

7 tips to go green in the home decoration and home textile sector

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Environmental sustainability is becoming a key requirement in the European market for Home Decoration and Home Textiles (HDHT). Consumers, businesses and governments increasingly demand environmentally friendly ('green') practices throughout the value chain. To stay competitive in this market, you need to do what you can to become greener.

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1. Sustainability is becoming a must - be ready

Sustainability is quickly becoming part of the core consumer needs, also in HDHT. An impressive [86% of European consumers consider sustainability important](#) or very important. 29% deliberately and consciously buy sustainable products. Especially the younger generations care about sustainability, and they express this by buying products (from companies) that contribute to a better world. To appeal to the European market, now and in the future, you need to be sustainable.

Being environmentally friendly plays an important role in this, although true sustainability is a combination of:

- people: social aspects
- planet: environmental aspects
- profit: aspects like affordability, marketability, productivity and up-scalability of your sustainable offer

Figure 1: CBI webinar on sustainability in the European market for HDHT

Source: YouTube

European legislation is also moving towards increased sustainability, making it a must rather than an option. You need to be prepared for this. With the [European Green Deal](#), the European Union (EU) strives to become climate neutral by 2050. New and updated legislation is being rolled out in the coming years that makes sustainability a requirement.

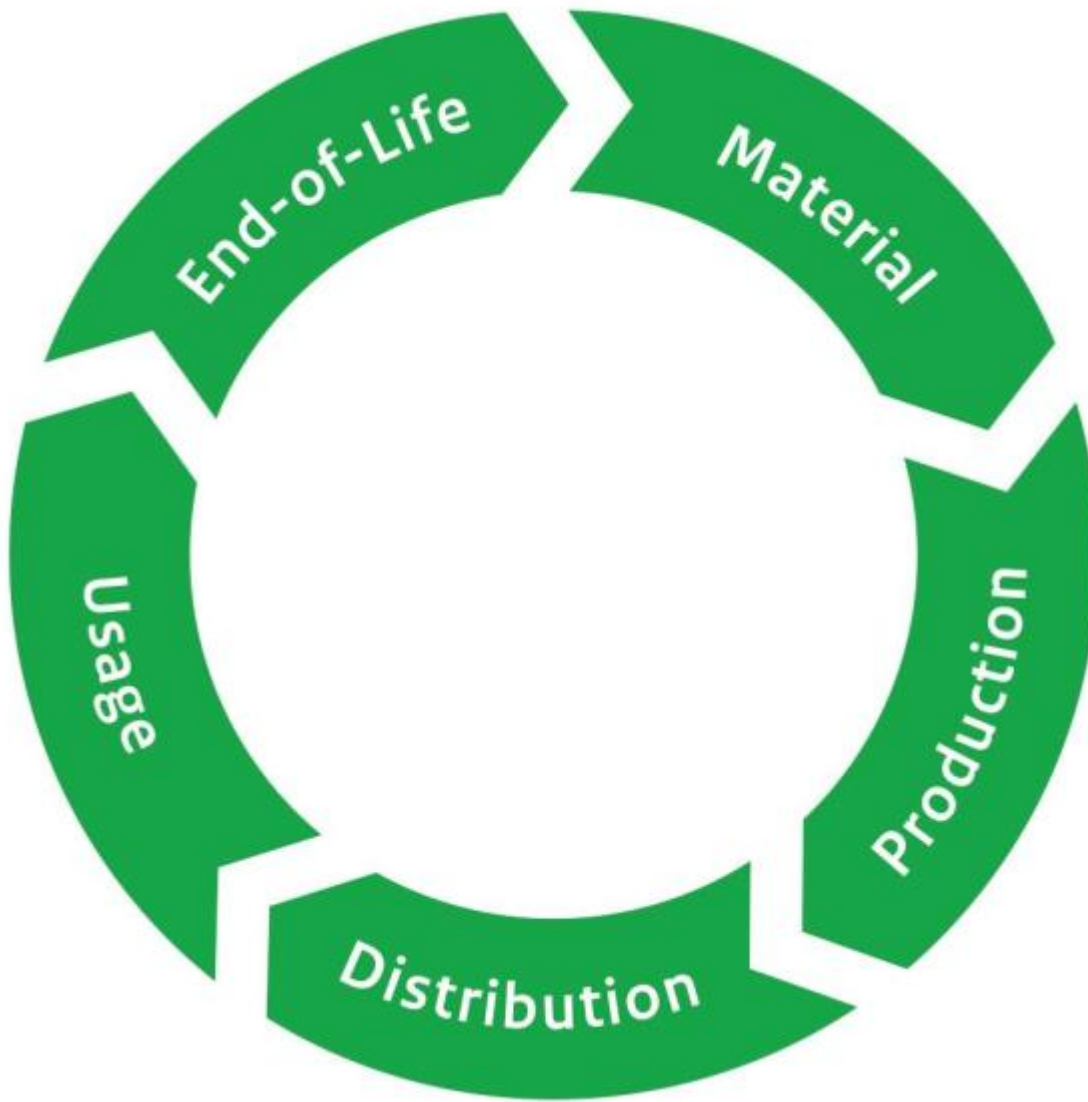
The main environmental sustainability issues in HDHT are related to mass production, using non-sustainable raw materials. Overproduction can also lead to surpluses in the market. Another key issue relates to low-quality products, which consumers (have to) replace quickly. Posing a greener alternative to such unsustainable production, the Green Deal includes a [circular economy action plan](#). In a circular economy, waste is eliminated via concepts such as repair, reuse and recycling.

