

# The European market potential for leather accessories

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The European import market for leather fashion accessories is worth around 2.9 billion EUR. Growth has been stagnant in recent years because non-worn accessories have not been performing well. The markets that offer the best opportunities for the import of leather accessories are France, Germany, Italy, the Netherlands, Spain and Poland. Poland stands out because of its significant growth in recent years.

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## 1. Product description

Leather is a strong, durable material produced from tanning or chemically treating animal skins and hides. The tanning process changes the protein structure of the skin/hide so it does not decompose. The most common leathers come from cattle, sheep, goats, buffalo and pigs. After tanning, leather is dyed and finished. In recent years, several types of faux-leathers or 'vegan leather alternatives' have entered the market, but these materials are not of animal origin.

Figure 1: Worn leather accessories, including belts, perform better on the European market than non-worn accessories



Source: [Gabrielle Henderson on Unsplash](#)

Leather accessories can be worn, carried or placed, and they typically need to be both functional and good-looking. They can be grouped into the following categories:

- Worn accessories;
  - Gloves, mitts and mittens;
  - Belts and bandoliers;
  - Other items;
- Non-worn accessories carried in the pocket or handbag; and
- Non-worn accessories not carried in the pocket or handbag.

42021190	Trunks, suitcases, vanity cases and similar containers (excluding executive cases)	Not carried in pocket or handbag
42023100	Wallets, purses, key pouches, cigarette cases, tobacco pouches and similar articles carried in the pocket or handbag with outer surface of leather, composition leather or patent leather	Carried in pocket or handbag
42029150	Musical instrument cases	Not carried in pocket or handbag

42029180	Insulated food or beverage bags, shopping bags, map cases, tool bags, jewellery boxes, cutlery cases, binocular cases, camera cases, musical instrument cases, gun cases, holsters and similar cases (excluding trunks, briefcases, school satchels and similar or articles normally carried in the pocket or handbag, travelling toilet or sports bags and rucksacks)	Not carried in pocket or handbag
42029190	Shopping or tool bags, map cases, jewellery boxes, cases for cutlery, binoculars, cameras or guns, holsters and similar (exclusions as above)	Not carried in pocket or handbag
42032100	Specially designed gloves for use in sports	Worn accessories
42032910	Protective gloves for all trades	Worn accessories
42032990	Gloves, mittens and mitts (excluding special sports gloves and protective gloves)	Worn accessories
42032991	Men's and boys' gloves, mittens and mitts (excluding special sports gloves and protective gloves)	Worn accessories
42032999	Gloves, mittens and mitts (excluding men's and boys', special sports gloves and protective gloves)	Worn accessories
42033000	Belts and bandoliers	Worn accessories
42034000	Clothing accessories excluding gloves, mittens, mitts, belts, bandoliers, footwear, headgear and goods of chapter 95 (for example, shin guards/fencing masks)	Worn accessories

Source: Eurostat 2022

Trends in accessories are often connected to apparel trends, and accessories and apparel are sold together, matching a top or bottom. Inspiration for new developments can be found on the fashion catwalks.

## Leather and sustainability

The leather industry causes several environmental problems, such as harm to animals, loss of forests and biodiversity, damage to land, releasing carbon into the air and pollution to the water and air. The [Sustainable Apparel Coalition](#) (now known as Cascale) says cow skin leather is the third-most environmentally impactful

material to produce. As a result, the leather industry focusses on 3 key areas: transparent supply chains, plant-based alternatives to leather and reducing or eliminating hazardous chemicals from the production process.

## 2. What makes Europe an interesting market for leather accessories?

In 2022, the value of leather accessory imports to Europe was 2.9 billion EUR, down from 3.0 billion EUR in 2017. Despite this decrease, Europe is one of the biggest importers of leather accessories in the world. The worn leather accessories sub-category is larger than the non-worn leather accessories sub-category, representing 1.57 billion EUR in imports or 53% of the total value.

