.3 General admissibility

The following criteria must be met in order to be considered admissible:

- An online application platform is set up on F6S; hence applications must be submitted through the official online submission system before the official deadline of the Open Call. Link to the application form will be added to the Fashion For Change website.
- Applications must be submitted in English only.

- An online application form must be fully completed.
- All mandatory supporting materials (Annex 1, Annex 2, Annex 3 and Annex 4) specified in the Open Call must be submitted.
- Project activities that have already been funded or are being funded by other funding instruments will be rejected. Double funding is not allowed.
- The same organization can be involved in only one partnership under the call. Only the first submitted application will be evaluated if an organization is mentioned in more than one application. All the other concerned applications submitted will be considered ineligible under this call.
- Organizations that have already been awarded under a call for proposals published by any of the following three projects: S4Fashion (Grant agreement number: 958038), Circular InnoBooster (Grant agreement number: 958135) and SmallButPerfect (Grant agreement number: 958060), can participate in this call only if the project idea is completely different from the one already awarded.

5. Matchmaking

All participants who will apply without a transnational partner will be invited to participate in the online matchmaking event. When applying, the teams or individual applicants without a transnational partner will need to leave a respective request in the application form, and Consortium will assist in the matchmaking processes.

The Consortium will: 1) suggest suitable matches out of the pool of applicants (Consortium helps different applicants to connect by evaluating the applications and trying to match them) and/or 2) will organize the online matchmaking events.

If needed, team formation around ideas will happen during the online events organized by the Consortium. Invitations will be sent out at the latest one week before the matchmaking event. Depending on the need for creating new partnerships, up to 3 matchmaking events can be organized. During the facilitated online matchmaking event(s), individual applicants and teams will present their ideas to find additional team members. Different formats might be used:

- Speed-dating: a pool of participants will meet online (on Zoom or another online platform) and have a chance to meet each other and present ideas in the breakout rooms. Depending on the number of participants, the meeting time and the number of cycles will be defined later.

- Pitches/presenting ideas: teams pitch their ideas, and then individual participants fill in the particular form and choose the teams according to their preference.

Additionally, to facilitate each enterprise in finding a transnational partner, the following steps and support channels are available:

1. Fashion for Change Knowledge hub
2. Enterprise Europe Network (EEN)
3. Climate KIC
4. ECESP
5. Holland Circular Hotspot.

6. Submission procedure

The application form link will be added to the Fashion For Change website.

Both incomplete applications and applications submitted by any other means will not be considered for participation.

Applications submitted through the official online platform will include the following:

Document Name	Format	Status
Online application form	Online application form on F6S Fill in online and attach the required annexes before submitting.	Mandatory
Annex 1. Declaration of Honour	Word form can be downloaded from www.fashionforchange.eu	Mandatory

	Fill in and attach to the online application form as a PDF File name: Project name_DoA	
Annex 2. Letter Of Intent	Word form can be downloaded from www.fashionforchange.eu Fill in and attach to the online application form as a PDF File name: Project name_Partnership	Mandatory[2]
Annex 3. Curriculum Vitae of all the applicants of the project	Free-style format. Attach to the online application form as a PDF File name: Project name_CV	Mandatory
Annex 4. Self-assessment tool profile	Log in or register to fill the questionnaire and create a profile/graphic www.fashionforchange.eu Attach to the online application form as a PDF File name: Project name_SAT	Mandatory
Pitch video	Recording made by the applicant or a team and attached to the online application form. Format: MP4 File Name: Project name_Video	Optional

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[2] In case of the applicants who are already applying with pre-defined partnerships.

Please note the following submission instructions:

- Additional material, which has not been included in the online application form and has not been noted in the official Open Call document, will not be considered for the evaluation of the proposals.

- The data provided will remain confidential and will only be shared within the Steering Group of the Consortium and the assigned jury of experts and evaluators.

- Only proposals submitted before the deadline will be accepted.

- All mandatory supporting materials (Annex 1, Annex 2, Annex 3 and Annex 4) specified in the Open Call must be submitted.

- The pitch video is an informal video recording of maximum 2 minutes that can be easily recorded with a mobile device or a web conference call recording (e.g., Google Meet). The main purpose is to present the team, their values regarding circularity or sustainability, and the main idea of their project. The video must be led by the primary representative of the lead SME, designer, or startup and optionally can include other partners.