Figure 2: European Parliament – Repair, reuse and recycle!

Source: [European Parliament @ YouTube](#)

A typical product lifecycle consists of 5 aspects or stages of the product's life. To move towards the circular economy, a product's end of life starts a new cycle. Waste no longer ends up in landfill, but can be regenerated into a new material, starting a new lifecycle. However, you can introduce (more) environmentally friendly practices in each of the 5 stages.

Figure 3: 5 stages of a circular product lifecycle



Source: CBI Sustainable Design Training material

Examples of environmentally friendly practices per stage of the product lifecycle include:

Material: using materials that are renewable, local, recycled/recyclable, and/or waste- or by-products.

Production: avoiding pollution, producing energy efficiently, recycling waste, using renewable energy such as solar power.

Distribution: reducing transport, packing products efficiently and with sustainable materials, designing your products to save space during transport.

Usage: designing your products to be durable, timeless, and/or multi-purpose.

End-of-life: using biodegradable materials, designing your products to be easily dismantled, offering take-back policies

Tips:

Be proactive and make your company and products greener to stay relevant in the European market.

Combine environmental (planet) and social (people) aspects and ensure that your sustainable innovations make sense business-wise (profit).

For more information on the social side of sustainability, see our [tips to become more socially responsible](#).

2. Focus on the stages in your product lifecycle that you can control

Becoming a more environmentally friendly company is a process. Every product has the potential to become greener. You just have to take it step by step and focus on the aspects you have the most control over.

A common way to compare environmental impacts is via estimated carbon footprints (in kg CO2 equivalent emissions). In HDHT, this can be tricky due to long value chains and different production methods. Although large and heavy products generally have relatively large carbon footprints, emissions can vary widely within product groups. Estimations from different sources cannot be compared, due to different methodologies and definitions. Instead, you can compare the carbon impacts of producing materials as estimated by the European Environmental Bureau.

Table 1: Carbon impacts of producing materials contained in furniture

Material	Textiles	Aluminium	Plastic	Steel	Chipboard	Wood
Tonnes CO2 eq. per tonne material	22.0	10.0	3.0	2.5	0.7	0.1

Source: [European Environmental Bureau](#)

While you may be able to use wood instead of plastic, these materials are not all interchangeable. You often have to make sustainable choices within a particular category, such as textiles. In general, [synthetic \(textile\) fibres show a higher impact on climate change than natural fibres](#). For example, the European Commission's Joint Research Centre has estimated the impact of silk at 14.9 kg CO2 eq. per kg of fabric, compared to 35.7 kg for acrylic.

