October 2026

Eco-modulation guide to

relating to industrial and commercial practices

Re_fashion

This guide contains all the information and instructions you need, where applicable, to pay your penalties relating to industrial and commercial practices.

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1. Regulatory framework

The penalty relating to industrial and commercial practices stems from Law No. 2026-602 of 8 July 2026 aimed at reducing the environmental impact of the textile industry, also known as the "ultra-fast fashion" law:

View the law

The penalty criteria are detailed in the Decree of 24 August 2026 issued by the Ministry for Ecological Transition. Since then, a new decree has changed the dates so that **the penalty applies from 22 October 2026.**

View the new Decree

The Decree is itself supplemented by the "**Note on the methods for calculating the penalty** linked to industrial and commercial practices", published by the **Ministry for Ecological Transition**.

View the note

The penalty takes effect on 22 October 2026.

2. Which products are concerned by the penalty?

The products concerned by the penalty are products whose "Durability" score D is less than or equal to 0.8.

This D score is calculated on the basis of two industrial and commercial practices: the range width by market segment (**G** index) and the incentive to repair (**R** index).

Calculation formula: $D = 0{,}67 + (1{,}45 - 0{,}67) \times (0{,}5 \times \mathbf{G} + 0{,}5 \times \mathbf{R})$

The D score is a number between 0.67 and 1.45.

To find out whether or not your products are eligible for the penalty, **it is your responsibility to calculate the D score for each of your products.**

How can the D score be calculated easily, quickly and free of charge?

To calculate a product's D score easily and quickly, you can use the free Ecobalyse tool.

Simply select the product category and then complete the "Durability" section by entering the new product price, the number of references for the corresponding market segment and your company type (VSE/SME or Large enterprise, with or without a repair service). The durability coefficient (i.e. the D score) is displayed automatically.

Use the Ecobalyse simulator

What is range width?

As stated in the "**Note on the methods for calculating the penalty**":

"**Range width** means the maximum number of new product references, including remanufactured products, offered by a brand in the market segment of the product reference considered *(see the definition of a market segment later in this guide)*.

The **sales channel considered** is the brand's website. If there is no online sale on the brand's website, one of the main sales channels must be chosen. By way of exception, in the case of a brand that is mainly distributed via an online platform, its range width is set at the default value of 100,000 references per segment (see the definition of a market segment later in the guide). A brand is considered to be mainly distributed via an online platform when that platform constitutes its main sales channel, i.e. the channel through which the brand makes the majority of its sales.

If a brand sold on a multi-brand website has itself fulfilled its obligations under Extended Producer Responsibility (EPR) and therefore has a Unique Identification Number (UIN), and if it is not sold mainly on that website, the number of the brand's references on its own website, and not that of the multi-brand website, is counted.

If this brand does not have an Unique Identification Number, its range width is set at the default value of 100,000 references."

The number of references to be entered must therefore be the maximum number of references marketed on the same day over the entire calendar year. Therefore, in the event of a control on a given date, the number of references marketed must always be less than or equal to the value entered to calculate the G index.

"If a brand is unable to accurately anticipate the number of references it may market during the year, it must therefore apply a margin that it is responsible for choosing."

What is a reference? Which references should I count in the range width?

As stated in the "**Note on the methods for calculating the penalty**":

Only references corresponding to clothing must be counted. **Footwear, household linen or bags**, for example, **must not be counted**.

« A "reference" means the version of a product whose units all share the same technical characteristics, such as color, material composition, shape and texture, excluding size variations. This term may correspond to the notion of a Stock Keeping Unit (SKU), or **a color reference**. It may take the form of a sequence of letters or numbers shown on the product page and corresponding to a given color of a given product.

A reference may be available in several sizes. In that case, only one reference is counted for all the sizes offered.

Certain references may specifically concern certain sizes: this is the case, for example, for plus sizes.

References that are intended only for a specific subset of potential customers are not considered. These include, for example, references specific to plus sizes, pregnant women, people with disabilities, etc.

Products not to be counted in the range width:

- Accessories that are not mainly textile-based: caps, hats, headbands, straps
- Clothing for animals
- References that are intended only for a specific subset of potential customers (pregnant women, people with disabilities, plus sizes, etc.)
- Sportswear subject to the EPR scheme for sports and leisure articles (ASL)
- Leather goods, tote bags and leather clothing
- Shoes, slippers

What is a market segment? What are the segments?

