



## Promprylad: Synergetic eco-system for transformation

### Resume and Vision

*Promprylad* is a new format for inclusive learning environments ("learning cloud" or "university of resilience") which will combine cultural, educational, urbanistic and business elements. Promprylad is a cross-sectoral space for social gatherings and innovations, where one can contemplate, explore and co-learn. It's a transformative creative eco-system which would foster more trust, confidence and capability in the local community by involving them in the creation of this space on a participatory basis as well as by empowering the local community through increased opportunity and fostering synergies. In this way, we aim to cultivate a high(er) quality of life, more cohesion among the local community and foster decentralisation processes in a creative and holistic way.

On a bigger scale, Promprylad aims to be a catalyst in city reformation by leading to an irreversible positive change and supporting a region with unfavorable preconditions to develop dynamically in a global context.

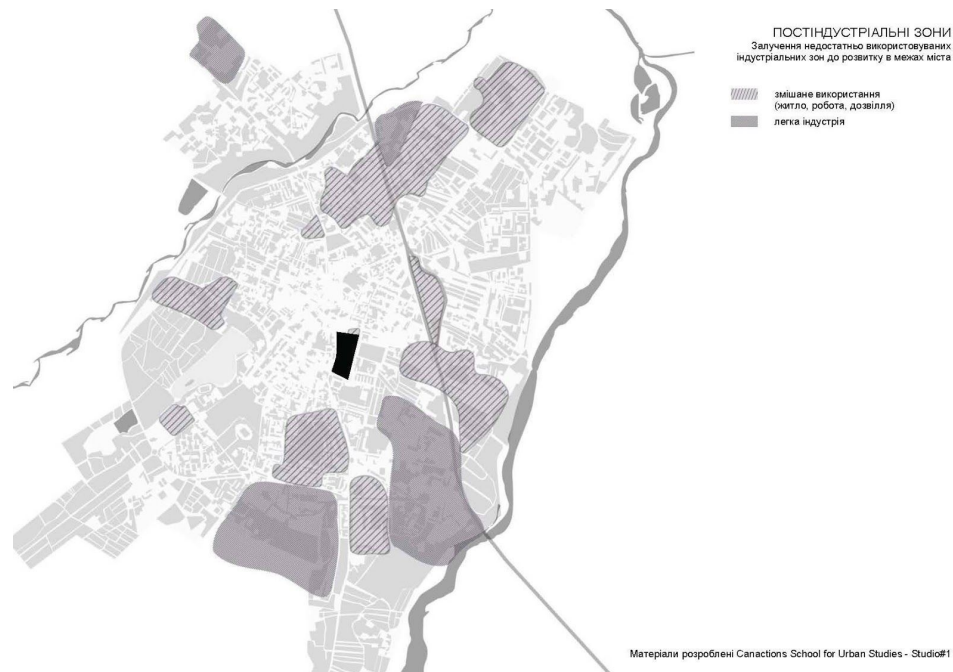
### Context - Potential

Ivano-Frankivsk is developing rapidly. Powerful positive trends gain popularity. Civil society becomes institutionally stronger and is able to influence the development of the city, new local initiatives appear, businesses unite around the topic of sustainability and social responsibility. Even in unfavourable surroundings the local community continues to demonstrate a substantial potential for entrepreneurship. In the last two years cultural actors, activists, social entrepreneurs and artists moved to Ivano-Frankivsk as IDPs and expats and joined the creative class of the city, thereby strengthening its image. Such changes along with activities of local initiatives have sustained the dynamics of the rapid city development. All these processes create favourable conditions for the launch of an ambitious project prototype in the city.