Source: Eurostat 2022

Between 2017 and 2022, the value of leather accessory imports to the EU stagnated with an average negative yearly growth rate of 0.3%. Leather bags had a much higher growth rate of 4.9% during the same period. Consumers often buy a bag to make a fashion statement. For example, genuine leather suggests quality while plant-based materials suggest eco-conscious values. While the non-worn leather accessories sub-category decreased by almost 4.5% between 2017 and 2022, worn leather accessories showed an average annual growth of 4.7%.

Within these categories, leather accessories carried in the pocket or handbag is the single largest sub-category, making up 32.6% of the total leather accessories import market. Products within this category include wallets, purses, key pouches, cigarette cases, tobacco pouches and similar articles. However, this sub-category has declined by 2.9% per year.

The category of non-worn accessories not carried in the pocket or handbag has a 14.4% share of the market and experienced the biggest decline (-7.7% per year). Products within this category include trunks, suitcases, vanity cases, musical instrument cases, shopping bags, insulated bags, map cases, tool bags, jewellery boxes, cutlery cases, binocular cases, camera cases, gun cases, holsters and similar.

Source: Eurostat 2022

The EU is also a large exporter of leather accessories. In 2022, it exported 5.1 billion EUR of leather accessories (up from 4.3 billion EUR in 2017). EU leather accessory exports grew at an average yearly rate of 3.4% between 2017 and 2022.

Source: Eurostat 2022

The biggest EU exporters in 2022 were Italy (2.1 billion EUR) and France (1.5 billion EUR). Together, these countries represent over 73% of the EU's leather accessory exports. Poland, which is the sixth largest exporter of leather accessories in Europe, had the strongest export growth with an average yearly increase of 19.2%.

Source: Eurostat 2022

Leather accessories imported from within the EU make up 56% of all imports (up from 51.5% in 2017). Leather accessories from outside the EU make up 44%. In 2022, suppliers from developing countries contributed 35.5% to all leather accessory imports into the EU in terms of value, down slightly from 35.9% in 2017. The value of EU leather accessory imports coming from developing countries was worth 1 billion EUR in 2022, but was stagnant

over the 2017–2022 period.

Suppliers from the rest of the world made up 8.5% of the import value, down from 12.6% in 2017. The share of the leather accessory imports from developing countries is lower than the overall share developing countries have in the EU’s apparel import market (49.5%). It is, however, much higher than the developing country share in the leather bag segment (just 9.8%). This is likely because the leather bag market generally demands a higher level of quality and craftsmanship than accessories.

Table 1: Non-EU leather accessory imports by market share of non-EU exporting countries (2022)

Country	Share of extra-EU exports	5-year average annual growth	Value in euros
India	26.5%	0.8%	347 m
China	25.4%	-4.4%	333 m
Switzerland	12.7%	-9%	166 m
Pakistan	11.2%	4.9%	147 m
Vietnam	3.1%	-1.7%	40 m
Türkiye	3%	3.6%	39 m
United Kingdom	2.3%	-14.8%	30 m
Thailand	2.2%	2.6%	28 m
Indonesia	2.1%	-1%	27 m
Morocco	1.4%	6.6%	18 m

Source: Eurostat 2022

India and China dominated Europe’s imports of leather accessories from outside the EU with a market value of 680 million EUR, representing 22.9% of all leather accessory imports into the EU. The United Kingdom (UK), Switzerland and China were the exporting countries with the biggest decline over the 5-year period, while developing countries Morocco, Pakistan and Türkiye underwent the highest growth.

Table 2: Intra-EU leather accessory imports by market share of Intra-EU exporting countries (2022)

Country	Share of intra-EU exports	5-year average annual growth	Value in euros
Italy	25.9%	4.8%	431 m

France	17.5%	4%	292 m
Germany	16.3%	-3.3%	270 m
Netherlands	10.4%	-5.6%	173 m
Spain	9.5%	5.1%	158 m
Poland	4.8%	20.7%	79 m
Belgium	2.9%	-5.1%	47 m
Sweden	2.7%	3.3%	45 m
Romania	2.1%	3.8%	34 m
Czechia	1.6%	-3.5%	27 m

Source: Eurostat 2022

In the internal EU leather accessory import market, Italy and France led with a market value of 723 million EUR. Together, these 2 countries account for 24.3% of all leather accessory imports into the EU. Spain, Italy, France and Poland saw the most significant growth during the 2017-2022 period with Italy increasing its market share of all EU imports by as much as 3.2%.