There are 5 different market segments: women, men, children, baby, underwear.

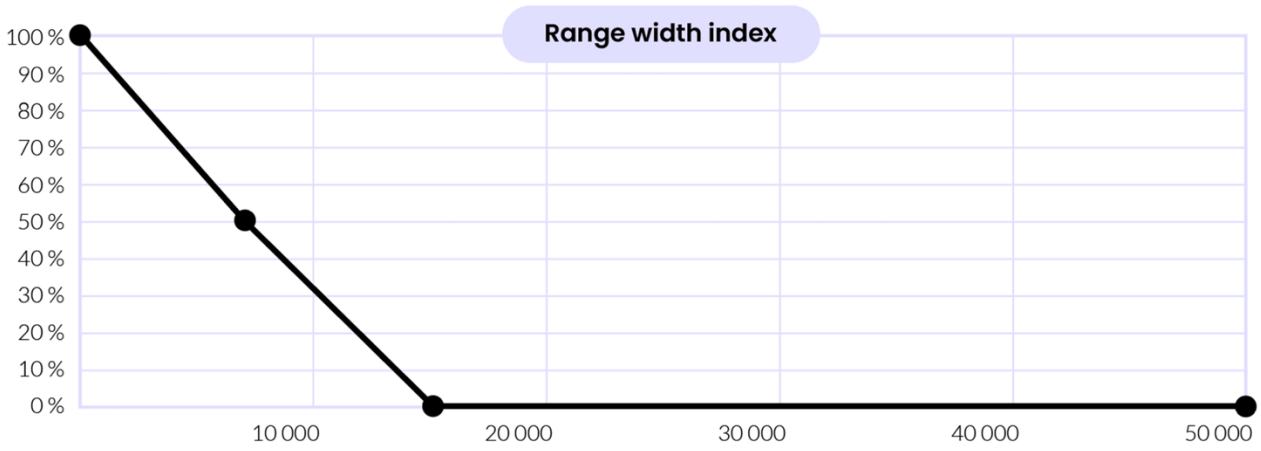
The “underwear” market segment covers all intimate apparel: lingerie, underwear items (boxer shorts, briefs, underpants, knickers, etc.), pyjamas and other homewear items, and swimwear.

How is the “range width” index G calculated?

Range width is measured by market segment.

The G index takes the following values:

- **1** (i.e. 100%) when the number of references per segment is less than 1,000;
- **0,5** (i.e. 50%) for 7,000 references per segment;
- **0** (i.e. 0%) when the number of references per segment is greater than 16,000;
- Between these different points, the index evolves linearly.



For more details on the method for calculating the G index, please refer to the page Ecobalyse

Or to the methodological notice for calculating the environmental cost – display of the environmental cost of clothing dated from 1 October 2025 (pages 49 to 53).

View the notice

How is the “incentive to repair” index R calculated?

The “incentive to repair” index (R) comprises two components, R1 and R2.

Two cases

Case 1: the product is marketed by a brand that is a VSE or SME

An SME is a company with fewer than 250 employees AND whose annual turnover does not exceed EUR 50 million or whose annual balance sheet total does not exceed EUR 43 million (this regulatory definition comes from Decree No. 2008-1353 of 18 December 2008).

In this case:

R = R1

Case 2: the product is marketed by a brand that is neither a VSE nor an SME

In this case:

R = 0,66 x R1 + 0,33 x R2

The R1 index

R1 corresponds to the ratio between the average repair cost and a reference sales price. This component is specific to each product.

