

Circular Clothing Textiles Fund Guidelines





Contents

Introduction

Context	4
Milestones and objectives	5
Fund milestones	5
Fund objectives	5
Focus areas	6
1. Collection	7
2. Sorting and pre-processing	8
3. Recycling and next markets	10
Funding and contributions	12
Fund eligibility	13
Eligible applicants	13
Ineligible applicants	14
Eligible activities	14
Ineligible activities	14
How to apply	16
How applications are assessed	17
Assessment process	17
Assessment criteria	18
Contact Seamless for further information	19
Successful applicants	20
Fund agreement	20
Requirements for successful applicants	20
Appendix A: Definitions	23



3

Introduction

Clothing Stewardship Australia Limited (Seamless), the world's first circular stewardship model for clothing, is delivering a program to support a coordinated national clothing collection, sorting, reuse and recycling system for Australia. This program received grant funding from the Australian Government.



The program will enable the Seamless scheme to drive industry collaboration, increase clothing recirculation and stimulate next markets for clothing to advance Australia's leadership in clothing circularity.

As part of this program, the Circular Clothing Textiles Fund (the Fund) will support projects that demonstrate pathways for collection, sorting and recycling of unwearable clothing across Australia. The Fund outcomes will provide an evidence base to inform a national, scalable, industry-led stewardship scheme that transitions Australia to a circular clothing economy by 2030.

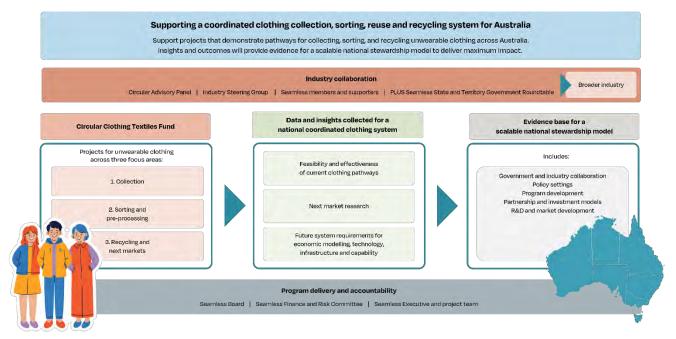


Figure 1: Program overview

These guidelines provide information about the Fund objectives, project activities, eligibility, assessment criteria and other requirements. If you have a project that supports the objectives of the Fund, we encourage you to read these guidelines to ensure you meet the eligibility requirements. Have questions or a project you'd like to discuss? Email the Seamless Team at programs@seamless.org.au.

Context

Seamless is Australia's national clothing stewardship scheme that's on a mission to transform how we choose, enjoy and recirculate clothes in Australia for a circular clothing economy by 2030. Seamless is operated by Clothing Stewardship Australia Limited.



Seamless has four strategic priorities:

- Circular design for durable and recyclable clothing, that uses renewable fibres and recycled content. 1.
- 2. Circular business models that extend garment life through reuse, repair and rental, with circularity embedded in business operations.
- 3. Closing the loop by improving clothing collection and sorting for optimising reuse and recycling.
- Citizen behaviour change to reshape how Australians acquire, care for, and recirculate their clothing.

The Seamless priority to close the clothing loop focuses on establishing a coordinated national system to collect, sort, reuse and recycle clothing for Australia. This will significantly reduce the 220,000 tonnes of clothing sent to Australian landfill each year, creating positive environmental outcomes and economic value.

Addressing the national clothing data gaps

The Seamless 2024 National Clothing Benchmark for Australia builds on the data first reported during the Seamless scheme design stage. The report states that in Australia in 2024:

- 1.51 billion items of clothing were sold, which equates to 55 items of clothing for every Australian.
- 162,000 tonnes of clothing from Australia was reused, with 48% or 77,000 tonnes reused in Australia.
- 37,500 tonnes of clothing from Australia was recycled, with 27% or 10,000 tonnes recycled in Australia.
- 220,000 tonnes of clothing ended up in Australian landfill.

