



International
Labour
Organization

Expanding childcare services to boost women's entrepreneurship and employment in Ukraine

A CASE STUDY

Executive summary

In 2023, the International Labour Organization (ILO) launched an initiative in Ukraine to address the low labour market participation of women with young children by enhancing access to childcare services through alternative, affordable, accessible, and scalable childcare solutions.

The initiative successfully piloted several childcare models, including employer-supported childcare facilities, mini-kindergartens, and family-type nurseries. These initiatives not only expanded childcare options but also created entrepreneurship opportunities for women in the care sector.



Key achievements include:

- ▶ Establishment of three onsite kindergartens in both public and private institutions
- ▶ Creation of nine new kindergartens run by women entrepreneurs and two on-site childcare facilities
- ▶ Development of occupational and qualification standards for childcare workers
- ▶ Support for ongoing reforms in preschool education and parental leave policies
- ▶ Contribution to the implementation of Ukraine's Gender Pay Gap (GPG) Strategy.

Throughout implementation, the initiative placed a strong emphasis on promoting decent work within the childcare sector. This included efforts to formalize individual childcare workers and unlicensed centers, ensuring better working conditions and social protection. The development of occupational and qualification standards for childcare workers helped professionalize the sector, leading to better recognition and potentially improved working conditions.

The success of this initiative has led to additional funding from the Swedish International Development Cooperation Agency (Sida), allowing for a significant scaling-up of the initiative's activities and impact.

Local economic and gender equality context

- ▶ Prior to the war, women's employment rate in Ukraine was notably low at 43%¹, largely due to the inactivity of young women (ages 25–39) with family responsibilities. By April 2023, women constituted 72% of the registered unemployed².
- ▶ In terms of women's entrepreneurship, as of 2021, women owned 46% of small and medium-sized enterprises (SMEs) in Ukraine³. However, they faced significant barriers, including limited access to finance, with only 25% of women entrepreneurs able to secure bank loans compared to 39% of men⁴. Additionally, women-led businesses were predominantly in sectors with lower growth potential, such as retail and services⁵.
- ▶ The childcare sector in Ukraine faced significant challenges, including limited availability of formal early childhood education and care places, especially for children aged 0–3, with only 4% of childcare centers being private and often unaffordable for low-income families⁶.

1. <https://www.ilo.org/projects-and-partnerships/projects/enabling-participation-women-labour-market-expanding-childcare-services>

2. https://ukraine.un.org/sites/default/files/2024-04/UNUkraine_20240415_AnnualRecoveryResultsReport_2023.pdf

3. <https://www.oecd.org/eurasia/countries/OECD-Policy-Responses-to-Coronavirus-COVID-19-SME-and-Entrepreneurship-Financing-in-Ukraine.pdf>

4. <https://www.ebrd.com/news/2023/ebd-and-eu-support-ukrainian-women-led-businesses.html>

5. <https://www.un.org/ukraine/news/women-ukraine-are-driving-economic-recovery-despite-immense-challenges>

6. <https://www.unicef.org/ukraine/en/media/44646/file/Nurturing%20Ukraine%E2%80%99s%20future%20through%20Integrated%20Early%20Childhood%20Development.pdf>

Implementation

The ILO adopted a multi-faceted approach to address the childcare crisis and promote women's entrepreneurship in the sector. This included close collaboration with partners to pilot employer-supported childcare solutions, develop and test alternative childcare models, and support the formalization of individual childcare workers in the Zhytomyr and Kyiv regions. Firmly aligned with Ukraine's national strategies, particularly the Gender Pay Gap (GPG) Strategy⁷ and ongoing reforms in preschool education and parental leave policies, the initiative also contributed to the achievement of several Sustainable Development Goals, including SDG 4 on quality education, SDG 5 on gender equality, and SDG 8 on decent work and economic growth.

The initiative followed a structured approach consisting of several steps.

