



Success Stories
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Melitopol: social inclusion enterprise makes transition from garment production to PPE for health care workers

In early 2020, representatives of the Everything Is Possible Charitable Foundation in Melitopol began creating a social inclusion enterprise that produces garments with the backing of the International Technical Assistance Project Partnership for Local Economic Development and Democratic Governance (PLEDDG). The initiative is being implemented within the framework of the SME Development Support Fund. The team is preparing to make textile goods for the Ukrainian market and for export. The social mission of the enterprise is to help women from vulnerable groups: victims of violence, internally displaced people, the unemployed, and women living with disabilities. Melitopol has never had a project like this before, since local businesspeople are mostly focused on maximizing their profits and have a low level of motivation to address pressing social issues, much like elsewhere in Ukraine.

The chosen line of activity of the enterprise could not be more relevant in the current situation in Melitopol. In recent years, many of the city's export-oriented businesses have lost their sales markets and scaled back output, resulting in rising unemployment. The population has grown at the same time: many residents of Luhansk and Donetsk regions were forced to relocate to Melitopol, fleeing the armed conflict. Also, as many men have been involved in the armed hostilities, women have faced the challenge of meeting their families' needs, financially and otherwise, on their own. The newly-formed social inclusion enterprise aims to support women by creating training and employment opportunities for them.

“The experience of the Poltava-based “Training and Production Centre” inspired us to go ahead with the initiative. For many years now we have been cooperating with its co-founder, the Light of Hope charity. Our colleagues in Poltava repeatedly shared their social inclusion business model, and at one point we decided to borrow their idea and launch its continuation of sorts in our native Melitopol. Our enterprise will collaborate with European clients, but we will also fill orders from Ukrainian businesses and entities. In particular, our plans include making branded textile goods for the city, and we have already made advance arrangements with the city authorities,” says Ilona Serebryakova, leader of the project “Creation of an Export-Oriented Social Inclusion Enterprise in Melitopol”, and Director of the Violet Crisis Centre.

Replication of the Poltava experience demonstrates that the social inclusion business model can operate successfully and have a favourable social impact. Following the example of the Training and Production Centre in Poltava, the team in Melitopol will make dresses, blouses, tunics, and pinafores on a rolling basis. Foreign clients will handle procurement of essential materials and logistics, as well as the sale of end products. By the end of 2020, the enterprise will have created jobs for 10 to 15 women, thereby making its own contribution to efforts to improve the social and economic situation for Melitopol facilities facing challenging times.

“ “Why do we focus on women in particular? A crisis centre for women who are victims of domestic and gender-based violence is one of the divisions within the “Everything Is Possible” charitable foundation. It opened in 2019 and is called “Violet”. We regularly deal with women who suffer from violence, particularly the economic kind. They do not have higher education or qualifications that they could monetize and be self-sufficient. We want to help them overcome crises, with dignity, and become independent. Among other things, we signed an agreement with Melitopol Vocational School No. 10 where women can receive free theoretical training as seamstresses and then complete on-the-job training with us. We plan to train 20 to 25 women annually and employ some of them,” **Ms. Serebryakova** adds.

As of September 2020, renovations are in the homestretch on the premises rented for the training and production facility. All the essential equipment has been bought with the aid of PLEDDG. The enterprise plans to launch full-scale operations in October. The COVID-19 pandemic necessitated certain adjustments to the initiative and slowed down the overall progress. It took a lot of extra time to re-purpose the premises for industrial-scale operations in accordance with newly introduced health codes accounting for the pandemic. And yet the team in Melitopol rose to the challenge and instead responded to the new needs of the city by filling their first big order.

“ “When the pandemic began, we learned that the Melitopol Municipal Infectious Diseases Hospital needed personal protective equipment (PPE) for medical workers. We took on a government contract for disposable medical coveralls and masks. We made arrangements for our seamstresses to work remotely: each one of them worked from home using their own equipment. By July, seven seamstresses had made 960 coveralls and over 2,000 masks. The order was filled to a high-quality standard, with seams painstakingly sealed in every product. It is thanks to PLEDDG that we managed to buy a special-purpose seam-sealing machine. We installed it in the renovated part of the production premises, and it was operated by one of the seamstresses. As a result, we complied with quarantine restrictions, since the worker did not come into contact with anybody else,” **Ms. Serebryakova** said.

To bring their textile goods to the European market, the team in Melitopol hired a social inclusion business development expert, Roman Drozd, co-founder of the Poltava-based NGO “Training and Production Centre Social Inclusion Enterprise”. They also plan to collaborate with the Zaporizhia Chamber of Commerce and Industry that will provide free consultancy and technical support.

“ “My core tasks are to provide consultancy and technical support needed to set up the operations of the social inclusion enterprise, as well as mentorship to facilitate the expansion to the foreign market. I will facilitate the signing of contracts with European clients specializing in outerwear production. We plan to develop four lines of business jointly with the Melitopol enterprise: making garments to be sold abroad, creating our own line of clothing and selling it domestically, bidding on contracts in ProZorro, and securing funding from the local budget for the development of private enterprise. Our plans for the future involve combining social inclusion enterprises that make garments into a single cluster and operate both internationally and locally under a common brand ‘My Space’,” says **Mr. Drozd**.

In other words, the initiative brought to life under the auspices of PLEDDG will yield results in several areas at once: first, a boost to export operations of small and medium enterprises and, second, social and economic support for women in challenging situations and creating opportunities for their self-actualization.



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The series of success stories #ChangingCities demonstrate successful examples and innovative approaches to democratic governance and local economic development in Zaporizhzhia, Vinnytsia, Poltava and Ivano-Frankivsk oblasts in Ukraine, that have resulted from the efforts of the international technical assistance project “Partnership for Local Economic Development and Democratic Governance” (PLEDDG) which is being implemented by the Federation of Canadian Municipalities and funded by Global Affairs Canada.