However, choosing environmentally friendly raw materials is not the only way you can improve your environmental impact. You can lower your product's carbon footprint in each of the 5 stages of your product's lifecycle. As a producer, you have the most control over environmentally friendly practices in stages 1-3: material, production and distribution. While these should be your first focus, you can also work on 4 (usage) and

5 (end-of-life) by collaborating with your European partners.

While distribution adds to a product's carbon footprint, smart choices in terms of materials and production methods can help reduce the overall emission. In this context, European importer/wholesaler Original Home has demonstrated that [European sourcing does not always have the smallest carbon footprint](#). Because their glass from Zanzibar is upcycled and processed by hand, it emits even less CO₂ than new glass produced in Germany, despite it being imported by sea. This illustrates the importance of the green efforts you make in your choice of materials and production methods.

[Artisan House](#) from Bangladesh works with natural materials from renewable sources, such as seagrass, jute, straw, date and palm leaf, and water hyacinth. Most production is done by hand by skilled artisans, or with the help of simple machinery. The company actively tries to improve its environmental performance. The latest addition to the company's facilities is an Effluent Treatment Plant, which cleans the water used in production so it can be reused or released into the environment.

To estimate the environmental impact of a product across its lifecycle, you have to do a Life Cycle Assessment (LCA). For example, [ECO IMPACT](#) has developed a methodology specifically for the HDHT industry. Impact ratings per product are becoming increasingly popular. Norwegian furniture manufacturer [Vestre](#) started sharing [EPDs \(Environmental Product Declarations\)](#) in 2020. This practice is also catching on in lower-end segments. Since 2022, Dutch retailer [Xenos](#) publishes Nature Impact Ratings based on the [Global Sustainable Enterprise System \(GSES\)](#).

Tips:

Focus first on developing improved environmental practices in product lifecycle stages 1-3.

Collaborate with your European partners on sustainable practices in the remaining aspects of the lifecycle – for instance, by co-designing for durability or modularity or developing sustainable materials together.

Use a self-assessment tool to estimate the environmental impact of your products, such as [ECO IMPACT's self-evaluation](#).

3. Explore your options for material innovations

Green innovation can take place across your product lifecycle, but it must be in line with market preferences. Sustainable values and practices are now among the core drivers of importers and resellers. Company owners can be motivated by personal reasons, as they realise that they can (and should) contribute to a better world for future generations. In addition, new EU legal requirements make sustainable business a must.

Last but not least, companies may be motivated by the competitive advantage that new sustainable concepts can create in the market. Buyers currently are particularly interested in material innovations. New sustainable concepts can create buzz at trade fairs and on social media. It helps if these innovations show in the product, for instance through attractive texture, colour or other surface features. Certification also helps, as well as communication by means of videos and other types of storytelling.

Material innovations can be divided into three directions:

- recycling post-industrial or pre-/post-consumer waste: well-established practices such as re-using off-cuts from the garment industry in home textiles, or ocean plastics in furniture or curtains
- engineering 'from the lab': especially big industry, using technology or chemical processes to create, for example, new and cleaner dyes or non-pollutive and cruelty-free faux leather
- applying agricultural side products or excess harvests: possibly the latest in material innovations in HDHT, including creating new textiles from pineapple leaf fibres or tree bark

Figure 4: CBI webinar on sustainable innovations for your HDHT business

Source: YouTube

As with any sustainable innovation in your company or value chain, developing sustainable materials into an attractive product for the market remains a process. Often, when you start to prototype a sustainable innovation with your chain partner, you will be asked to change the composition of the material, look at cost and price adaptations or design properties, until your buyer's market embraces it. It is trial and error, and overnight successes in product or process innovations are hardly ever seen.

