

Design 4 Innovation

Design Action Plan:
Valletta Cultural Agency, Malta



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Regional Context

Partner organisation

Valletta Cultural Agency

Country

Malta

NUTS2 region

Malta

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Malta

This action plan coinciding with the first two years of operations of the Valletta Design Cluster, within the Valletta Cultural Agency, is the result of a series of consultations, discussions, presentations and workshops both national and international. These workshops started informally during the pre-project stage (2014–2016) and were then consolidated within the Design4Innovation project between 2017 and 2019 (Phase 1).

The development of the plan as well as the monitoring of the actions is part of the Interreg project Design for Innovation (Design4Innovation), a collaborative project of eight European partners working together to promote design as a tool for user-centred innovation and focusing on small and medium-sized enterprises.

Interregional knowledge exchange enriched the context of the actions. Best practices in design support mechanisms that might be useful for Malta were identified and engagement with policy-makers was set up.

The actions relate to the overarching Design4Innovation objective to integrate design-driven innovation for SME competitiveness into the ERDF operational programmes of eight countries/regions. In the case Malta, the policy instrument is Operational Programme I - Fostering a competitive and sustainable economy to meet our challenges, which identifies the priority areas for investment through the European Structural Funds for the period 2014-2020.

Policy Context

The Action Plan aims to impact

Investment for Growth and Jobs programme /
European Territorial Cooperation programme

Name of the policy instruments addressed

Operational Programme 1 - Fostering a competitive and sustainable economy to meet our challenges (Cohesion Policy 2014-2020 for Malta).

Further details on the policy context and the way the action plan should contribute to improve the policy instrument:

At application stage (2016-2017), the Valletta Design

Cluster was planned to be supported under Priority Axis 3 (Enhancing Malta's competitiveness through investment in SMEs investment for growth) of Malta's Operational Programme 1. Following internal policy decisions by the Maltese Managing Authority, the project was shifted to Priority Axis 6: Sustainable Urban Development, together with the inclusion of a new scope under this priority to address SMEs through enhances infrastructure and support. At the same time, changes were made to the Operation Programme to the effect of making investment in the Valletta Design Cluster possible, including the inclusion of new indicators under Priority Axis 6 related to support to enterprises, which were extended from Priority Axis 3 to Priority Axis 6 to accommodate the investment being made through Structural Funds.

II-1. Maltese SME - context

As the table below shows (Table 1), the business sector in Malta is dominated by SMEs, generating 81.0% of value-added and 80.9% of employment in the country's 'non-financial business economy'. This is significantly higher than the respective EU averages of 56.8% and 66.4%.

The annual productivity of SMEs in Malta is a little over EUR 39,500 per person, 9.8% lower than the EU average of EUR 43,900. The majority of SMEs are in wholesale and retail trade and professional, scientific and technical activities. These two sectors together account for 41.9% of total SME value added and 40.3% of total SME employment (2018 SBA Fact Sheet – Malta).

Class size	Number of enterprises			Number of persons employed			Value added		
	Malta		EU-28	Malta		EU-28	Malta		EU-28
	Number	Share	Share	Number	Share	Share	Billion €	Share	Share
Micro	26 722	92.4 %	93.1 %	49 835	33.3 %	29.4 %	2.2	37.0 %	20.7 %
Small	1 812	6.3 %	5.8 %	37 329	25.0 %	20.0 %	1.5	25.5 %	17.8 %
Medium-sized	329	1.1 %	0.9 %	33 781	22.6 %	17.0 %	1.1	18.5 %	18.3 %
SMEs	28 863	99.8 %	99.8 %	120 945	80.9 %	66.4 %	4.8	81.0 %	56.8 %
Large	59	0.2 %	0.2 %	28 524	19.1 %	33.6 %	1.1	19.0 %	43.2 %
Total	28 922	100.0 %	100.0 %	149 469	100.0 %	100.0 %	5.9	100.0 %	100.0 %

These are estimates for 2017 produced by DIW Econ, based on 2008-2015 figures from the Structural Business Statistics Database (Eurostat). The data cover the 'non-financial business economy', which includes industry, construction, trade, and services (NACE Rev. 2 sections B to J, L, M and N), but not enterprises in agriculture, forestry and fisheries and the largely non-market service sectors such as education and health. The following size-class definitions are applied: micro firms (0-9 persons employed), small firms (10-49 persons employed), medium-sized firms (50-249 persons employed), and large firms (250+ persons employed). The advantage of using Eurostat data is that the statistics are harmonised and comparable across countries. The disadvantage is that for some countries the data may be different from those published by national authorities.