### Context - Challenges

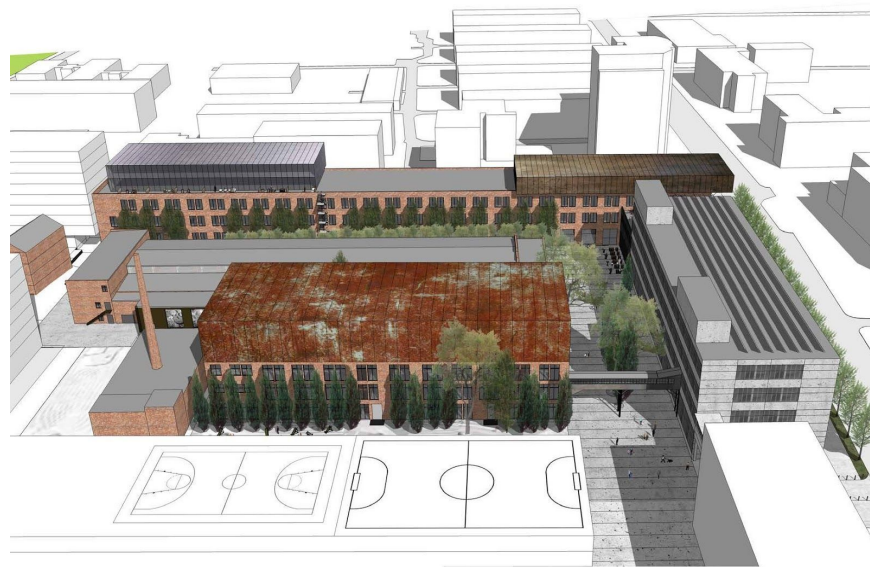
The Soviet Union regime, social economy and intensive industrialisation of the area during that time indeed shaped the way the community of Ivano-Frankivsk has lived until now - not only in terms of the urban set up but also in people's mentality and perception. The past ideas of the state as the only leading force and intrapreneurship are still in the air, and sometimes serve as reasons why inhabitants do not feel the responsible for their environment or as a good base for radical nationalism. It is also important to take into account the fact that Ivano-Frankivsk was a closed city due to its military status. One could enter only with permission, leading to many safety concerns. The lack of alternative education, promoting individual way of thinking and creating as opposed to memorising and repeating often prevents progress. And even if there is a desire for change, there aren't enough competencies or means to fill such demand.

With such post-Soviet industrial and mental heritage, modern Ukrainian society is confronted with the urgent need for innovative and efficient use of (post) industrial areas changing their initial economic role. Ivano-Frankivsk is not an exception in this trend. According to current general outlay about 15% of the areas are allocated for industrial zones in the city. Most of them do not maximize their full potential.



At the same time, because of the war, economic stress and a great wave of forced internal migration, Ivano-Frankivsk, like many other Ukrainian cities, is lacking a communication platform to mobilize the proactive base of the city and to utilize its maximum potential of the current decentralisation reform. This demand is of particular relevance due to the historically conservative and relatively closed local context. The great capacity for self-employment and development of small and medium businesses has only been partially reached in the region. Local citizens often cannot transfer their strong willingness to entrepreneurship into real and effective actions because of the lack of basic competencies.

*Recognising this potential and these challenges, observing examples of similar international and Ukrainian practices that perform significant economic and social effect by revitalizing industrial objects into "hot spots" of creative economy, and having a desire to work in a value based and innovative coalition Teple Misto, Insha Osvita, Garage Gang and CANactions have united to develop a new format for the educational and creative platform based in the Promprylad factory.*



### **Full scale project / Starting in September 2017**

Promprylad is a non-functioning gasmeter factory located in the central part of Ivano-Frankivsk with an overall space of 30.000 m<sup>2</sup>. September 2017 will be the beginning of the factory's revitalization process into an integral and stable ecosystem that fits well into the district / city / country / region. These updates will stimulate innovations in and across modern economics, education, culture and urbanism, contributing to profound societal transformations. This project has great potential to become a successful prototype for other areas with similar environments.