## Europe is a driving force behind progress in sustainable innovation in the leather industry

The fashion industry is one of the focus areas of the [Circular Economy Action Plan](#). With this plan, under the umbrella of the Green Deal, the EU wants to move towards a sustainable and circular economy.

The European Union (EU) also has some of the most influential leather accessories brands and designers. The EU is home to the 2 most influential programmes supporting sustainable innovation in the fashion industry: [Fashion for Good](#) (FFG) and the H&M Foundation's [Global Change Award](#) (GCA).

In recent years, many innovations that are directly relevant to the leather accessories segment have graduated from the FFG and/or H&M GCA programmes. They have made progress possible in the following areas: plant-based leather alternative materials, leather processing and eco-friendly dyeing.

A supplier working with European brands and retailers will have access to the latest knowledge, technical innovation and design insights that are driving global fashion and sustainability trends in the leather accessories category.

Figure 6: Efforts in Europe to make leather more sustainable are concentrated on reducing chemical use during tanning and dyeing, alternative materials and preventing deforestation



Source: [John Modaff](#) on [Unsplash](#)

#### Tips:

Visit trade fairs (online and in-person) to keep up to date with the latest trends, techniques and innovations. Italy hosts [MIPEL](#) and [LINEAPELLE](#) twice a year, the most important international bags and leather goods fairs.

Follow the Fashion for Good and H&M Global Change Award programmes on social media to learn about new innovations relating to sustainable leather.

Monitor leather innovations and trends on sites such as [Fashionunited.com](#).

### **3. Which European countries offer most opportunities for leather accessories?**

Western European markets are larger and better developed than Central and Eastern European markets. Brands and retailers have some of the best sourcing and compliance management processes, and innovation capabilities tend to be stronger.

Italy and France are important trading hubs and creative centres for leather fashion accessories; their brands are very attractive to both traditional and new consumer countries. Germany, Spain and the Netherlands are also important markets because they have a broad reach both within and beyond Europe. Poland showed negative growth in this category in the past 5 years, but this is due to just one sub-category. Overall, Poland is still an interesting market.

Table 3: Top ten EU importers of leather accessories, values as of 2022; average annual growth; developing country share of imports; developing country imports average annual growth.

	Value 2022 (EUR)	5-year growth	Dev country share 2022 (value)	Dev country imports 5-year growth	Dev country imports change in share 2017-2022
France	630 m	-0.5%	22.8%	3.4%	4%
Germany	548 m	-1%	47.5%	-2.1%	-2.7%
Italy	491 m	1.4%	32.8%	1.5%	0.1%
Netherlands	270 m	-0.4%	47.3%	-6.4%	-17.4%
Spain	181 m	3%	31.7%	-0.2%	-5.4%
Poland	121 m	-7.9%	36.2%	4.5%	16.9%
Belgium	110 m	0.2%	46%	0.2%	0%
Sweden	109 m	0.2%	58.6%	-0.6%	-2.3%
Austria	102 m	-0.6%	15.5%	-0.6%	0%
Czechia	60 m	-6.8%	45.3%	0.9%	14.9%
EU	2.9 bn	-0.3%	35.5%	-0.5%	-0.4%

Source: Eurostat 2022

Of the top ten importing countries, the sourcing of leather accessories from developing countries is higher than the EU average in Germany, the Netherlands, Poland, Belgium, Sweden and Czechia. Austria, however, only imports 15.5% of its leather accessories from developing countries.

Source: Eurostat 2022

### **France: A volume market across value segments with increasing sustainability requirements**

France is the largest leather accessory import market in Europe. In 2022, the value of its leather accessory imports was 630 million EUR (down from 645 billion EUR in 2017). In the last 5 years, the value of France's leather accessory imports has decreased at an average rate of 0.5% per year.

France sources 22.8% of its leather accessory imports from developing countries. This is much lower than the European average. The value of developing country imports grew at an average annual rate of 3.4% between 2017 and 2022. The highest rate of growth was seen in the accessories not carried in the pocket/handbag segment. Between 2017 and 2022, the top ten developing country exporters, led by China and India, maintained their French market shares.