While the 2024 Australian clothing benchmark quantifies the flow of clothing through the economy, further evidence is required to build a business case for a coordinated national clothing system that diverts clothing from landfill and delivers economic, environmental and social outcomes.

Through this program, Seamless will collaborate across the Australian clothing value chain to deliver practical projects that provide data and insights on the feasibility and effectiveness of current clothing pathways, the next markets for clothing, and future system requirements for economic viability, technology, infrastructure and capability.

Milestones and objectives

The Circular Clothing Textiles Fund (the Fund) is a competitive initiative investing in practical projects that support Australia's transition to a viable circular clothing textiles economy by 2030. Fund projects will focus on collection, sorting, pre-processing, recycling and next markets for unwearable clothing across Australia.



Fund milestones

Key dates for the Circular Clothing Textiles Fund are:

19 August 2025: Fund applications open

9 September 2025 at 5:00pm AEST: Fund applications close

18 September 2025: Successful Fund applicants notified

10 February 2026: Fund projects completed

30 March 2026: Business case for a scalable, national stewardship model delivered

Fund objectives

Fund projects will provide data, insights and outcomes to build the evidence base for a scalable national stewardship model to deliver maximum impact. The objectives are to deliver practical projects that:

- 1. Divert unwearable clothing, including uniforms, from landfill by making collection systems easier and more accessible for Australians.
- 2. Help determine the impact of increased volumes of unwearable clothing on existing collection, sorting and pre-processing practices.
- 3. Ensure that wearable clothing inadvertently collected enters appropriate domestic reuse channels.
- 4. Ensure that unwearable clothing collected is recycled or recovered to produce high value resources.
- 5. Confirm next markets and quantify demand for recycled Australian clothing textile resources.

Seamless is committed to supporting projects with continuous improvement practices that maximise resource efficiency and reduce emissions, uphold the hierarchy of use in line with the 9-R framework¹ and conserve and regenerate nature, in line with the Seamless Code of Commitment.

¹ Potting et al, 2017

Focus areas

Fund projects will provide data and qualitative insights to evaluate the feasibility and effectiveness of current and potential pathways for unwearable clothing across three focus areas. Projects must incorporate at least two focus areas, with collaboration being a core principle.



Overview

The three focus areas for funded projects are:

- 1. Collection: The collection models for unwearable clothing that achieve high diversion rates from landfill, and the total cost to deliver them.
- 2. Sorting and pre-processing: The sorting and pre-processing methods for unwearable clothing that are effective pathways to reuse, recycling and recovery and the funds, capability and infrastructure required to deliver them, along with the level of contamination from textiles that are not fit for recycling.
- 3. Recycling and next markets: The current and potential capability and capacity of textile recycling infrastructure, as well as the available next-markets and the current and potential demand for recycled textile resources.

Seamless will ensure that Fund projects span metropolitan, inner and outer regional and remote locations in Australia, as defined in the Australian Statistical Geography Standard (ASGS)2.

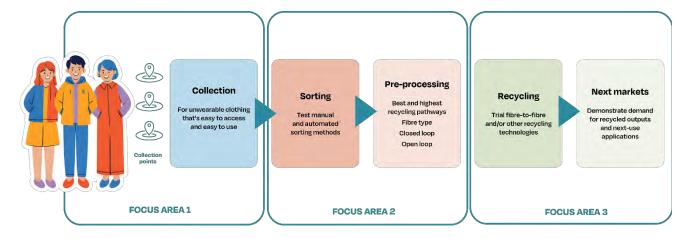


Figure 2: Overview of Fund focus areas

² See the definition of the Australian Statistical Geography Standard (ASGS)

1. Collection

The challenge we're addressing

Currently, clothing disposal through landfill remains the most accessible and commonly used option for Australians, with 220,000 tonnes entering Australian landfill annually.

Seamless is seeking projects that deliver collection activities that divert unwearable clothing, including uniforms, from landfill.