First, a rapid market assessment of the Ukrainian childcare sector undertaken at the start of the initiative revealed a critical need for affordable and accessible childcare options, particularly for children under three years old ⁸. The assessment also identified a growing informal market of individual carers and unlicensed centers, posing significant risks to children and workers. These risks include uncontrolled service quality, inadequate caregiver skills, and threats to safety and security. For caregivers,



7. <https://www.ilo.org/resource/news/despite-war-ukraine-keeps-reform-process-addressing-gender-pay-gap-high>

8. https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40europe/%40ro-geneva/%40sro-budapest/documents/briefingnote/wcms_863011.pdf

▀▀ This initiative has been a catalyst for expanding childcare options and creating entrepreneurship opportunities for women in Ukraine. We're not just addressing a critical need; we're empowering women to be at the forefront of the solution.

► Iryna Vintoniuk, Coordinator,
ILO

the informal market leads to a lack of protection, no social security contributions, and potential safety risks. Next, employer-supported childcare solutions were designed and piloted, resulting in three onsite kindergartens for ages 0 to 3 in both public and private institutions. The third step involved capacity building, which included creating customized entrepreneurship training courses, engaging over 60 women. This step also involved developing Occupational and Qualification Standards for childcare workers and designing short-term courses for nannies to formalize individual childcare workers. Additionally, the initiative supported the expansion of the "Municipal Nanny programme" – a local government initiative that provides financial assistance to families who hire registered nannies, thereby making childcare more affordable and accessible.

Grants were later provided to nine women entrepreneurs to implement their business plans – four for mini-kindergartens and five for family-type/home-based nurseries. Technical assistance included advocacy for preschool education reform, and presentation of the Global Care Policy Investment Simulator to advance the Strategy on Parenthood Support. The initiative also focused on public-private partnerships, collaborating with the Kyiv Oblast State Administration to create services for children under three. A key aspect of this approach was promoting collaboration between local governments and private kindergartens to decrease service costs. The aim was to demonstrate that joint financing of such initiatives could lead to long-term sustainable childcare solutions. The ILO signed a Memorandum of Understanding (MOU) with the Administration of Kyiv region, acknowledging the crucial role of local administrations in the decentralized childcare services system. This partnership underscores the importance of local involvement in ensuring the success and sustainability of childcare initiatives.

Key partners included government bodies such as the Ministry of Education and Science and the Ministry of Social Policy. Legislative bodies involved were Parliamentary subcommittees on Preschool Education and Ukraine's compliance with international obligations in human rights and gender policy. The initiative also collaborated with various non-governmental organizations and employers' organizations to support the implementation of childcare and support system reform in Ukraine.

Throughout its duration, the initiative had to adapt to the volatile context of the ongoing war, including shifting priorities and

Results achieved

The initiative created opportunities for more productive and decent employment for women while expanding the availability of childcare services in Ukraine.

Key results include:

1. Established three onsite kindergartens in public and private institutions and supported nine women-led childcare businesses, creating new options for working parents and enrolling 132 children.
2. Trained over 60 women in childcare entrepreneurship and launched a successful nanny training course with 320 registrations, enhancing skills and creating employment opportunities.
3. Developed occupational standards for childcare workers and supported sector formalization, improving professionalization and social protection for workers.
4. Contributed to the new Law on Preschool Education (June 2024), advocating for alternative childcare solutions and flexible caregiver-to-child ratios.

The ILO's initiative in Ukraine demonstrates a comprehensive approach to addressing the interlinked challenges of access to affordable and qualitative childcare and advancing women's empowerment. The success of this initiative and its expansion with additional funding from Sida highlight the potential of integrated approaches in the childcare sector to create lasting, positive change, even in challenging post-conflict contexts.

When you don't have to worry about your child, knowing they are in a safe environment with wonderful caregivers who will feed them, engage them in activities, and ensure they spend quality time, you can peacefully focus on making the world a better place, earn money, and work for the benefit of the entire country."

► Anastasiia Riayhska, client of the "Kids Hub" mini-kindergarten, working mother, Bila Tserkva