Table 4: French imports of leather accessories by segment, 2022 value; 2022 share; average annual growth 2017-2022

	Value 2022 (EUR)	Market share 2022	5-year growth	Dev country growth 2017-2022	Dev country share 2022
Accessories carried in the pocket/handbag	247 m	39.3%	-5.3%	2.2%	20.6%
Accessories not carried in the pocket/handbag	93 m	14.9%	4.7%	13.4%	24.8%
Worn accessories	288 m	45.8%	3.0%	1.9%	24.2%

Source: Eurostat 2022

France is making its laws stricter regarding sustainability for particular chemicals. It is now a legal requirement in France to inform people about products that contain one or more substances on the REACH Substances of Very High Concern (SVHC) list at the point of sale. It is also the first EU country to introduce specific regulation for MOSH/MOAH. These are mineral oils that are often used in the printing inks of packaging materials and recycled paper.

It will become harder to meet French buyer requirements, and manufacturers should also expect an increased demand for more sustainable products. Price pressure in the budget/volume segment will remain. This could present a challenge for suppliers.

Well-known French leather accessory brands include [Louis Vuitton](#), [Longchamp](#), [Chanel](#), [Celine](#), [Hermes](#) and [Goyard](#).

## Germany: A country with strict sustainability requirements

Germany is the second largest import market for leather accessories in Europe. In 2022, the value of its leather accessory imports was 548 million EUR, down from 578 million EUR in 2017. Over the last 5 years, the value of Germany's leather accessory imports decreased at an average rate of 1% per year.

Germany sources up to 47.5% of its leather accessory imports from developing countries, which is the highest amongst the top ten EU importers. However, the value of developing country imports went down by 2.1% between 2017 and 2022. China lost as much as 6.4% of its market share in Germany in the same period while Pakistan and Indonesia both increased their market shares by more than 1%.

Table 5: German imports of leather accessories by segment, 2022 value; 2022 share; average annual growth 2017-2022

	Value 2022 (EUR)	Market share 2022	5-year growth	Dev country growth 2017-2022	Dev country share 2022
Accessories carried in the pocket/handbag	182 m	33.2%	-2.9%	-5.5%	43.9%
Accessories not carried in the pocket/handbag	80 m	14.7%	-5.2%	-6%	49.8%
Worn accessories	285 m	52%	1.8%	1.6%	49.2%

Source: Eurostat 2022

Germany is a country with strict sustainability requirements. Some German legislation regarding harmful chemicals goes beyond EU REACH legislation. It also has its own social and environmental standard: the Grüner Knopf label, which is displayed on garments at the point of sale. Germany's strict requirements will provide opportunities for higher quality and sustainable products in the coming years, in line with the overall segment trends.

Well-known leather accessory brands in Germany include [Aigner](#), [Picard](#), [Liebeskind](#) and [Braun Büffel](#).

### Italy: The birthplace of luxury leather goods

'Made in Italy' has a reputation for high-quality craftsmanship and design. In fact, many of Italy's luxury fashion houses started out as leather goods stores. The country has its own 'Made in Italy' standard and certification (UNI 11239/EN 16484) and has even introduced leather authenticity legislation, which forbids the use of the term 'leather' when describing leather alternatives like 'synthetic' and 'vegan leather'. The Italian market demands high specifications in terms of materials and finishing.

Italy is also the third largest import market for leather accessories in Europe. In 2022, the value of its leather accessory imports was 491 million EUR, up from 458 million EUR in 2017. In the last 5 years, the value of Italy's leather accessory imports grew at an average rate of 1.4% per year.

Italy sources 32.8% of its leather accessory imports from developing countries, which is just below the European average. The value of developing-country imports grew by 1.5% between 2017 and 2022 with the highest growth seen in the worn accessories sub-segment. During the same period, China's Italian market share decreased (-3.8%) while India and Vietnam increased their market share by more than 1%.