Project outcomes

Projects should:

- Execute effective and feasible models that increase unwearable clothing collection to deliver an understanding of current and potential future practices.
- Identify barriers to the collection of unwearable clothing.
- Identify the level of wearable clothing which is incorrectly disposed of, with a view to diverting them into reuse.
- Provide data and learnings to inform a more coordinated system for clothing collection, sorting and recycling in Australia.
- Operate in metropolitan, regional and/or remote areas.

Documentation requirements

Table 1 below summarises the information which needs to be captured and shared.

Projects must collect a representative sample size of unwearable clothing for their metropolitan, regional and/or remote geographical areas.

Table 1: Documentation requirements for projects for collection

Category	Information to be captured and shared
Collection methods	Number and location of drop-off points, for example, retail locations, council sites, dedicated clothing bins, or reverse vending
	Number of homes serviced for kerbside integration solutions, for example, bag-in-bin systems, or alternating collection days
	Number of homes and/or workplaces serviced for postal, household or pick up services - for example, scheduled collection, on-demand service, pre-purchased postal bag, local government supplied

Category	Information to be captured and shared
Collection method performance	Timing and cadence of collection activities
	Total volume collected for each collection method measured by weight and units
Communication methods used	Marketing communication channels used and their level of effectiveness
Participation rate	Number of participants and participation rate as a percentage of total
	Household and/or workplace reach and uptake, by number and percentage of total
Clothing categories	Number and weight of units collected by fibre type, garment type, brand, colour, condition, wearability and next life pathway
	Total volume of unwearable items collected, by weight and units
	Total volume of wearable items collected, by weight and units
	Contamination rates, for example number and percentage of items unfit for recycling, for example, items not categorised as clothing or that are wet, soiled or deemed hazardous
Pre-sorting performance	Assurance of pre-sorting activities
Costings	Actual cost per collection method including operational factors, stated in Australian dollars
	Transportation and logistics costs, stated in Australian dollars

2. Sorting and pre-processing

The challenge we're addressing

Reducing the amount of clothing sent to landfill will require Australia's sorting and pre-processing capacity to manage an additional 229,000 tonnes each year. Current sortation pathways often depend on labourintensive and costly processes to meet next-market specifications. A lack of consistent national sorting standards and limited system and technology integration, further constrain the ability to maximise material value.

Seamless is seeking projects that effectively sort and pre-process clothing while upholding the hierarchy of use.

Project outcomes

Projects should:

- Document technologies, processes and infrastructure for sorting and pre-processing collected clothing.
- Identify barriers to delivering more efficient and effective sorting and pre-processing of collected clothing.
- Identify barriers to effectively tracing sorting and pre-processing clothing pathways.
- Provide data and learnings to inform a more coordinated system for collection, sorting and recycling unwearable clothing in Australia.
- Operate in metropolitan, regional and/or remote areas.

Documentation requirements

Table 2 below summarises the information which needs to be captured and shared.

Projects must sort a representative sample size of unwearable clothing for their metropolitan, regional and/or remote geographical areas.

Table 2: Documentation requirements for projects for sorting and pre-processing

Category	Information to be captured and shared
Sorting methods and performance	Manual sorting methods and information including staff training protocols, throughput rates (per hour) and quality assurance. Total volume sorted by each method stated in units and weight.
	Information for semi-automated sorting methods including efficiency gains, accuracy rates, error rates, processing speeds, capital costs, and internal rate of return (IRR). Total volume sorted by each method stated in units and weight.
	Information for fully automated sorting methods including efficiency gains, accuracy rates, error rates, processing speeds, capital costs, and IRR. Total volume sorted by each method stated in units and weight.
Classification criteria applied	Collection channel, that is, where unwearable clothing was sourced from.
	Fibre identification use, for example, cotton, polyester, blends, specialty materials.
	Garment categorisation, including garment type, short/long length, colour and prints.
	Contamination assessment including damage levels, staining, embellishments, acceptable recycling feedstock, stated as units and weight.
	Fate or pathway allocation for clothing including reuse, repair potential, recycling, downcycling or recovery/W2E suitability, stated as units and weight.
	Pre-processing requirements, for example, bleaching, laundering, and decommissioning such as being chopped, de-zipped, unpicked.

