

Kateryna Kravchenko

*Kyiv National University of Technologies and Design
(Kyiv, Ukraine)*

Inna Makhovych

*Kyiv National University of Technologies and Design
(Kyiv, Ukraine)*

UKRAINE AS A GROWING HUB IN EUROPEAN FASHION AND FOOTWEAR PRODUCTION

International fashion retailers and brands, including Inditex (owner of Zara), Hugo Boss, and Decathlon, as well as footwear companies such as Lowa and Rieker, have increasingly engaged Ukrainian manufacturers in contract production of apparel and footwear. This trend reflects broader transformations in global supply chains, particularly the growing importance of nearshoring strategies aimed at reducing lead times and increasing production flexibility (Diia.Business, 2025; European Apparel and Textile Confederation [EURATEX] & Ukrlegprom, 2022).

Strategic Advantages of Ukraine for Nearshoring

Ukraine demonstrates a number of structural characteristics that may enhance its attractiveness as a manufacturing partner for European companies. One of the key factors is the availability of a skilled workforce. Ukrainian specialists in garment and footwear production exhibit a high level of technical competence, particularly in working with natural leather and complex materials, which contributes to consistent product quality (Ukrlegprom, 2025).

In addition, production costs in Ukraine remain relatively competitive compared to traditional European manufacturing hubs such as Italy and Portugal. This cost-quality ratio may position the country as a viable alternative within regional supply chains (Diia.Business, 2025).

Geographical proximity to the European Union constitutes a significant logistical advantage. Road transportation between Ukraine and EU countries typically enables delivery within a few days, which is considerably faster than intercontinental shipping from Asia (European Apparel and Textile Confederation [EURATEX] & Ukrlegprom,

2022). This contributes to shorter production cycles and may also reduce inventory-related costs.

The Zakarpattia region has historically developed into a significant industrial cluster due to its proximity to EU borders, including Hungary, Slovakia, and Romania (Kalantaridis et al., 2003; Kalantaridis, 2008).

Modernization and Compliance with International Standards

Cooperation with international brands has contributed to the modernization of Ukraine's light industry. Enterprises involved in global value chains are required to comply with international standards related to product quality, environmental sustainability, and labor practices (Ukrlegprom, 2025).

In particular, many manufacturers have implemented ISO 9001 (quality management systems) and ISO 14001 (environmental management systems), which are often considered prerequisites for cooperation with large international partners (Ukrlegprom, 2025).

Furthermore, participation in global supply chains necessitates adherence to corporate social responsibility principles, including the provision of safe working conditions and compliance with labor regulations. These requirements have contributed to gradual improvements in production processes and management systems within the sector (EURATEX & Ukrlegprom, 2022).

Industry Scale and Export Orientation

Prior to 2022, the textile, apparel, and footwear industries constituted a significant segment of Ukraine's manufacturing sector. The European Union accounted for over 40% of exports in the light industry, indicating a high level of integration into European markets (Diia.Business, 2025; Ukrlegprom, 2025).

In the footwear segment, Ukraine has historically exported large volumes of products to EU countries, with a substantial share produced under contract manufacturing arrangements (Kalantaridis, 2008). According to industry data,

approximately 30% of Ukrainian footwear enterprises were involved in production for international brands (Ukrlegprom, 2025).

At the same time, the country remains primarily positioned as a manufacturing base within global value chains rather than as a widely recognized origin of independent fashion brands in international retail markets (Diia.Business, 2025).

Challenges and Future Outlook

Despite its structural advantages, Ukraine's light industry has faced significant challenges in recent years. Since 2022, the ongoing war has disrupted logistics, reduced workforce availability, and negatively affected production capacities (EURATEX & Ukrlegprom, 2022).

Nevertheless, available evidence indicates partial recovery of production and export activities, suggesting a degree of sectoral resilience (EURATEX & Ukrlegprom, 2022). Continued cooperation with European partners supports not only export activity but also technological modernization and knowledge transfer. In the context of increasing importance of nearshoring within Europe, Ukraine may retain strong potential as a strategic manufacturing partner due to its combination of skilled labor, cost efficiency, and geographical proximity (Diia.Business, 2025; Ukrlegprom, 2025).

REFERENCES

1. Diia.Business (2025). Apparel and Footwear. Ministry of Economy of Ukraine. Available at: <https://export.gov.ua/directory/industry/clothes-and-shoes> (accessed: 16 April 2026).
2. European Apparel and Textile Confederation (EURATEX) & Ukrlegprom (2022). UKRLEGPROM Newsletter July 2022. Available at: <https://euratex.eu/wp-content/uploads/UKRLEGPROM-Newsletter-July.pdf> (accessed: 16 April 2026).
3. Kalantaridis, C., Slava, S. and Sochka, K. (2003). 'Globalization processes in the clothing industry of Transcarpathia, Western Ukraine', *Regional Studies*, 37(2), pp. 173–186. Available at: <https://www.tandfonline.com/doi/abs/10.1080/0034340022000057442> (accessed: 16 April 2026).
4. Kalantaridis, C. (2008). 'Globalisation and Industrial Change in the Clothing Industry of Transcarpathia, Western Ukraine', *Environment and Planning A*, 40(5), pp. 1218–1236. Available at: <https://journals.sagepub.com/doi/10.1068/a38452> (accessed: 16 April 2026).
5. Ukrlegprom (2025). Overview of the Ukrainian Textile, Clothing, Leather and Footwear Industry. Available at: <https://ukrlegprom.org/wp-content/uploads/ukrlegprom-overview-2025-1.pdf> (accessed: 16 April 2026).