### **Pilot project / Begun in February 2017**

#### **Promprylad / Pilot project (began in February 2017)**

The pilot project will occupy nearly 2.250 m<sup>2</sup> of the general Promprylad premises. It will be a prototype for the whole project on the level of functions, financial model, governance structure as well as the interaction between the stakeholders and the architectural picture. This will be a combination of a physical space and a "learning space" filled with new content and ideas; an ecosystem that draws people together and stimulates innovations through creating synergies and added value from an interdisciplinary approach and the idea of commons. The pilot project will be operated by national and local NGOs, local businesses, and local authorities. The diversity of this project will also serve as a platform for decentralisation practices.

The pilot project is a crucial step for evaluating the concept of a full scale project that would ideally involve the local community and stakeholders. It will anchor the mission and impact of the full scale project preparing the public and triggering positive transformations in the local community.

A full description of the pilot project can be found [under this link](#).

### **Impact**

<p><u>General impact</u></p>	<p>Systemic and sustainable positive transformations of society in the direction of "win-win" innovations (on the levels of district, city, region, Ukraine)</p>
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	fostering decentralisation processes and piloting tools for decentralisation in Ukraine through cross-sectoral cooperation on a relational level
	positive transformation of economic development (on the levels of district, city, region) and changes in economic configuration of cross-border region through strengthening of creative cluster and the emergence of new powerful economic players (on the levels of district, city, Ukraine, trans-border)
	institutional balance in the triangle “business-government-civil society” (on the level of district, city, region)
	“no-return point” in the new qualitative level of development (on the levels of district, city, region)
	creation of a prototype and replicable models for other similar contexts (on the levels of Ukraine, trans-border)
	change of negative migration dynamics and attraction of qualified specialists to peripheral city and region (on the levels of district, city, Ukraine, trans-border)
	new quality of sustainable cross-border cooperation in Central Europe (on the levels of district, city, Ukraine, trans-border)
<u>Capacity building for local community</u>	consolidation and cohesion of the local community and decrease of conflict potential (on the levels of district, city, region)
	creation of integration points between different social, age, ethnic, gender groups and perception of differences (on the levels of district, city, region)
	trigger for the return of qualified locals as well as attraction of new talents to the city (on the levels of district, city, region, Ukraine, trans-border)
<u>Capacity building for educational potential</u>	introduction of the newest European discourses to the local educational actors from various educational formats (on the levels of district, city, region)
	Advancement of the education level among the local community and development of the key competencies (on the levels of district, city, region)
	innovative educational formats for non-formal citizenship education, entrepreneurship, cultural and technical education (on the levels of district, city, region, Ukraine, trans-border)
	sustainable synergies between non-formal and formal educations (on the levels of district, city, region, Ukraine)
<u>Capacity building for culture</u>	animation of the local community through community art (on the levels of district, city, region)
	appearance of the region on the cultural map of Ukraine and the world (on the levels of district, city, region, Ukraine, trans-border)
	intercultural understanding in region through culture and art (on the levels of district, city, region, Ukraine, transborder)
<u>Capacity building for economy and development of</u>	change in dynamics of economic development based on the principles of sustainable development and innovations (on the levels of district, city, region)
	new sectors of economy in the region, development of the innovations in small and middle business (on the levels of district, city, region, Ukraine, trans-border)

entrepreneurship	enhancement of creative businesses (on the levels of district, city, region, Ukraine, trans-border)
	contribution into the self-employment of the local population (on the levels of district, city, region)

## Stakeholders

The configuration of stakeholders from four sectors (local authorities, creative businesses, NGOs and media) should function as one cohesive unit and one ecosystem, as the mission of transformative and inclusive space being more than just physical space with existing players can only be achieved this way. The basic philosophy of Promprylad is comprised of active participation of the local community, self-management of the stakeholders and participatory governance. Promprylad should be driven by its team, anchor partners, stakeholders, supporters and visitors, functioning as one organism.

Four groups of participants will be involved in the project:

### 1. Project Operators:

*Anchor partners* – a group of project partners who fully agree on the image and values of the project and take an active part in the implementation of the project sharing ownership for it as well as all of the responsibilities and risks.