Ugandan manufacturer Easy Afric Designs has successfully developed a barkcloth material from the Mutuba tree, a fig tree species. A felt cloth is produced by matting the bark that is sustainably harvested by hand, using simple manmade tools. This technology is recognised as a [UNESCO intangible heritage](#). The barkcloth is applied as a material in home textile products such as cushion covers, and in fashion accessories. The company has managed to upscale production sufficiently to offer it as a material or an end-product that has been exported worldwide already.

Tips:

See what you can do in any of the 3 material innovation directions highlighted above. Your choice depends on whether you can have access to consumer or industrial waste that you can use for an

innovation process. If you are in a more agricultural setting, perhaps using agricultural waste is the more logical direction for you. Start with what makes most sense to you, in your immediate context.

Do not go it alone – form partnerships. Innovation processes do cost time and money. You can share this investment by partnering with a manufacturer whose core business is to innovate from the material. They are familiar with the trial and error of an innovation process and can dedicate sufficient resources. Partners can also help you with the processes for formal verification, cooperate with you on design, and boost the communication of your innovation.

Make sure your documentation is in order. This is key to facilitating formal verification towards the market and your buyer later on. Work with Bills of Material, Spec Sheets, and add any internal and external test reports to the relevant files. Also include any material, product or process certifications you may have. European buyers are facing increased legal requirements related to transparency and chain of custody, so the more complete your administration system, the more attractive your offer to your chain partner.

Communicate with your partners in the supply chain. Across the value chain, innovation processes need intensive communication to keep partners informed and motivated. Do not keep quiet when there are hiccups: the more you share and tackle challenges with your partners in the chain, the more they feel empowered and motivated to move forward. Keeping quiet is always the worst option.

Whether you are offering a sustainable product or process innovation, help your buyer create visibility in the market via storytelling and/or certification.

4. Manage the risks in your green innovation process

Green innovation covers both product and process. In other words, green innovations can take place in any part of the lifecycle: material, production, distribution, usage and end-of-life (Figure 3). Respectively, examples are sourcing a new, renewable material; reducing energy consumption in production; designing flat-pack products that can make more effective use of container space; marketing items with a more timeless design; and developing take-back services with your importer.

When you are working on the green innovation of your product or process, risks and challenges can come in different forms. In HDHT, most relate to:

- Money
- Time
- Verification
- Design

Money

Investment should be manageable and in line with an expected return. For instance, green product innovation often involves lots of groundwork with the artisans or manufacturers, negotiations with suppliers, test rounds, and retries. Such development costs cannot be simply included in the cost price of your product. They should come from a special Research and Development (R&D) budget or external investment.

Costings at the prototyping stage may differ considerably from those in a later stage when production systems are adapted to the innovation. And yet, when you are creating more sustainable products or materials, or investing in formal certification, your buyer needs an estimated price at an early stage to assess whether this is going to work for their market. This makes budgeting key to a successful innovation approach, however difficult this may initially be.

Process innovations very much carry a similar risk. For example, introducing a new kiln in your ceramics business may affect the type and use of material, how people work, your energy source, quality and volume of your output. All of this has a direct link to cost-effectiveness.

Time

If the green innovation process takes too long, your chain partners may lose faith or interest in the process. Suppliers of raw materials or semi-products may become impatient about the prospect of getting orders for this innovation. Your buyer, who may have invested in the product or process innovation, may need it for competitive reasons. They may also have started internal and external communication about it. To manage expectations, you need to keep your partners involved and updated.

Verification

You need to make the green innovation of your product or process transparent and verify the environmental values of your innovation in the supply chain or in the market. This requires an admin system that includes a Bill of Materials, documentation on all internal and external testing of your product or production system, and any certifications supplied by suppliers of raw materials or machinery or ordered by you from specialised certifiers or labels. If you cannot prove that you have such a system, your innovation may fail to convince buyers or not help them enough to meet EU legal requirements.