Category	Information to be captured and shared
Capacity	Total volume sorted, stated in units and weight.
	Throughput metrics, that is, clothing sorted by hour stated as units, weight and cost.
	Output volume by units and weight.
	Skills and capability required.
Clothing categories	Number and weight of units sorted by fibre type, garment type, brand, colour, condition, wearability and expected next life pathway (for example, reuse, recycle, disposal).
	Contamination rates, for example, the number and percentage of items unfit for recycling, that is, that are not clothing items or are wet, soiled or hazardous.
Costings	Labour utilisation as full time equivalent (FTE) and cost per kilogram sorted, including in-kind estimation, stated in Australian dollars.
	Transportation and logistics costs, stated in Australian dollars.
	Operating costs and, if relevant, equipment, capital or infrastructure costs, in AUD.

3. Recycling and next markets

The challenge we're addressing

To achieve a circular clothing economy, Australia needs to increase its textile recycling capacity and capability along with viable next markets for recovered textile resources, by processing volumes greater than the current estimate of 10,000 tonnes per year. Seamless is seeking projects that recycle clothing textiles and return them to productive use in clearly defined next markets.

Project outcomes

Projects should:

- Identify the suitable volume of textiles for existing recycling or recovery pathways and the volume returned to productive use.
- Identify the volume of textiles that cannot be returned to productive use, including through recovery.
- Confirm existing Australian and international next markets and the associated demand for recovered textile resources.
- Indicate potential future Australian and international next markets and estimated demand.
- Provide data and qualitative insights to inform a coordinated national system for clothing collection, sorting and recycling.
- Operate in metropolitan, regional and/or remote areas.

Documentation requirements

Table 3 below summarises the information which needs to be captured and shared.

Projects must recycle a sufficient and representative volume of unwearable clothing, with 20 to 30 tonnes of unwearable clothing textiles recommended as a viable minimum amount per recycling technology.

Table 3: Documentation requirements for projects for recycling and next markets

Category	Information to be captured and shared
Recycling methods and technology	Recycling methods used, such as mechanical recycling, chemical recycling or other approaches; and current total processing capacity.
	Total volume, by weight, of material input.
Feedstock requirements	Quality, fibre type or other requirements for feedstock
	Pre-processing prerequisites for feedstock.
	Acceptable contamination levels of feedstock for each recycling method.
Rejected feedstock	Proportion of feedstock rejected, stated as weight and as a percentage of overall feedstock.
	Reasons why feedstock was rejected and volumes for each.
Outputs	Output type, stated in units and weight.
	Technical specifications and product performance requirements of outputs.
	Next market applications for each output.
	International and Australian demand for each output.
	Estimated price for each output.
Scaling requirements	Infrastructure, feedstock, and market conditions needed for expansion.
Costings	Total operating costs and, if relevant, capital costs for equipment and infrastructure, stated in Australian dollars.
	Transportation and logistics costs, stated in Australian dollars.
	Estimated emission intensity.

Funding and contributions

All Fund applications will be reviewed against the assessment criteria outlined in these guidelines, with proposals expected to clearly demonstrate strong value and impact in line with the funding level requested.



Available funding

The total pool available for Fund projects is AUD\$500,000, excluding GST. Applicants may request up to AUD\$150,000 (excluding GST) per project.

Matched contributions

To maximise the impact of the Fund, Seamless encourages applicants to consider co-contributions, where possible. While not a requirement, applicants that provide cash and/or in-kind contributions towards the total cost of the project will be assessed favourably against 'value for money' criteria.

Acceptable in-kind contributions are reasonable and legitimate inputs to the total project cost, and may include:

- Salaries, wages or employee time allocated to the project by the lead applicant or project partners.
- Volunteer labour directly supporting project delivery.
- Donated goods, products, or services essential to project execution.
- Additional funding support from project partners who may include private companies, local government and other product stewardship organisations.

