

JUST TRANSITION CASE STUDY

TEXTILE AND APPAREL, EASTERN PARTNERSHIP



Integrating vulnerable groups into the textile sector in Eastern Partnership countries

Programme: RECONOMY (HELVETAS / Sida)	Country: Armenia, Georgia, Moldova and Ukraine (Eastern Partnership)
Sector: Textile	Market actors and partners: National Polytechnic University of Armenia, Tbilisi State Academy of Arts, Fashion and Garment Chamber of Armenia, E-Circular Centre in Moldova, Ziphouse Moldova, Sustainability Innocenter in Ukraine (based in Sweden) and UKRLEGPROM
Intervention Period: 2021-2026	JT Dimensions: Social Inclusion, Skills Development, Sector Transformation

CONTEXT AND JUST TRANSITION RELEVANCE

The textile and apparel (T&A) sector is an important employer in the Eastern Partnership (EaP) region, with a disproportionately high share of women workers — particularly from rural areas and vulnerable communities. In Armenia, the sector employed over 8,000 people by 2019 and has been expanding steadily; in Moldova it accounts for nearly 14.4% of total exports and employs some 29,600 people, 84% of whom are women in rural areas. In Georgia, the sector has emerged as a key pillar of green economic diversification.

Across the region, the sector is affected by a dual transition: a green transition towards circular production models, zero-waste design, and alignment with EU Extended Producer Responsibility (EPR) frameworks; and a social transition in which vulnerable and excluded populations — refugees, internally displaced persons (IDPs), people with disabilities, domestic violence survivors, and economically marginalised women — are seeking new pathways into formal employment and self-employment. The September 2023 displacement of 115,000 people from Nagorno-Karabakh into Armenia — and the ongoing presence of

Ukrainian refugees in Georgia — created urgent demand for labor market integration pathways. The T&A sector, as a laborintensive industry with relatively low entry barriers, can expand access to employment for workers with limited formal qualifications, while offering pathways to professionalization and green skills. However, these opportunities are uneven across the sector, and ensuring decent working conditions remains a key challenge. Labour demand is key here: absorption only happens if the sector is growing, and getting key target groups employed depends on (1) the workers acquiring the key skills and (2) matching them to the employers who are actively hiring. This is about access to work, not job creation, and the binding constraints are on both sides of the access problem: current or recognized skills and job-matching infrastructure.

RECONOMY has responded to both the double transition and the specific challenge of including refugees and internally displaced people through a set of interventions that pursue green skills development and social inclusion simultaneously.



JUST TRANSITION ACTIVITIES

RECONOMY worked through the sector's own institutions (universities, business advisory organisations, and enterprises) rather than creating a parallel delivery system. The goal was access to work for a defined target group, pursued on two fronts: building the green skills the sector needs, and matching trained people to employers who are hiring.

Reconomy supported different actors in the Eastern Partnership with a range of different activities aiming to improve competitiveness and sustainability in the textile sector, with a focus on creativity, innovation, design, workforce skills development, productivity and circular economy. As part of this bigger intervention in the sector, several activities directly related to Just Transition can be highlighted.

1. Integrating Refugees into the Textile Sector — Georgia (UNHCR Partnership)

RECONOMY partnered with Tbilisi State Academy of Arts (TSAA) and UNHCR to enroll Ukrainian refugees in newly developed green textile curricula covering zero-waste design, eco-printing, and sustainable materials. The curriculum was not designed as a separate track for refugees or other vulnerable groups, but was mainstreamed into the Academy's accredited programs, ensuring that refugee students graduated with the same certified credentials as their peers, strengthening their long-term employability. At the same time, SMEDA (SME Development Association)

created employer roadmaps and internship pipelines – with 18 students completing internships across three Georgian textile enterprises – connecting graduates directly to the labor market, highlighting the job matching function in practice. ATIPFUND, working with domestic violence survivors, extended the same pathway to women affected by gender-based violence.

2. Skills for Internally Displaced Persons — Armenia (Nagorno-Karabakh)

Following the September 2023 displacement, RECONOMY rapidly deployed targeted sewing and business skills training for displaced women at NPUA, through extracurricular modules designed for immediate deployment.

Courses covered practical sewing and production techniques, social media marketing for small textile businesses, financial management for micro-enterprises, and the principles of sustainable and circular fashion.

Following the success of the pilot application with the displaced women, RECONOMY supported NPUA to mainstream the courses into regular student curricula and to extend them to rural colleges. This led to a model, where skills development originally designed as a crisis response, has become a permanent feature of vocational education in Armenia. A Training of Trainers has been completed, with NPUA now periodically conducting more ToTs independently, building durable delivery capacity beyond the project cycle.



3. Adaptive Clothing for People with Disabilities — Armenia (PolyArt Lab)

RECONOMY supported NPUA's Gyumri Branch to establish the PolyArt Lab, an Adaptive Clothing R&D Laboratory co-designed with persons with disabilities, civil society, and industry. The lab combines user-driven research, digital production technologies, and eco-efficient manufacturing to create functional, fashionable clothing for people with disabilities. This initiative

addresses a largely invisible market gap by focusing on the development of functional, fashionable clothing designed for and with people living with disabilities in the South Caucasus. A Memorandum of Cooperation between NPUA Gyumri and Caritas-Aregak NGO (Shirak Province) provides an entry point to co-design and needs assessment. This highlights a promising attempt to create a new market, which could lead to job creation, but only if both supply and demand are established and sustained.

KEY RESULTS

991

Jobs
Created

590

Young women
employed

30

People from
vulnerable groups
employed

699,287 CHF

Increase in
income

Long-term impacts:

By embedding green textile skills into NPUA and TSAA curricula, RECONOMY has created a lasting pipeline of green-skilled graduates entering the T&A labour market, with 396 NPUA and 372 TSAA graduates already employed as a result of the intervention.

Genya, an internally displaced woman from Nagorno-Karabakh, former history teacher and now a career guidance advisor at NPUA, has built a second career — taking on sewing orders and showing, through her own example, that starting over is possible



SCALE AND SUSTAINABILITY: MARKET SYSTEM DEVELOPMENT IMPLICATIONS

The example interventions from the textile sector show the potential of focusing on access to work in a specific sector with clear demand for labour, with reinforcements between social inclusion and the green transition. By equipping vulnerable groups with green skills and addressing job matching functions, they become part of the green transition of the sector.

Mainstreaming new skills into university curricula leads to permanent change:

University curriculum integration at TSAA (Georgia) and NPUA (Armenia) means that all future textile graduates, not just those enrolled during the program, will receive sustainability and inclusive design training. This is a good example of systemic change in a supporting function (skills development).

Social inclusion in crisis-response contexts can be integrated into the existing market system:

By integrating refugees into accredited training programmes and universities, delivery was channelled through existing structures, avoiding parallel or unsustainable alternatives, and giving participants real long-term prospects in the Georgian labor market. A similar approach could be replicated with existing actors in Ukraine, where internal displacement has created comparable integration needs.

Creating a new market opportunity could generate employment in rural regions of Armenia:

The PolyArt adaptive clothing lab at NPUA Gyumri represents a market creation opportunity. Adaptive clothing is a near-absent product category in Armenia: there is neither meaningful supply nor an organised consumer market. By anchoring R&D in a university setting, with Caritas-Aregak ensuring meaningful engagement of people with disabilities, the conditions for a new market segment capable of generating employment in underserved regions have been created.