*Stakeholders* – a base of powerful, ambitious and self-sufficient players with specific business or social functions which will operate on the territory of Promprylad on the regular basis and will play their synergetic role in general ecosystem.

### 2. Project investors:

*Foundations and sponsors* – the institutions and individuals who will provide non-repayable financial support or impact investment at the initial stage in order to support the project's mission.

*Impact investors* – this group of players can appear in the project additionally depending on results of fundamental studies during the second stage of the project.

### 3. Project beneficiaries and co-creators:

*Community* – the main participant, beneficiary and co-creator of the project involved in the co-creation of the space with free access to the *Promprylad*. Whole territory of Promprylad should function as an inclusive space shaped to be used and accessible for every city inhabitant.

*Neighbors* – organizations and actors who are geographically close to the territory of Promprylad, are informed about the project and are interested in joining relevant economic and consumer synergies with it.

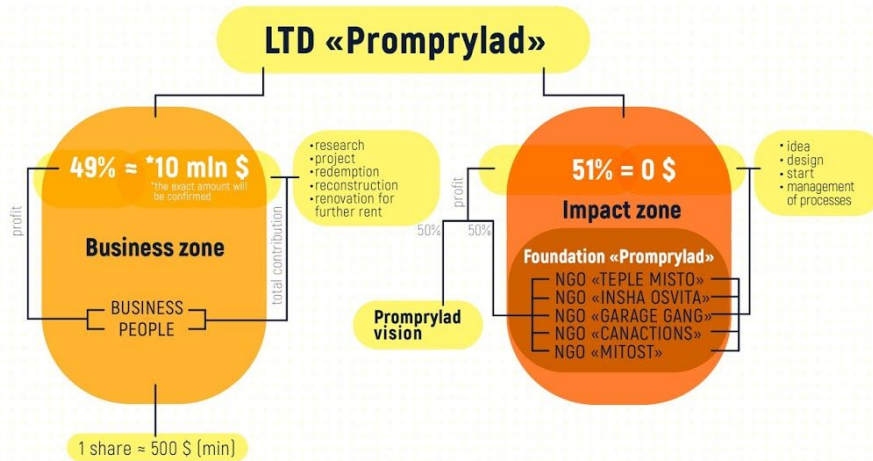
*Government* – the supporters of the project implementation, providing the necessary approvals and permits. They have declared their support of the idea. Some departments of the local authorities will be stakeholders of the project operating directly on the territory of Promprylad.

### 4. Expertise players

*Expertise players* – the institutions which provide expert recommendations on main procedural decisions on revitalization of Promprylad.

## Legal structure

## ORGANIZATIONAL MODEL (PROSPECTIVE SCENARIO)



- People and commercial organizations can purchase an unlimited number of shares being able either to resell them or to get dividends from the shares.
- The costs are invested not only to the business component but also to the social entrepreneurship, that aims in this case for the city, region, country development. Hence the estimated return of the investments is complex.
- The expected return of the investments period starts from 15 years.
- Representatives of society, business, and other organizations, who are willing to increase the impact zone of the social component in the project, are encouraged to make a donation for NGO Foundation 'Promprylad' without claiming for benefit and ownership.

### Sustainability

Social sustainability is guaranteed through participatory tools for the local community as well as through shared ownership for the project with the local, national and international stakeholders;

Financial sustainability is based on diversification of income sources for both full scale and pilot projects as well as on income generation and instituting a flexible system of independently subsidized functions of Promprylad;

Ecological sustainability will be enforced through modern urbanistic approaches to the revitalization as well as through the conscious use of “green technologies” (financial support for this option is needed); The sustainable impact is encoded in the cross-sectoral, cross-cluster and multi-disciplinary structure of the project where a favorable inclusive space for synergies and innovation are at the center. With such an approach, we are aiming for an irreversible positive transformation (so-called “no-return-point”) which cannot be undone even in the case of failure or closure of the full-scale project.