- A confirmation email will be sent to the applicants upon receiving the submission. The fashion for Change team can be reached through info@fashionforchange.eu for further support and inquiries.

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 the rejection of the proposal. The Applicants are solely responsible for verifying the completeness of the form.

7. Evaluation process

After submission, all partners and proposals will be evaluated based on specific selection criteria and subject to a **two-phase 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 (1st phase of evaluation) of the proposals that score above the threshold. The Steering Board must be independent of the applicant and not have any conflict of interest.

To ensure a scalable evaluation process, a gender-balanced jury consisting of at least 6 members will be composed, ensuring various fields of expertise of the sustainable fashion value chain. The evaluation will have the following stages: 1) Eligibility and Technical check of the applications (to fulfill the minimum eligibility criteria); 2) Quality Evaluation of the applications by jury. Investors will be consulted in the process to ensure the alignment of investment goals of both sides.

The evaluation process follows the COSME programme "Guidelines for awarding financial support to third parties:" 1) **Excellence.** The proposal(s) selected for funding must demonstrate high quality in the context of the topics and criteria set out in the call; 2) **Transparency**. Funding decisions will be based on clearly described rules and procedures; 3) **Fairness and impartiality.** All proposals submitted to a call are treated equally. They are evaluated impartially on their merits, irrespective of their origin or the identity of the applicants; 4) **Confidentiality.** All proposals and related data, knowledge, and documents are treated confidently and following the GDPR requirements; 4) **Efficiency and speed.** Evaluation of proposals and award of the financial support will be efficient, commensurate with maintaining the quality of the evaluation and respecting the legal framework.

7.1 1st Stage: Eligibility and Technical Check

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

Applicants will be checked to comply 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, 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 will be rejected.

The administrative and eligibility assessment results will be approved by the Consortium, and applicants will be informed of 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.

7.2 2nd Stage: Quality Evaluation

Eligible proposals will be evaluated by 3 (three) members of the Steering Group, who are experts with broad expertise in a sustainable and circular fashion. Each evaluator will record his/her individual opinion of each application and rank the application assigning a score from 0 to 5 for each criterion section (Excellence, Impact, Implementation, and Ability to Execute).

The evaluators will then meet or communicate together to prepare a single "consensus" form for each application, representing opinions and scores on which the evaluators agree.

Using the overall scores for each application, the evaluators **will generate a ranked list**. Using the scores given on the consensus form, the highest scored application/s for the call will be selected.

However, the beneficiary is not obliged to select the highest scoring application with objective grounds for objecting to the third party, for example, commercial competition. In this case, the choice may pass to the next-ranked application.

If the scores are the same for the two proposals, then taking into account a balanced representation of sectors will be considered.

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 several shortcomings are present.

4 = Very good – proposal addresses the criterion very well, but a few shortcomings are present.

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

The default threshold for individual criteria is 3 out of 5.

7.3 Evaluation criteria

In order to select the applicants transparently and ensure equal treatment, an assessment grid is developed based on the Self-Assessment Tool. Using an established audit model as the basis of the evaluation enables the jury to evaluate the proposals equally, having comparable results about the sustainable business ideas and their potential for innovation and replicability.

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

1. EXCELLENCE will consider:

    Ambition: the applicants have to demonstrate to what extent their proposal goes beyond the current State of the Art, contributing to a substantial impact on developing and adopting sustainable and circular fashion.

    Innovation: the applicants should provide information about the level of innovation (incremental to disruptive) in terms of sustainability and circularity aspects and the degree of differentiation that this proposal will bring concerning current linear models applied in the fashion industry.

2. IMPACT will consider:

    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 strategy to enter the new market. Does this project address typical problems in an innovative way regarding the environment applying a cradle-to-cradle, circularity, or similar sustainability approach?

    Replicability/Scalability: the applicants have to demonstrate the level of replicability/scalability of the new/improved product/service/process (e.g., not addressing a specific problem, but to commercialize to solve a structural problem in a particular sector/value chain/etc.)). The project

results should provide a model and potential for scalability and replicability.