Table 1: SMEs Basic Figures – 2018 SBA Fact Sheet – Malta

In terms of employment, 97.3% of registered units are micro entities as they employed less than 10 people. In 2017, 46.4% of the registered business units were sole owners or partnerships (National Statistics Office - Businesses in Malta). Thus Malta's economy is mainly dominated by micro and even nano enterprises. This points towards a specific eco-system for businesses.

II-2. The possible impact of Design

At a European level, Design is recognized as a key activity to bring new ideas to the market and transform them into user-friendly and marketable products as well as services (Europe 2020 Flagship Initiative Innovation Union).

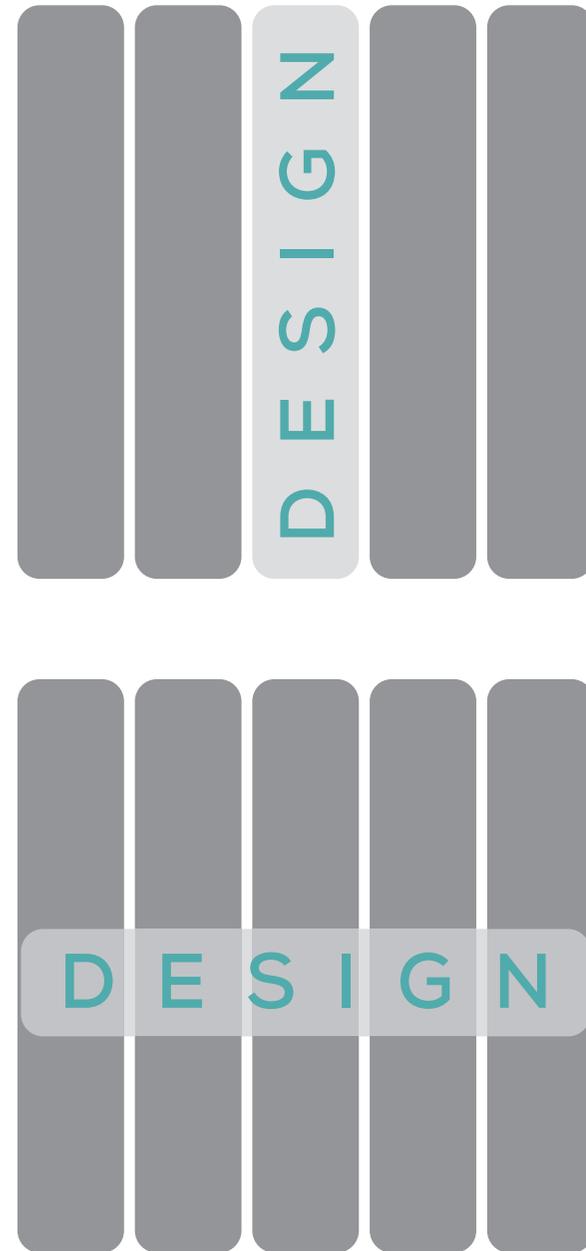


Fig 1: Design Competences – Design4Innovation Policy Booklet 1

Taking cue from the work carried out during the first phase of Design4Innovation in terms of defining the scope of design policy, design is seen both as a vertical competence and as a horizontal enabler (Fig.1). During the development phase of the Valletta Design Cluster, research and outreach to the design community was carried out on two fronts. From the strictly economic perspective, research has been undertaken in collaboration with the Ministry of Finance to understand better the impact of design on the economy. This was based on specific economic indicators (NACE codes) as identified internationally to characterize design within the wider creative economy (UNCTAD Creative Economy Outlook: Trends in international trade in creative industries, 2019). Based on the latest available sub-sectoral data on the creative economy, the design sector in Malta is currently composed of more than 600 enterprises employing 1,269 individuals of which around 40% are self-employed. The sector generated a value added of €26 million in 2010. On the other hand, design is also being understood as a transversal, enabling technique that can be engaged with and implemented within all sectors of the economy and within public

policy, with a view to improving social wellbeing by taking a people-centred approach to problem solving.