Please note that general operating expenses not directly related to project activities, and opportunity costs such as lost productivity or downtime, are not eligible matched contributions.

Fund eligibility

To be eligible to apply for funding under the Seamless Circular Clothing Textiles Fund, applicants and the activities they deliver must support continuous improvement practices and meet a set of eligibility criteria outlined below.



Eligible applicants

To be eligible to apply for funding under the Seamless Circular Clothing Textiles Fund, applicants must:

- Agree to comply with the Seamless Circular Clothing Textiles Fund Guidelines and the terms of the Seamless Circular Clothing Textiles Fund agreement.
- Be a registered Australian business, with an Australian Business Number (ABN), charity, research institution, or university with the capacity and capability to deliver the proposed project.
- Be financially solvent and able to enter into a legally binding agreement with Clothing Stewardship Australia.
- Have been operating for at least 12 consecutive months.
- Have the ability to fund all project costs not covered by the funds awarded.
- Have ownership, access to, or beneficial use of any required intellectual property necessary to carry out the project.
- Demonstrate a satisfactory track record in environmental, safety, and financial performance. This includes the requirement that all project leads and partners (including global partners and associated supply chains) must demonstrate compliance with modern slavery laws and requirements.

Additional considerations

- As collaboration is a core principle of the program and the Fund, projects should involve multiple partners across the clothing value chain.
- Applications that include Seamless members and supporters will be regarded highly in the 'sector collaboration and partnerships' element of the assessment criteria.
- For an organisation to be considered a Project Partner, a letter of support signed by an authorised representative must be provided.
- Organisations operating for less than 12 months may still be considered if they can demonstrate continuity of operations and may be subject to further assessment or additional funding conditions.

Ineligible applicants

State, Territory and Federal Government agencies are not eligible to apply.

Eligible activities

Funding may be used to support project activities that align with at least two of the Fund's focus areas, with eligible expenditure including:

- Materials: Costs of materials directly used in the project.
- Personnel: Wages for employees directly engaged in project delivery.
- Subcontractors: Fees for subcontracted services that directly support project delivery.
- Equipment: Costs for plant or equipment essential to project implementation. If new equipment is to be purchased, applicants must provide evidence that it can be procured, installed, and operational within the project timeframe, before a Project Agreement is signed.
- Travel: Domestic travel costs directly related to project execution.
- Other costs: Any other expenses that are directly related to the project, clearly justified and itemised in the application budget.

Additional considerations

In line with the Seamless Code of Commitment, successful applicants must support continuous improvement practices that maximise resource efficiency and reduce emissions, uphold the hierarchy of use (9-R framework³) and conserve and regenerate nature.

Seamless acknowledges that there is a great deal of sector maturation and continued investment required to enable widely accessible circular solutions for Australian clothing. On this basis, Seamless welcomes direct engagement on projects that may extend beyond these Fund focus areas that can demonstrably contribute to achieving the objectives of the Fund.

In some instances, uniforms may follow a different lifecycle pathway to general clothing apparel. Any specific deviations from the reporting metrics, should be noted in the application form.

Ineligible activities

The following activities are ineligible and will not be funded:

- Any unwearable clothing feedstock originating outside of Australia.
- Projects that do not meet the eligibility criteria of the Fund listed above.

³ Potting et al, 2017

- General operational and international travel, as well as any conference related expenses.
- Seed funding for new businesses.
- Projects based outside Australia, unless they support circular outcomes for Australian clothing by strengthening domestic system support, infrastructure or next markets.
- Activities undertaken solely for regulatory compliance.
- Retrospective or sunk costs, including technology already purchased or existing intellectual property.
- Standalone feasibility studies, business plans, cost-benefit analyses or commercialisation efforts.
- Donations or philanthropic contributions.
- Projects which will not be completed within Fund timeline. That is, projects that will not be fully executed between 30 September 2025 to 10 February 2026.