Social Impact: the applicants have to evaluate the project's social impact. Does this project address social challenges in the fashion industry?
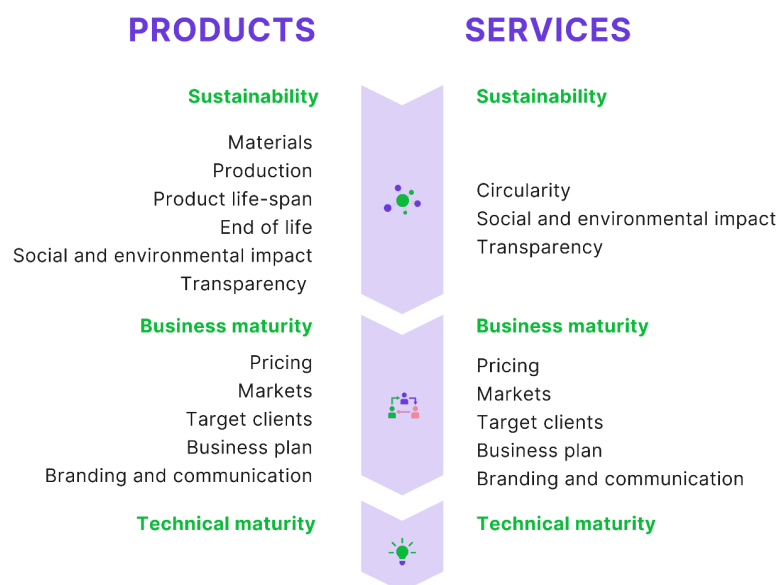
3. <u>IMPLEMENTATION AND ABILITY TO EXECUTE will consider:</u>

Team capacity: the applicants should describe leading team members in the online application form, including the strategic managers. The lead applicant (SME, designer, or startup) should be convinced to learn, adapt and develop skills throughout the programme.

Strategy level: each partner will explain the project's fit 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.

Previous experience: track record of both applicants and partners should be provided in Annex 3.

Feasibility of the implementation plan: the applicants have to provide a clear action plan with a timeline and KPIs to measure success.

PRODUCTS		SERVICES
Sustainability		**Sustainability**
Materials		
Production		Circularity
Product life-span		Social and environmental impact
End of life		Transparency
Social and environmental impact		
Transparency		
Business maturity		**Business maturity**
Pricing		Pricing
Markets		Markets
Target clients		Target clients
Business plan		Business plan
Branding and communication		Branding and communication
Technical maturity		**Technical maturity**

Illustration 1: The guiding selection parameters that will be considered based on the information provided in the application forms

As mentioned above, the proposals that scored above the threshold will be evaluated by 3 members of the Steering Board using the same evaluation process and criteria. Each criterion will be weighted (% to be defined further) with a total mark of 100%.

A shortlist of applicants who will not have partnerships formed will be invited to 3 online matchmaking events organized by the Steering Group of the Consortium. The applicants will receive support and assistance during the matchmaking events forming the partnering teams and projects.

35 shortlisted projects will be invited to join the Fashion Sprint 48-hour long designathon. Through mentoring sessions, workshops, and keynote speeches, the teams will be a) ideating and developing their circular product/service ideas or b) adopting their circular product/service and developing it further to solve specific challenges.

The Fashion Sprint designathon is the last stage to reach the final verdict of which 25 partnerships and projects will be proposed to receive funding of 10 000 EUR and invited to participate in the 1st stage of 6 months Growth Programme. After which, 5 selected teams will receive additional funding of 5 000 EUR and will be invited to participate in the 2nd stage of the Growth Programme for 2 months. Teams will receive investment readiness support.

The evaluation process for the Fashion for Change Growth Programme will consist of:

- Evaluation of the project proposal drafted in the application form.

- On-site or online pitch for the Steering Board (during the Fashion Sprint).

- The final resolution will be based on the Steering Board's collegiate decision, considering the teams' performance during the Fashion Sprint activities.

All teams will be informed about the assessment results at the end of the Fashion Sprint hackathon event. All teams will also receive an email with the final decision after the hackathon and instructions for the Growth Program's next steps.