To gain a better picture of the place of Design within the Maltese Business ecosystem, the Malta Structural Business Statistics (SBS) (2015) asked companies for the first time whether they carried out Design in the preceding year.

A recent Maltese study proposes the hypothesis that economies of scale limit design activities in small firms whilst the constraints in technology transfer limit the uptake of design activity among larger foreign-owned firms, particularly in manufacturing (Vella, K. et al.; 2016). A follow-up paper aimed to evaluate these hypotheses using micro-firm level data of the Structural Business Statistics, based on micro (enterprise-level) data from 1,840 companies. (Vella, K. et al.; unpublished). The evaluation highlighted that design activity in Malta tends to be more prevalent to larger firms. It also indicates that start-ups tend to engage in design, but this engagement declines when one looks at older firms. The results however indicate

that as companies mature, they go back to design, be it to diversify their offer in the market or due to patents expiry issues. Promoting design activity among small start-ups is therefore seen as having a positive potential, especially since design at the early stages of the product/service lifecycle is critical to ensure growth and enhances the opportunity for start-ups to position themselves strongly in the market (Vella, K. et al.; unpublished).

Social enterprise

The last few years have seen a shift in public policy from a limited focus on cultural and creative development to a wider understanding of the links between the cultural sector and the rest of society. A deeper understanding of the complexities and interdependencies involving the social, economic and environmental conditions and parameters of society has emerged. This is coupled with an increased awareness of the global networks that constantly provide opportunity for mutual exchange, insight and influence (UNCTAD 2019 Report). Currently Malta does not have a legal basis for social

enterprise. The legal framework for the creation and operation of social enterprises remains unclear and organisations are still required to make a choice between profit-seeking objectives on the one hand, and voluntary non-profit objectives on the other. Providing space for social enterprise to emerge as a force in the social and cultural sphere should enable several existing and new entities to bring together their insights into addressing social and cultural needs with an organisational setup that allows for entrepreneurship and innovation. This development is important within the understanding design as an enabler for social good, bringing in the dynamism and innovation of enterprise in contact with social needs and issues that need to be addressed through a combined effort between public policy and private initiative.

II-3. The role of the Valletta Design Cluster in this eco-system

When completed, the Valletta Design Cluster shall be a community space for cultural and creative practice situated in the renovated Old Abattoir building in Valletta, focusing on the intersection between design, entrepreneurship and social impact.

In Malta's Cohesion Policy 2014-2020, the Valletta Design Cluster was first situated under Priority Axis 3 Enhancing Malta's competitiveness through investment in SME's Incentives for growth. The Managing Authority has subsequently shifted the project to Priority Axis 6 Sustainable Urban Development, seeing the cluster as a bridge between addressing the regeneration needs of Valletta's historical urban fabric and its potential at playing an important role in the 'stand-up' phase of creative startups and SMEs through the implementation of design. To this end, the project's objectives under Operational Programme 1 now relate to both the urban regeneration efforts and the linked benefits to social and economic wellbeing to the resident community, as

well as to the opportunities for support to the wider cultural and creative sector and beyond, through engagement with user-centred design practices that address diverse operators in the economy, and specifically new entrants in the creative field.

Actions



The actions identified in this Action Plan have been developed through the interaction between the Valletta Design Cluster and the project partners in Design4Innovation. On the one hand, the Interreg Europe project has directly influenced the development phase of the Valletta Design Cluster, helping it in clarifying its mission and role within the wider design ecosystem in Malta, including through interacting with the sector through stakeholder and dissemination events. On the other hand, the workshops held during the project partners meetings and the study visits and exchanges with project partners during phase 1 have enabled the Valletta Design Cluster to focus on clear and achievable goals that can be addressed during its initial stages of operation.

Based on the outcomes of this process, two main categories of activities have been identified and are now being integrated fully in this Action Plan, namely:

- (i) the provision of non-financial support to operators engaging with design in Malta, based on insights from Design4Innovation workshops on non-financial support;
- (ii) the strategic consolidation of stakeholder cooperation in the ecosystem with a view to strengthening policy efforts at a regional (national) level, as also reflected in the project's policy booklet focusing on design policy. This is also based on partners workshops held during the project's first phase.