### **Success Preconditions**

The Promprylad project is based on the following success stories:

1. The successful experience of [Urban Space 100](#) is a catalyst for this project. It has proven that effective consolidation of society, business, and civil society can provide powerful synergistic results, a stable economic model and have a strong social effect on the society. Moreover, this case has already evolved into the replicable model through social franchising of the idea - currently, [Urban Space 500](#) is being launched in Kyiv in cooperation with Teple misto and Insha Osvita; further franchises in other cities and abroad are on the agenda as well.
2. An additional indicator of the fact that the city is ready for the ambitious project is the unique phenomena of having [50 joint local businesses](#) that support institutional development of civil society in Ivano-Frankivsk as well as various programs on urban studies, non-formal education, contemporary art, modern independent media which already exist and successfully function in the city .
3. An important precondition for the project success is a value based coalition of six powerful institutions (Teple Misto, Insha Osvita, Garage Gang, CANactions, MitOst, UBDP), all of their individual success stories as well as the combination of their competencies. Partners' believe in the success of this ambitious project and are devoted to its image, ready to invest personal resources and adjust own activities in respect with the geographical location and its context. This is clearly strong statement about the project potential and its attractiveness.

### **Pre-work and research**

1. [Hackathon on the general conception](#) (spring 2016). For two days, a group of 25 professionals from different fields worked on possible options for financial and investment models as well as on the program content scripts for Promprylad. All this work was compiled into [a brochure](#) on which the project preview was created.
2. [SRI International](#) is currently working on the comprehensive economic research of the Promprylad project. This research includes an economic study of the region, identification of the optimal configuration of the functions and stakeholders in the territory to create an effective ecosystem, as well as the creation of a business plan. Two of three parts of the research are ready. The whole research has been implemented from September 2016 until April 2017.
3. [Stakeholders research](#) by the London School of System Change (February-March 2017). This analysis aims to give a systemic diagnosis of the project as well as to prevent early gentrification. It involves stakeholders management and community involvement both for the full scale and the pilot projects. The complete map of stakeholders can be found [here](#).
4. Architectural bureau [Studio Weave and 00 bureau](#) from Great Britain are actively consulting and supporting the development of the [revitalisation architectural concept](#) - especially of the plan around Meta Lab.

### **Architectural plan**

Architectural plan of the pilot project can be found under this [link](#)

Preliminary architectural concept of the full scale project can be found under [this link](#)

### Calendar and Budget

Stage	Aims	Time frame	Budget
Previous analysis	<p>Vision, objectives and concept of the project</p> <p>Mapping of the first core partners (Teple Misto, Insha Osvita, Garage Gang, CANactions)</p>	October 2015 - August 2016	<p>12.000 USD</p> <p>All expenses of this project phase are covered by <i>Teple Misto</i></p>
Fundamental Studies	<p>SRI International (<a href="https://www.sri.com/">https://www.sri.com/</a>) - a) economic study of the region, b) identification of the optimal configuration of the functions and stakeholders on the territory aimed at creating an effective ecosystem, c) creation of business plan</p> <p>Construction, contamination and ecological researches</p> <p>Zotov&amp;Co (<a href="http://www.zotov.com.ua/uk/">http://www.zotov.com.ua/uk/</a>) – architectural working project</p> <p>Marketing research and launch of investment campaign</p>	September 2016 – September 2017	<p>150.000 USD</p> <p>Cost is unknown</p> <p>In progress</p> <p>50.000 USD</p>
Pilot project		April 2017 - September 2017	<p>700.000 USD</p> <p>At least half of will be invested by local businesses</p>
Investment campaign and purchase / reconstruction	Transfer of the factory premises into the ownership of unprofitable fund which will guarantee further sustainable development of the project.	December 2017- December 2018	5.000.000 USD
Filling with Functions	Iterative start of businesses, educational and artistic institutions on the territory with different logics of covering necessary investments for the	January 2018 - December 2019	<p>12.000.000 - 20.000.000 USD</p> <p>At least half will be invested by businesses</p>



	development of a particular function.		
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## Contacts

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