Table 6: Italian imports of leather accessories by segment, 2022 value; 2022 share; average annual growth 2017-2022

	Value 2022 (EUR)	Market share 2022	5-year growth	Dev country growth 2017-2022	Dev country share 2022

Accessories carried in the pocket/handbag	216 m	44%	-1.9%	0.5%	35.6%
Accessories not carried in the pocket/handbag	75 m	15.4%	-1.6%	-11.3%	16.3%
Worn accessories	199 m	40.6%	7.7%	6.6%	36.1%

Source: Eurostat 2022

Well-known leather accessory brands in Italy include [Gucci](#), [Prada](#), [Armani](#), [Furla](#), [Fendi](#) and [Bottega Veneta](#).

### The Netherlands: A distribution hub and European centre for sustainability initiatives

The Netherlands is the fourth largest import market for leather accessories in Europe. In 2022, the value of its leather accessory imports was 270 million EUR, down from 275 million EUR in 2017. Over the last 5 years, the value of Dutch leather accessory imports has gone down at an average rate of 0.4% per year.

The Netherlands sources 47.3% of its leather accessory imports from developing countries, which is higher than the European average. The value of developing-country imports went down by as much as 6.4% between 2017 and 2022. Developing countries lost 17.4% of the Dutch import market. This was largely because the non-worn accessories sub-segments performed badly. China and Vietnam both lost almost 8% market share during the same period, with India gaining the most market share (3.6%).

Table 7: Dutch imports of leather accessories by segment, 2022 value; 2022 share; average annual growth 2017-2022

	Value 2022 (EUR)	Market share 2022	5-year growth	Dev country growth 2017-2022	Dev country share 2022
Accessories carried in the pocket/handbag	76 m	28.3%	-3%	-4%	59.3%
Accessories not carried in the pocket/handbag	36 m	13.4%	-16.8%	-24.7%	53.9%
Worn accessories	157 m	58.3%	10.6%	8.7%	4%

Source: Eurostat 2022

The Netherlands has a good business climate for importing and exporting, is close to the sea and has several

ports. This means it is an ideal channel for product imports into Europe. For this reason, many foreign apparel brands have their headquarters in the Dutch capital, including Nike, Karl Lagerfeld and Tommy Hilfiger.

The Netherlands is also home to a strong community of industry support organisations focussed on sustainability, including Fashion for Good (an innovation platform and accelerator for fashion start-ups), MODINT (trade association) and the non-profit Sustainable Apparel Coalition.

Well-known leather accessory brands in the Netherlands include [Ellen Truijen](#), [O My Bag](#) and [Bear Design](#).

## Spain: Home to some of the largest international fashion retailers in Europe

Spain is the fifth largest import market for leather accessories in Europe. In 2022, the value of its leather accessory imports was 181 million EUR, up from 156 million EUR in 2017. Over the last 5 years, the value of Spain's leather accessory imports grew at an average rate of 3% per year.

Spain sources 31.7% of its leather accessory imports from developing countries, which is below the European average. Overall, the value of developing-country imports stagnated. Developing countries lost 5.4% market share in Spain between 2017 and 2022. India lost as much as 6.2% of its market share during this period, while Pakistan gained 2.4%.

Table 8: Spanish imports of leather accessories by segment, 2022 value; 2022 share; average annual growth 2017-2022

	Value 2022 (EUR)	Market share 2022	5-year growth	Dev country growth 2017-2022	Dev country share 2022
Accessories carried in the pocket/handbag	48 m	27%	-3.2%	-3.7%	41.3%
Accessories not carried in the pocket/handbag	31 m	17.3%	2.6%	3.7%	0.6%
Worn accessories	100 m	55.7%	7.2%	1.9%	33.5%

Source: Eurostat 2022

A few large fast fashion retailers are responsible for most of Spain's import of leather accessories. Import statistics may therefore not reflect the country's relatively low GDP, average wages and underperforming local market.

Well-known leather accessory brands in Spain include [Loewe](#), [Iriarte Iriarte](#) and [La Portegna](#).

## Poland: A country that is increasing its developing country sourcing as its economy expands

Poland is the sixth largest import market for leather accessories in Europe. In 2022, the value of its leather accessory imports was 121 million EUR, down from 183 million EUR in 2017. Over the last 5 years, the value of

Poland's leather accessory imports went down at an average rate of 7.9% per year.