Design

Your green innovation needs to meet market requirements in terms of look and feel, and design flexibility. If it does not, buyers may turn to other options. If you redesign your process to become greener (such as lower energy use), make sure this translates into a more favourable price offer for your buyer as well.

Tips:

Communicate consistently and effectively before, during and after the completion of the green innovation of your product or process to ensure buy-in from all partners in the value chain, from suppliers to buyers. Failure to do so may lead to a loss of time and money for all concerned.

Ensure that your sustainable product and process innovations 'fit' your production system. If your material innovation requires different production techniques, your artisans or workers may resist or require training. If you adapt part of your production system, for instance by replacing a kiln for your ceramics, make sure that it fits neatly in the production process - before (clay processing, glazing), during (type of energy used, firing time) and after it (waste percentages, surface effects).

Try to combine environmental benefits with social benefits in your product or process innovations and communicate both to your stakeholders. If you reduce pollution by changing your source of energy (from coal to gas, or from gas to solar), see if that also leads to improved working conditions.

5. Prepare for new and updated European green legislation

Sustainability is becoming a must in the European market. Not only because buyers and consumers are asking for it, but also because of updates in legal requirements. The new [European Green Deal](#) includes both environmental and social requirements. Its [Circular Economy Action Plan](#) announced initiatives along the entire lifecycle of products. It targets how products are designed, promotes circular economy processes, encourages sustainable consumption, and aims to prevent waste - for example, by introducing new legislation on sustainable design and packaging.

In this context, many European laws are under revision and new laws are being developed. Many of these will apply to European companies' entire value chains. This means that for your buyer to comply, you must meet the requirements of this legislation too. So be prepared!

The EU Corporate Sustainability Due Diligence Directive

In February 2022, the [European Commission adopted a proposal for a Corporate Sustainability Due Diligence Directive](#) (CSDDD). This proposed directive requires larger companies to identify and – where necessary – prevent, end or reduce negative impacts of their activities on human rights and the environment. Both in the company's own operations and in its value chains.

While your company may not be within the scope of the proposed directive, your European buyers may be. This means that even if the new rules do not apply to you directly, they may apply indirectly via your buyers. Larger buyers will have to exercise the required due diligence throughout their value chain, which includes you as a supplier. Because textiles are a high-impact sector, the threshold is lower for textile companies. As the directive has yet to be finalised and approved, the exact implications are not yet clear. Some countries have already introduced national due diligence legislation, like [Germany](#).

Ecodesign for Sustainable Products Regulation

The [European Commission has also started working on an Ecodesign for Sustainable Products Regulation](#). This proposal wants products to be designed to last longer, be easier to reuse, repair and recycle, and incorporate recycled raw materials wherever possible. It also restricts single use, tackles the (too) early failure of products, and bans the destruction of unsold durable goods.

Strategy for Sustainable and Circular Textiles

In March 2022, the European Commission presented a proposal for a [Strategy for Sustainable and Circular Textiles](#) as part of the Green Deal.

The goal of this strategy is to ensure that by 2030, textile products placed on the European market are:

- Durable, repairable and recyclable.
- To a large extent made of recycled fibres.
- Free of hazardous substances.
- Produced respecting social rights.

Deforestation Regulation

In May 2023, the [European Council adopted a new regulation](#) to replace the EUTR. This [Deforestation Regulation](#) (EUDR) will ensure that wooden products like furniture (see Annex I) do not contribute to deforestation and forest degradation. Operators who place these products on the EU market will be required to trace them back to the plot of land where they were produced. The new regulation came into force in June 2023 and will apply from December 2024 onwards. It should also recognise FLEGT-licensed products.

Plastics Strategy

The EU's [plastics strategy](#) is transforming the way plastic products are designed, used, produced and recycled. The [Single-Use Plastics Directive](#) (EU 2019/204) bans selected single-use plastic products for which alternatives exist on the market. It includes products like single-use plastic cutlery and plates. Replacements must be made from biologically sourced materials that can be composted. The plastics strategy also includes the [Plastic Bags Directive](#) (EU 2015/720), which aims to significantly reduce the consumption of lightweight plastic carrier bags.