How to apply

Applications for the Fund open on 19 August 2025 and close at 5:00pm AEST on 9 September 2025. To apply, organisations must complete the Fund application form and submit a project budget and letters of support



Steps to apply

To apply for the Fund, applicants must:

Step 1: Complete the Seamless Circular Clothing Textiles Fund application form. As part of this form, applicants will be asked to submit a project budget (see further information below).

Step 2: Supply letters of support from project partners, other project funders or endorsing organisations to Seamless. Letters must be combined into a single PDF document and shared as per the instructions in the application form.

Further information about the project budget

Applicants must provide a project budget that details all reasonable costs associated with the proposed project. These may include but are not limited to:

- 1. Personnel: Salaries or wages for people directly engaged in project delivery.
- 2. Asset utilisation: Costs associated with the use of plant and equipment required for project delivery, with the total cost of the asset noted.
- 3. Capital expenditure: For new asset purchases, applicants must clearly outline the portion of the cost allocated to the project.
- 4. Materials: All consumable materials required for the project, noting funded activities must use unwearable clothing textiles disposed of in Australia.
- 5. Subcontractors: Costs for third-party contractors or specialists engaged to deliver specific project components.
- 6. Travel: Reasonable domestic travel expenses directly related to the project.

How applications are assessed

All applications received for the Fund will be reviewed in line with the Fund focus areas and eligibility criteria outlined in these guidelines. Shortlisted applications will then be evaluated using the assessment criteria outlined here.



Assessment process

All applications received for the Fund will be screened for eligibility against the Fund objectives and focus areas. All shortlisted applications will then be reviewed by an internal evaluation panel comprising members of the Seamless management team, using the assessment criteria outlined on the following pages. The Circularity Advisory Panel⁴ and Industry Steering Group⁵ for the program will be engaged on the assessment outcomes.

Applications will be evaluated based on the information provided in the Fund application form and supporting documentation. The evaluation process may also include:

- Requests for additional written information or clarification from applicants.
- A site visit or interview with shortlisted applicants.
- Due diligence checks on the lead organisation and project partners to assess project risks.

Applicants must respond to information requests within the timeframe specified at the time of the request. Failure to do so may result in the application being deemed ineligible and excluded from consideration.

Clothing Stewardship Australia Ltd (Seamless) reserves the right to not issue funding where due diligence identifies unacceptable or unmanageable risks associated with the applicant or project partners. Clothing Stewardship Australia Ltd has the ultimate discretion in relation to its funding decision. Applicants should note that irrespective of eligibility and merit, there is no guarantee that an offer of funding will be made. All applicants will be notified of the outcome. While feedback may be provided upon request, detailed scoring or evaluation documentation will not be released.

⁴ The Circularity Advisory Panel provides strategic guidance, relevant program governance and sector expertise, as well as insights to ensure that the program aligns with international trends, potential regulatory requirements, and best practice while maintaining transparency and accountability. The organisations represented on the Panel are the NSW EPA, RMIT University, the Product Stewardship Centre of Excellence, WRAP Asia Pacific and the Ellen MacArthur Foundation.

⁵ The Industry Steering Group for the program represents the voice of industry and provides strategic direction across the program activities and deliverables to ensure industry alignment with intent and outcomes. The organisations represented in the Group are the Australian Retailers Association, the Waste Management and Resource Recovery Association of Australia, the Australian Fashion Council, the National Online Retailers Association, Charitable Reuse Australia and the Australian Council of Recycling.

Assessment criteria

Applications will be assessed against the criteria listed in table 4 below.