Poland sources 36.2% of its imports from developing countries, which is just over the European average. The value of developing-country imports grew by 4.5% overall. Developing countries gained 16.9% market share between 2017 and 2022. Poland is clearly sourcing more from developing economies, resulting in lower prices. This explains, in part, the decrease we see in the overall value of imports between 2017 and 2022. During this period, China, India and Pakistan's share of the market grew by 4%, 5.9% and 6.3%, respectively.

Table 9: Polish imports of leather accessories by segment, 2022 value; 2022 share; average annual growth 2017-2022

	Value 2022 (EUR)	Market share 2022	5-year growth	Dev country growth 2017-2022	Dev country share 2022
Accessories carried in the pocket/handbag	32 m	26.7%	6.1%	4%	37.3%
Accessories not carried in the pocket/handbag	14 m	11.5%	-33.9%	27.6%	17.5%
Worn accessories	75 m	61.8%	9.4%	4%	37.3%

Source: Eurostat 2022

Well-known leather accessory brands in Poland include [Chylak](#) and [Batycki](#).

#### Tips:

Develop a prospect database and study the websites of brands and sustainability leaders in your target markets and segments. How do they market themselves and how do they describe the innovations they adopt? Fine-tune your product development and messaging accordingly.

Attend free webinars on developments in the leather industry as well as best practices, hosted by companies like [Eurofins BLC](#) and the [Leather Working Group](#).

Visit international fairs to understand market requirements and analyse your competition.

## 4. Which trends offer opportunities or pose threats for the European Leather accessories market?

The European leather accessories market follows general apparel industry trends and developments related to sustainability and circularity. These are driven largely by legislation and new policies under the EU Green Deal.

The leather sector has its own set of sustainability challenges, which has led to the creation of sector-specific initiatives and legislation.

## Strict EU chemicals legislation presents opportunities for compliant suppliers

Various chemical substances are used (and/or released) at different stages in the process of transforming animal hides into finished leather products. Many of these substances are toxic and can have negative impacts on worker safety, human health and the environment. Many of these substances have strict limits for finished products and/or reporting requirements under EU legislation:

- [EU POP Regulation 2019/1021](#): restricts the use of Persistent Organic Pollutants (POPs).
- [EU REACH](#): a strict law that relates to chemical substances in consumer goods, including textiles.
- Hazardous substances that are not yet restricted under legislation are included in the [AFIRM](#) list and the [ZDHC manufacturing restricted substances list](#) (MRSL). These 2 are the leading guidance documents for brands, retailers and suppliers.

Some key substances and groups of substances restricted either by law or best practice include Biocides, Formaldehyde, Chlorinated Paraffins (POPs), PFAS, VOC-emitting substances and heavy metals, such as Chromium (III), Arsenic and Barium, and Chromium VI.

From 2014 to 2020, the proportion of chrome-tanned leather fell [from 85% to 75%](#). This trend is expected to continue as the industry works towards overcoming current limitations of vegetable tanning, such as longer lead times, limited water resistance, initial inflexibility of the leather and limited colour options.

Suppliers that implement effective chemical management systems and focus on process innovation will have many opportunities in the future.

## Plant-based vegan leather alternatives will become more popular

The global market for 'vegan' (animal-free) leather alternatives was worth approximately [39.5 billion](#) USD in 2022. It is expected to reach 74.5 billion USD by 2030, and is applied across the fashion, automotive and home textile industries. Oil-based synthetic materials like polyurethane (PU) or polyvinylchloride (PVC) are cheaper than real leather. They make up the biggest portion of the current 'vegan leather' market, especially in the budget and middle segments.

Figure 8: Several leather alternatives are plant-based, such as [Piñatex](#), which is made from pineapple fibres



Source: [Corinne Kutz on Unsplash](#)

However, as animal welfare concerns and awareness of the environmental impact of leather production increase among consumers, the concept of 'vegan' alternatives is starting to gain ground in the premium and luxury segments, too. Here, the focus is on the development of new, more sustainable, plant-based materials, some of which are derived from agricultural by-products and waste.