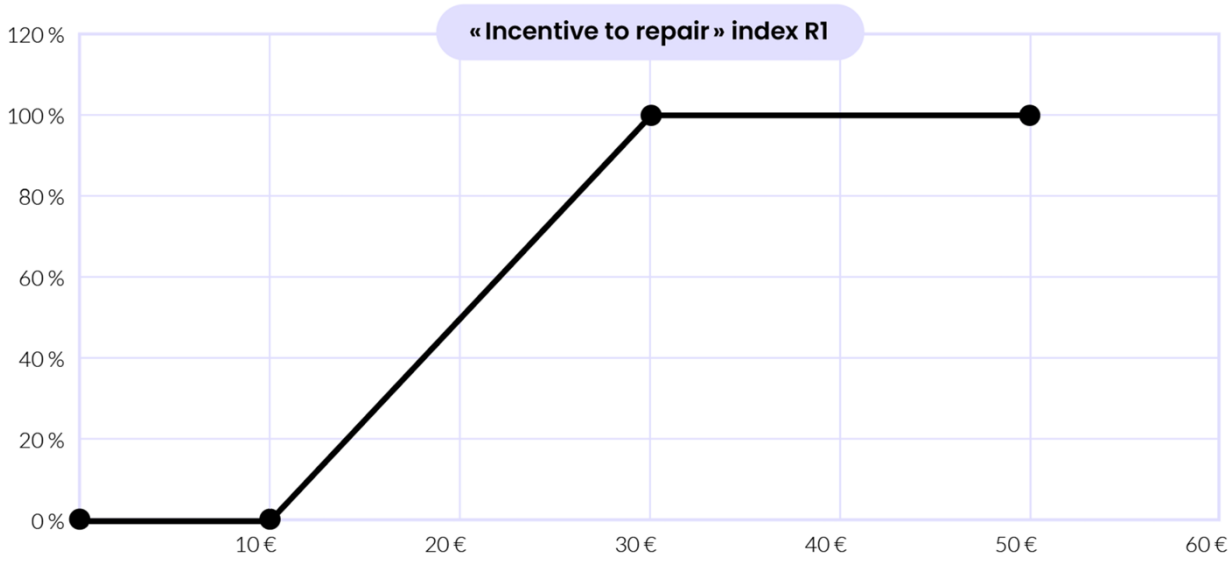
The sales price considered is the price offered on the reference sales channel. **The sales price considered is the price including VAT and excluding promotions and sales.**

Product category	Average repair cost
Shirt	10€
T-shirts	10€
Jumpers	15 €
Jackets	31 €
Trousers	14 €
Skirts	19€
Underwear	9€
Socks	9€
Accessories	9€

R1 takes the following values:

- **1** (i.e. 100%) if the repair cost represents less than 33% of the reference new product price;
- **0** (i.e. 0%) if the repair cost represents more than 100% of the reference new product price;
- Between these two points, the index evolves linearly.

Example applied to the T-shirt case, with an average repair cost of €10:



For more details on the method for calculating the R1 index, please refer to the page Ecobalyse

Or to the methodological notice for calculating the environmental cost – display of the environmental cost of clothing dated from 1 October 2025 (pages 53 to 54).

View the notice

<u>The R2 index</u>

R2 corresponds to the offer of a repair service. This component is considered fulfilled when a brand offers a repair service, at least for its products, labelled by an eco-organization in the Extended Producer Responsibility (EPR) sector for clothing, household linen and footwear (CHF).

R2 takes the following values:

- 1 (i.e. 100%) if the brand has at least one in-house repair service, labelled by the eco-organization for the CHF sector under the CHF repair bonus;

- 0 (i.e. 0%) if the brand does not offer a labelled repair service.

Therefore, R2 is equal to 1 or 0.

3. What is the amount of the penalty?

From 22 October 2026, the financial contributions paid by producers to the eco-organization are modulated according to the penalties associated with durability linked to industrial and commercial practices, based on the amounts defined in the following table:

	Penalty in euros (€) per item placed on the market between 22 October and 31 December 2026
Boxer shorts/Briefs	0,5
Underpants	0,5
Socks	0,5
Shirt	6
Jeans	9
Skirt	3
Dress	7
Swimsuit	3
Coat/Jacket	12
Trousers	7
Jumper	6
T-shirt/Polo shirt	2

4. What is the procedure if I am not concerned by the penalty?

If you are a Producer and none of your products placed on the market between 22 October and 31 December 2026 has a D score less than or equal to 0.8, you will simply need to sign a sworn statement on your Extranet at the beginning of 2027, when declaring your volumes placed on the market in 2026.

This sworn statement will take the form of a checkbox.

5. What is the procedure if I am concerned by the penalty?

If you place penalty-eligible products on the market between 22 October and 31 December 2026, then:

Phase 1: Registration of references subject to penalties

It is your responsibility to register each of the penalty-eligible references in the table made available to you and to send it to Refashion according to the registration procedure described on pages 4 and 5 of the 2026 Eco-modulation Guide, throughout the last quarter of 2026.