The applicants who were not chosen will be added to the Fashion For Change community as sustainable fashion stakeholders.

8. Eligible Costs

Participants will be financially supported by a lump sum to cover the costs of participating in the program and developing their product and/or service. Teams have to provide an estimated budget at the beginning of the Growth Programme, defining how they will use the support money. At the end of the project, teams have to provide an accurate financial overview of their money usage.

The lump-sum will be provided for attending the Growth Programme: developing proofs of concept and prototypes of new products and services, developing and testing new business models, developing collaboration to test more sustainable/recycled material, participating in trade shows or other showcase events; travel, accommodation and participation fees for study visits and/or participation to networking/showcase events and/or necessary for developing collaboration within transnational partnerships, material, services or other inputs necessary to develop proofs of concept and prototypes of new products and services; services and inputs required for developing and testing new business models and for the process of environmental/climate certifications; laboratory fees for testing more sustainable/recycled material.

9. Payments and obligations

9.1 Payments and submission of documents

Participating teams will be requested to provide the documents listed below in the table to start and complete their projects in the Growth Programme and receive the payment.

The lump-sum payment to the beneficiary will be as follows:

Percentage of Payment	Period	Submission of Documents

Initial Payment: 50%	Before the Growth Programme starts	- Signed Grant Agreement by the Lead Applicant - Partnership Agreement signed by all partners - An estimated budget for the project - Legal Entity Form of Lead Applicant
Final Payment: 50%	On the 3rd month of the Growth Programme	- Technical Report- this report will contain a description of the pilot project's efforts towards the desired outcome as well as feedback related to the mentoring sessions and self-development tool - Payment Request

At the end of the first phase of the Growth Programme, 25 teams will need to submit the 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 as well as the financial statement. Teams will also provide a financial overview of their money usage (actual budget). The project board will evaluate which 5 teams will continue in the program's second phase.

The 5 most outstanding beneficiaries will also receive an additional award of a lump sum of 5 000 EUR at the end of the Growth Programme. To be eligible for this payment, the selected 5 teams will sign an agreement for the final payment, provide all the technical reporting mentioned in the above table and participate in the second phase of the Growth Programme.

9.2 Beneficiaries' obligations

The Lead participant must keep payment records and other supporting documentation for five years after the end of the project 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 ongoing checks, reviews, audits, investigations, litigation, or other pursuits of claims under the grant agreement, the consortium must keep the

records and other original supporting documentation until the end of these procedures.

Digital and digitized documents are considered originals if the applicable national law authorizes them. Non-original documents may be accepted if they offer a comparable level of assurance.

9.3 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 Fashion for Change, project coordinator Civitta Estonia (teele.dintsenko@civitta.com) with a precise specification of the reasons for such appeal. However, submitting a request for revision does not waive the obligation to submit the application by the set deadline if the requestor wishes to be considered a valid application to the Call. Likewise, a complaint against the decision of the Steering Board on the final ranking of received applications may be lodged to the Fashion for Change 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.

10. IP

The ownership of all intellectual property (IP) created by the projects via the Fashion for Change Programme will remain with the beneficiaries. Results are owned by the Party that generates them.

11. Communication

Any communication or publication of the Beneficiaries shall indicate that the project has received funding from the European Union and the Fashion for Change project, therefore displaying the EU and Fashion for Change 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 the Fashion for Change Consortium for communication purposes. Additionally, beneficiaries commit to actively

contributing to the Fashion for Change communication and dissemination strategy.

12. Applicants' support

12.1 Proposal stage support

Depending on the demand, up to two Open Call webinars/info sessions might be provided: 1) a pre-recorded webinar announced on the Open Call launch day. The goal is to introduce the programme to the potential participants; 2) a live webinar with Q&A session and support provided for submission-related matters. ***Dates will be published on the website and project social media.***

Please also check the Frequently Asked Questions (FAQ) section on the Fashion for Change website.

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 technical issues or problems with the Application Form, please contact the helpdesk email: info@fashionforchange.eu

12.2 Partnerships support

A shortlist of applicants who will not have partnerships formed will be invited to 1-3 online matchmaking events organized by the Steering Group of the Consortium. During the matchmaking events, the applicants will receive support and assistance in forming the partnering teams and projects.