



SUCCESS STORY

GAGAUZ APPAREL COMPANY CREATES JOBS FOR WOMEN IN RURAL AREAS

RiDiager, a clothing manufacturer in the Gagauzia Autonomy, upgrades its facilities, opens new factories and creates jobs for rural women with USAID and Sweden support.

"We have opened production units in five villages and now have 200 employees, including many young women with school-aged children. With the production units close to home, our employees don't waste time commuting. Now they can spend time with their families in the mornings and the evenings."

Svetlana Arabadji, 50, walks through her factory early in the morning and chats with the seamstresses. She exchanges greetings and asks about their families, while also checking the quality of their sewing and finishing work. It is a hardworking, but collegial atmosphere, and one that Svetlana has worked hard to create.

An entrepreneurial spirit

Svetlana is the director and owner of the RiDiager apparel company based in Comrat, the main city of Gagauzia which is home to the Gagauz ethnic minority. She took over the company in 2009 when she bought out a Belgian investor who had decided to withdraw from the Moldovan market. Her entrepreneurial senses told Svetlana that even if she had no financial backer, she needed to find a way to get a loan and buy the company, to take advantage of the already trained personnel, and the already functioning equipment.



"I used to have a reputation as a very strict and rigid manager. But now, the seamstresses understand their salaries depend on the standard of their work. When I stress the importance of productivity, my employees know that I care about them, the client and also our brand."

Svetlana Arabadji,
director and owner of the RiDiager apparel company in
Comrat, Gagauzia region in Moldova

Creating quality rural jobs for women

Since then, Svetlana has upgraded her production facility, improved working conditions begun to make the shift from a cut-and-make manufacturer to a producer of an in-house fashion label, as a result of sustained support from the USAID and Sweden-funded Moldova Competitive Project (MCP).

"The grant we received from the MCP SEED Fund was critical" explains Svetlana. "We co-invested to upgrade our equipment and buy 20 new sewing

machines. This enabled us to open a new production facility with 50 jobs for women in the village of Belsama, 30 km from Comrat. In total, we now have production units in five villages and employ 200 people, including many young women with school-aged children. With the production units close to home, our employees don't waste time commuting. Now they can spend time with their families in the mornings and the evenings."

Developing a European-quality in-house label

Svetlana's two sons and their wives came to join her and turn RiDiager into a family business. Her daughter-in-law Ala is the brand's lead designer and received support from the MCP Flying Designers mentorship program, which partners international design consultants with Moldovan professionals to upgrade their design processes. "With the guiding and coaching of the flying designer we were able to create a collection for our own brand and made our debut at Moldova Fashion Days in 2017" says Ala. "Fabric quality dictates the final quality of the product and makes a real difference in terms of where we can export our apparel. MCP also supported us to attend sourcing exhibitions and access markets to import quality raw materials to improve our marketability".

Good working conditions yield results

Svetlana's vision for RiDiager is of a good quality workplace providing decent salaries for rural women, which in turn will result in strong returns for her business: quality production with a lower turnover of seamstresses, and so higher productivity. This vision is aligned with MCP's strategy to enhance the sustainability of Moldova's light industry and is already yielding results. "Last year a Japanese automotive plant opened very close to our factory, almost over the wall. There were many rumors that we would lose all of our employees to the new jobs next door" says Svetlana. "But I am proud to say that none of our workers left – they all stuck with RiDiager. The loyalty of our seamstresses is a sign that they feel good here – they are treated well and with respect, they are paid well, and feel comfortable: like they are part of the family".

Ridiager SV SRL has been in operation for more than 12 years and was originally created in cooperation with European women's clothing manufacturers. Today, the company has 10 specialized production lines and also makes its own in-house clothing collection. RiDiager currently



Photo credit: Olesea Galusca, MCP

Photo caption: Svetlana Arabadji, RiDiager director, in a factory tour with USAID Moldova representatives – Lynn Vega Deputy Director, Dan Thomson, Head of EG, Doina Nistor, MCP COP and Sergiu Botezaut, Senior Manager USAID Moldova

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employs a total of 197 people, including 80 in the city of Comrat and 120 in smaller production units in the villages of Vulcanesti, Ruscoe Kisele, and Besalma.

Apparel manufacturing is one of Moldova's leading export industries, comprising 16.6% of total exports (2017) and realizing 11% annual export growth. MCP invests in apparel manufacturing to improve working conditions for the 28,700 people employed by the industry across Moldova, 90% of whom are women, and to support companies to transition to the production of higher value-added own-label products, which yield higher revenues and lead to higher salaries for seamstresses (currently \$340/month, up 8% on 2017).

MCP has provided wrap-around support for RiDiager, including a \$21,400 SEED fund grant to open the new production unit in the village of Besalma, creating 50 new jobs, supporting the company to attend trade shows in Russia, Kazakhstan and France, and mentorship and training from international design and pattern making consultants via the Flying Designers program.