Packaging

In November 2022, the [European Commission proposed a new regulation on packaging and packaging waste](#). This revision aims to prevent the generation of packaging waste and ensure that all packaging on the EU market will be recyclable in an economically viable way by 2030. It also strives to increase the use of recycled plastics

in packaging.

Green Claims Directive

In March 2023, the [European Commission proposed a new Green Claims Directive](#). A green claim is a claim that a company makes about the environmental aspects or performance of their products and organisations. The proposal wants to:

- Make green claims reliable, comparable and verifiable across the EU.
- Protect consumers from greenwashing (companies pretending to be more sustainable than they are).
- Contribute to creating a circular and green EU economy by enabling consumers to make informed purchasing decisions.
- Help establish a level playing field when it comes to the environmental performance of products.

Figure 5: EU measures to tackle greenwashing

Source: [European Commission @ YouTube](#)

Tips:

Prepare for the upcoming legislation! Discuss with your buyers what they need from you, and how you can help each other in the process.

Stay up to date via the [timeline of the circular economy action plan](#).

Read more about the [CSDDD](#) and the [EUDR](#).

Stay up to date on the proposed [rollout of the new CSDDD, ESPR, EUDR, Green Claims Directive and Packaging Regulation](#).

For more information about the (new) legislation, see our studies on [buyer requirements](#) and [how the EU Green Deal will impact your business](#).

6. Use voluntary standards and certifications to prove your green performance

Voluntary sustainability standards and certifications can “prove” your sustainability and may help you to facilitate your buyers’ due diligence processes.

The [ISO 14001](#) standard sets out a framework for setting up an effective environmental management system. Such a system can help companies reduce their environmental impact and comply with regulations. If you meet the ISO 14001 requirements, you can apply for certification. ISO 14001 certification clearly demonstrates your commitment to running a green business.

Figure 6: ISO 14001

Source: [ISO @ YouTube](#)

In addition to documenting your company’s environmental performance as a whole, you can also opt for material-specific certification. You can either apply for certification of your own materials or buy certified raw materials from your suppliers.

Popular certifications include:

- wood or paper: [FSC](#) and [PEFC](#) chain of custody certification
- recycled wood or paper: [FSC Recycled](#) label
- textiles: [GOTS](#) (organic) and [OEKO-TEX STeP](#) and/or [Made in Green](#)
- recycled materials: [GRS](#)

These environmental standards often include social requirements too. In turn, popular sustainability initiatives such as [BSCI](#) and [Sedex](#) (with its [SMETA audit](#)) that mainly focus on social standards also contain environmental components. Even fair-trade labels like the [World Fair Trade Organisation](#) (WFTO) Guaranteed System and [Fair](#)

[For Life](#) certification include aspects of environmental sustainability as well. This illustrates the importance of a holistic approach to sustainability, including both green and social efforts.

[Ashoka Exports](#) is over half a century old, but still up to date with today's market requirements for verification and traceability. They offer various types of bags and home textiles in jute and cotton. Their "constant endeavour" is "to move towards a greener globe", starting with their own product and process. Ashoka's organic cotton is GOTS-certified. They also have GRS certification, showing their belief in the recycling process. They are not forgetting the social side either, being audited as per the social standard of SMETA.

Tips:

Determine which initiative or certification programme would be the best fit for you and apply for it if you can. Even if applying is not feasible, you should carefully document your company processes to support your story.

For wood or paper, see the [five steps towards FSC certification](#) and/or [how to become PEFC Certified](#). For textiles, check the possibility of sourcing certified organic cotton yarn or fabric instead of applying for your own certification.

Read more about [FSC](#), [PEFC](#), [GOTS](#) and [OEKO-TEX](#) in the ITC Standards Map.