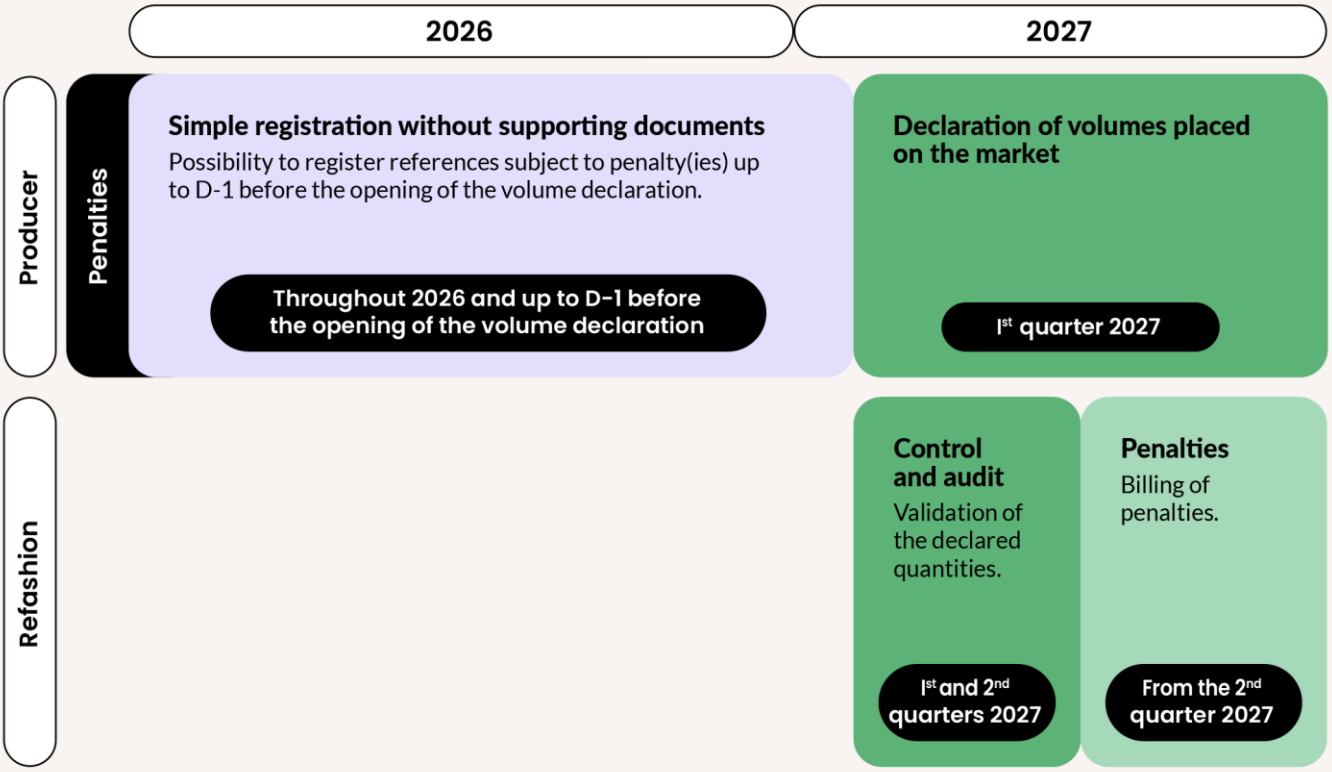
Phase 2: Declaration and control of eco-modulated quantities

At the beginning of 2027, you will have to declare the quantities placed on the market between 22 October and 31 December 2026 corresponding to the references registered in phase 1, in accordance with the procedure described on page 8 of the 2026 Eco-modulation Guide.

Phase 3: Invoicing of penalties by Refashion

After control and validation or audit of the quantities placed on the market for the eco-modulated references, Refashion will invoice the corresponding penalties due from the 2nd quarter of 2027, in accordance with the procedure described on page 9 of the 2026 Eco-modulation Guide.

Application schedule



6. Resources to download

You will find below the resources available to you in order to register your products for the penalty relating to industrial and commercial practices:

- Registration form for eco-modulations references;
- Registration form for eco-modulations of references placed on the market by a marketplace;
- 2026 Eco-modulation Guide to consult the procedure for registering references and then the procedure for declaring volumes placed on the market.

Download the resources

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