Up to **85%** of all carbon emissions generated by the production of cow leather material occur at the cattle farming stage. According to carbon footprint consulting company [Sustamize](#), the carbon footprint of cow skin leather is 110 kg per square metre of leather, compared to 7–15.8 kg for PU leather and just 0.8–8 kg for plant-based leather.

Examples of plant-based materials that have reached the pre-commercial or early commercial stage include:

- [Piñatex](#) - Uses fibres derived from pineapple leaves
- [Mylo](#) - Made from lab-grown mycelium, the root-like system of mushrooms
- [Vegea](#) - Made from grape leftovers from winemaking, vegetal oils and natural fibres from agriculture
- [Desserto](#) Cactus leather - made from organically grown prickly pear cactus plants which require very little water to grow
- [Mirum](#) - A recyclable, circular and 100% plastic-free leather alternative made from natural fibres
- [Uppeal](#) - Made from apple waste

## Example

[PEEL Lab](#), based in Japan, manufactures plant-based leather-like materials made from pineapple leaves, which are typically discarded or burned by farmers. PEEL Lab serves B2B clients, including accessory factories and car manufacturers, and it is exploring expansion into the furniture and shoe industries. They are exploring working with furniture factories in Vietnam on other products.

## Transparency and traceability determine success

In March 2023, the European Commission adopted a proposal for a [Green Claims Directive](#) (GCD). This new law

aims to prevent brands and retailers from making false sustainability claims. It will require companies to back up their environmental claims with data. This is particularly relevant for the leather sector when it comes to claims about deforestation-free leather and 'vegan' leather.

## Vegan leather

The term 'vegan leather' suggests that it is a sustainable alternative to animal leather. This is true when it comes to animal welfare, but when synthetic materials are used, it is not eco-friendly per se. Most plant-based leather alternatives use bio-plastics and/or PU coating to make them more durable and to closely imitate leather's characteristics. This means that they are not truly environmentally sustainable and not biodegradable.

During a 2022 UK consumer survey, [74% of respondents found the term 'vegan leather' confusing](#) and were unaware of the presence of plastics in it. The term is also often used to describe leather alternatives that avoid the processing of animal skins but still use animal products like bone glue.

## Deforestation-free leather

The EU is the [world's largest importer](#) of wet-blue (chrome tanned) leather from Brazil where land clearing to raise cattle is responsible for [80% of the Amazon's deforestation](#). Since leather production is mostly considered a by-product of the beef industry, in the past, leather goods supply chains have not been regulated in the same way. This is changing.

The new [EU Deforestation Regulation \(EUDR\)](#) will come into effect in 2025 to fight deforestation caused by the import of certain products, including leather. Importers of raw hides and leather into the EU will have to complete a 'statement of due diligence'. This confirms that no forests have been cut down for the production of leather. It also guarantees full traceability for the individual hide back to the farm where the animal lived. The regulation does not apply to finished leather products yet, but this may change soon.

The [Deforestation-Free Call to Action for Leather](#) is an initiative led by [Textile Exchange](#), the [Leather Working Group](#) and the [World Wildlife Fund](#). Signatory brands are committed to only sourcing their bovine leather from supply chains that are not associated with deforestation or land that has been converted from natural habitat by 2030. Brands are required to set and meet targets for mapping their supply chains to slaughterhouse level and to use a traceability system to verify the sourcing of deforestation- and conversion-free leather.

Suppliers that can support their customers' needs for transparency and reliable impact-related data through supply chain mapping, product lifecycle assessments and/or carbon footprint calculation will have a competitive advantage.

### Tips:

Map your supply chain by gathering information about your suppliers as well as suppliers further upstream in your supply chain. Relevant information includes activities, processes, social and environmental audit results and valid certificates.


Participate in a short [ZDHC training](#) programme to understand and implement best practices in chemicals management. Work towards eliminating the use of chemicals and dyes that are not ZDHC-approved.

Find more information about the [UK's REACH regulation](#). This regulation entered into force on 1 January 2021 after the UK left the EU.

If you are targeting the luxury or premium market, focus on real leather accessories that are durable and timeless and use neutral colours suitable for vegetable tanning.

Create a collection using plant-based leather alternatives and target sustainability-conscious brands.





FT Journalistiek carried out this study on behalf of CBI.

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