Use self-assessments like the [BSCI Producer Self-Assessment](#), a code of conduct like the [ETI Base Code of labour practice](#), or WFTO's [fair-trade principles](#) to show your overall sustainability performance.

For more information about sustainability standards and certifications, see our study on [buyer requirements](#).

7. Specify your green principles in your Code of Conduct

A Code of Conduct is a set of values and principles that a company and its employees must adhere to. It clearly communicates these rules to both your internal and external stakeholders. A good Code of Conduct can both inspire the people inside your organisation and make external partners want to engage with you more.

Codes of Conduct are a process. They make corporate promises to the world. However, stakeholders will believe your promises based on how they have experienced the behaviour of your company and how the Code of Conduct matches that reality. So, you should start your strategic process with a mission statement and a few years of living your mission statement, to establish trust. Then, you can develop a Code of Conduct.

A well-rounded Code of Conduct contains both social and green practices. If you are mainly environmentally oriented, you start with detailed and ambitious green promises. This is how your stakeholders know you and appreciate you. If your concept has been built on a particular social principle – like women empowerment – then it makes sense to start there. You should be authentic and use your tone of voice in your Code of Conduct. Do not use fancy words if they are not yours. Make sure your stakeholders can understand and 'believe' you. Copy-paste documents will not convince them.

You can, however, use internationally known and accepted Codes such as the [BSCI Code of Conduct](#) as a starting point. BSCI members often base their supplier Code of Conduct on this format, like [Søstrene's Grene](#). The BSCI Code of Conduct mainly focuses on social principles but also includes a paragraph on protecting the environment. Such Codes of Conduct are quite generic because they apply to different types of companies in different sectors. Your company's Code should be more specific and tailored to your particular values and

principles.

Tips:

Be specific about what you are doing. Your code of conduct describes your specific practices, so avoid copying others. Authenticity in communication is key to acceptance by stakeholders and that includes your Code of Conduct, both in its content and its tone of voice.

Describe what you still intend to prove, how and when. Sustainable innovations are never perfect, for anybody in any part of the industry. Being honest about this and your ambitions will help towards the credibility of your statements.

8. Look for funding, investors and partners that can help you become greener

To make your business greener, you may need support – be it financial or practical. Partnerships are often your best option.

Other forms of indirect support to facilitate your sustainable innovations are also possible. For example, co-creation with partners in your part of the chain (such as suppliers and processors of raw materials) can be a way of sharing cost and know-how. It also keeps the time-to-market as short as possible.

For indirect investment, forms of technical assistance like [PUM](#), [SES](#) and [SEC](#) may be able to support you with expertise and sometimes even with small budgets. Such knowledge may speed up your innovation process, cut costs, and create market acceptance. Especially when the assistance comes within development programmes such as those by [CBI](#), [GIZ](#) or [ITC](#).

Another option is crowdfunding, which is quite common for sustainable innovations today. However, this requires a lot of work in preparation, communication and actual fundraising for relatively limited funds. Crowdfunding initiatives are often aimed at Western businesses, in which case you may need to partner with your buyer. Examples of platforms are [GoFundMe](#) and [Indiegogo](#).


In the European fairtrade segment, some investment from fairtrade importers and world shops is available periodically for sustainable innovation. Importers often have internal or external funding available for support to the small and medium-sized enterprises (SMEs) that supply to them, and so do fair-trade retailers – they often reserve part of their profit for investment in SME projects.

Tips:

Form partnerships with your European buyers to formulate a (business) plan around your sustainable innovations. This can help them to access EU or private funds related to sustainable innovation. Such partnerships will also create a stronger, lasting relationship with your buyer.

Discuss with your buyers if they want to contribute financially or with know-how in exchange for the opportunity to introduce your sustainable innovation exclusively into their market channels.

Use financial professionals to help you formulate proposals and write a business plan if you want to access external funding. They may of course charge a fee.



Globally Cool B.V. in collaboration with Remco Kemper and GO! GoodOpportunity carried out this study on behalf of CBI.

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