Table 4: Seamless Circular Clothing Textiles Fund assessment criteria

Criteria category	Weighting	Assessment considerations
Strategic alignment with the Fund	20%	How well the project matches the Fund's objectives and whether it spans two or more focus areas.
		How well the project advances collaboration and industry leadership.
Environmental and social impact	20%	The anticipated positive environmental outcomes from the project, including but not limited to high value outcomes, diversion from landfill, resource efficiency, emissions reduction and/or water management.
		The anticipated social outcomes from the project, such as skills development, community benefits and/or engagement, procurement from social enterprises, Indigenous businesses, and/or local organisations.
Project feasibility, scalability and readiness	15%	How achievable and practical the project approach is. Whether there is a clear methodology and realistic project plan to deliver the required outcomes.
		If the project is ready for immediate implementation with outcomes delivered within the required Fund timelines.
Applicant	10%	Whether the project includes Seamless members or supporters.
capability, sector collaboration and partnerships	10%	Whether the lead organisation has the relevant experience, resources and organisational capacity to manage the project delivery.
		Whether partners have the capability and capacity to deliver their role in the project.
Economic viability and value for money	15%	Whether it is clear from the application that the project is financially viable and has the potential to deliver long-term solutions for clothing circularity.
		Whether the application demonstrates efficient use of funds and whether a co-contribution has been included.
Regulatory, ethical and business	10%	Whether evidence has been provided that the lead organisation and all partners (including international partners) meet legal, ethical, modern slavery and ESG standards.
compliance		Level of supply chain transparency, particularly if there are international partners.
		Whether the application demonstrates additional opportunities to share data.
Project location	Not weighted	Seamless will ensure that Fund projects span metropolitan, inner and outer regional and remote locations in Australia.
International supply chains	Not weighted	The Fund supports circular pathways for clothing disposed of in Australia, so maximising the value from domestic recycling activities is a priority. As 97% of new clothing in Australia was imported in 2024, it is also acknowledged that international supply chains are critical for Australia's transition to a circular clothing economy by 2030. Applicants must state where project activities occur.

Contact Seamless for further information

Seamless is committed to ensuring equitable access to the Fund's competitive assessment process and is available to provide general guidance or clarification to applicants. Where appropriate, Seamless may be able to assist potential applicants in linking up with relevant industry partners that are Seamless members and supporters.

To support a fair and inclusive application process, answers to questions received in the application phase will be documented and published on the <u>Circular Clothing Textiles Fund page</u> on the Seamless website.

If you have questions about the application process or wish to discuss your project further, email the Seamless Team at programs@seamless.org.au.

Successful applicants

Successful applicants will be required to enter into the Seamless Circular Clothing Textiles Fund agreement and meet a list of requirements outlined here. The agreement sets out the terms of the grant, conditions, payment schedules, project timing, key performance indicators, reporting and evaluation requirements, and more.



Fund agreement

Successful applicants will need to enter into the Seamless Circular Clothing Textiles Fund agreement. When completing the application form, organisations should include information about any clauses in the agreement that may require further clarification and/or negotiation during the application review process.

The Fund agreement must be signed within 14 days of receipt, or as otherwise negotiated and agreed.

Requirements for successful applicants

In addition to entering into the Fund agreement, successful applicants will be required to meet the following requirements.

1. Project planning and delivery

Successful applicants must:

- Confirm that substantial completion of project activities will occur within the funding timeline, which is that projects will commence by 30 September 2025 and conclude by 10 February 2026.
- Provide a detailed project plan in line with the funding timeline for approval by Seamless. This plan needs to be shared after the successful applicant has been notified, and it will form part of the funding agreement.
- Deliver the project in accordance with the approved project plan and application.

2. Collaboration and engagement

Successful applicants must:

- Participate in regular update meetings with Seamless and relevant project partners.
- Provide evidence of formal partnerships between the lead applicant and key delivery partners.

Reporting

Successful applicants must:

- Provide project progress reports and a final outcomes report, in line with reporting requirements specified in the Fund agreement.
- Share project specific required data, content for case studies, and outcomes for public reporting purposes, excluding commercially sensitive or specific in-confidence information.

Evaluation

Successful applicants must:

- Participate in independent audits to verify inputs, outputs by weight and type, and the methods and processes used to capture project data.
- Cooperate fully with appointed auditors and provide access to relevant facilities, records, and personnel to enable accurate auditing. Clothing Stewardship Australia will appoint an independent auditor, at their expense, which will cover assurance of all domestic activities. Any necessary international audit activities will be agreed with successful applicants, as these expenses will be passed on at cost.

Communication and knowledge sharing

Successful applicants must:

- Acknowledge Seamless funding in all communications and meet any associated marketing and promotional requirements, as set out in the Fund agreement.
- Participate in Seamless-led activities to share project insights and outcomes with wider stakeholders, including industry, government, and the public.
- Commit to the development of case studies and other public-facing materials (non-sensitive in nature). These materials can also be used by the applicant for their own educational or promotional purposes once released by Seamless.

Intellectual property and branding

Successful applicants must:

Demonstrate that there is appropriate access to any intellectual property necessary to carry out the project.

- Provide a high-resolution logo of the lead project organisation and authorise its use by Seamless on its website and in relevant communications in relation to the Fund.
- Accept that Seamless will publicly list the funding amount, project title, lead applicant name and project partners on its website, and in relevant communications in relation to the Fund.

Insurance

Successful applicants must:

- Provide evidence of Public Liability insurance and Professional Indemnity insurance (or equivalent) to the value of at least AUD\$10 million per claim for the duration of the proposed project.
- Confirm whether partners, sub-contractors or service providers engaged for project delivery hold and maintain both Public Liability and Professional Indemnity insurance valued of at least AUD\$10 million per claim for the duration of the proposed project.

Appendix A: Definitions

For the purposes of these guidelines and delivery of the Fund, the following working definitions ensure all applicants have a common understanding of key terms used. These definitions will continue to be tested throughout the Fund project delivery.



Collection	The gathering of post-consumer clothing textiles by retailers, charity-owned businesses, commercial collectors or local authorities. Retailers may initiate their own collection programs through 'take-back' schemes or other customer-return initiatives. In some cases, collection involves the preliminary sorting and storage of textiles before transport. Separate collection refers to gathering textiles by type or nature to facilitate specific next-life processes. This term is more frequently used by local authorities in reference to the separation of textiles from other materials exiting households. ⁶
Pre-processing	Pre-processing refers to the steps taken to prepare used garments and textiles, so they meet the technical and quality requirements of the recycling process that follows.
Recover	The process of using waste materials for energy recovery or beneficial applications, such as composting or applying materials to land. ⁷
Recycling	Transforming a product or component into its basic materials or substances and converting them into new products. Recycling can occur in both closed-loop (where materials are recycled into the same product-type) and open-loop systems (where materials are recycled into different products). ⁸
Reuse	The repeated use of a product for its intended purpose without significant modification. Small adjustments or cleaning may be necessary to prepare the product for the next use. This practice allows garments to be used multiple times, either by the original user or others, extending their life and reducing waste. Resale, where garments are sold again for reuse, can also be considered part of this practice. ⁹
Sorting	The process of separating products according to quality or market specifications. The sorting process determines the next life of products and sorted material is pre-processed and redistributed for a range of reuse, recycling or recovery options. ¹⁰

⁶ Definition adapted from <u>WRAP</u> and the <u>EU Waste Framework Directive.</u>

⁷ Definition adapted from **EU Waste Framework Directive.**

⁸ Definition adapted from the **Ellen MacArthur Foundation**.

⁹ Definition adapted from the **Ellen MacArthur Foundation**.

¹⁰ Definition adapted from Maldini et al. 2017 and WRAP.

Wearable clothing

Garments that can be reused in their original form and for their original purpose. Wearable garments (or 'wearables') are typically categorised into cascading grades according to factors including but not limited to their quality, signs of wear, brand name, and ability to be sold as a higher price (saleability). For the purposes of this program, two wearable grades are considered:

- High value wearable Garments in good to very good condition, suitable for resale or direct reuse.
- Low value wearable Garments in worn or heavily used condition, still suitable for reuse but with limited resale potential.

Unwearable clothing

Unwearable clothing items (or 'unwearables') are garments that are deemed unsuitable for reuse, repair or redistribution due to corporate branding, damage, or substantial wear and tear. These items are typically directed toward waste-to-energy options, or open or closed-loop recycling, depending on the material specifications, quality, and available next markets.