In this manner, the actions listed below are a direct outcome, adapted to the Maltese context, of the learnings gained during the interregional interaction stimulated and supported by Design4Innovation. Additional insights into the actions proposed have also been gained through a very intensive programme of stakeholder and community engagement during the first three years of the project (2017-2019), based on stakeholder engagement techniques and practices learnt through the project's interregional exchanges.

Action 1

Implementation of the Valletta Design Cluster

1. Background

The emergence of the Valletta Design Cluster as an area for structural funds investment is rooted in the local needs of the sector, and specifically in the lacuna that exists in the provision of support to new entrants and early stage practitioners in the creative economy. This initial need has been refined and shaped into the current Valletta Design Cluster's mission through Design4Innovation and the interaction with various European project partners active in the project. Lessons in cluster management, stakeholder engagement, and dedicated support to start-ups and SMEs have been learnt through site visits and case studies shared by project partners, including: visits to creative hubs in

Flanders, Cardiff, Thessaloniki, and Riga; exchange of best practices during the Malta partners meeting in early 2018; workshops in Galicia, Cardiff, Malta and Bruges focusing on non-financial support and user-centred design; and interaction with project partners on financial and non-financial support during most of the project partners meetings.

The above, coupled with techniques learnt relating to user-centred design from various sources within the project consortium, have assisted the Valletta Design Cluster develop a whole programme of activities to assist in the shaping of the infrastructural project through site visits by potential future users of the facilities as well as several stakeholder meetings that

contributed valuable input into the development phase of the project. In relation to this, the study visits to co-working studios and start-up hubs at project partners were key to consolidate the vision for the Valletta Design Cluster.

Below are the learnings deriving directly from the experience of Design4Innovation and of the project partners that have contributed specifically to this action: Flemish Innovation and Interpretation Agency (Partner 2): Site visits to SMEs and economic operators in Flanders during the first partners meeting in March 2017 provided insight into funding schemes (e.g. E-Wallet) that supports design-intensive companies to develop skills, enhance performance, and refine products according to market needs. The relevance to the Valletta Design Cluster for this action relates mainly to the support framework that the Valletta Design Cluster will be developing in the new facilities, especially in how to integrate the makerspace, the workshop spaces and the capacity-building programme of the Cluster.

KEPA (Partner 3): During the partners meeting in Thessaloniki (May 2017), the workshops held focused on the use of European Structural Funds as a tool for investment in financial and non-financial instruments to support design operators and SMEs. This also included presentation from all partners, but especially detailed insights into the application of ERDF support in Greece by the Managing Authority. In view of the ERDF (Operational Programme 1) support being provided for the infrastructural works at the Valletta Design Cluster's new facilities in Malta, this provided a useful insight into the links between us and the Managing Authority and how the changes in the Operational Programme can effect funding for the project.

PDR (Partner 1): Two visits were carried out to PDR, one being a study visit focusing on makerspaces and co-working spaces in May 2018, and another being the sixth partners meeting in May 2019. Of direct relevance to this action are the meetings organized by PDR for us on both visits, specifically with independent organization running creative hubs and incubators. These ranged from start-up spaces within Met University of Cardiff

to independent coworking spaces focused on graphic design. In all cases visited, the meetings and discussions with the management of these venues provided a better understanding of the management of creative spaces and of communities of start-ups in the creative and design fields.

Barcelona Design Centre (Partner 8): While partners meeting 7 in Oct 2019 was hosted at the Barcelona Design Centre, providing an opportunity to see how the Centre works within the wider ecosystem of design companies in the city, the meeting also gave the Valletta Design Cluster team insights into operational and programmatic aspects of its future facilities. This was of particular relevance in terms of the food design programme. Following the meetings with relevant stakeholders held during this workshop, the Valletta Design Cluster participated in the Foodture event in November 2019, also in Barcelona and organized by the Barcelona Design Centre. This platform fed important insights into the links between food and technology, especially in digital fabrication, and this is of direct relevance to the programming planned for the Valletta Design Cluster's foodspace and its possible links with the makerspace.

2. Action

This activity consists of the creation of a new Valletta Design Cluster, being a community space for cultural and creative practice within the renovated Old Abattoir building inside Valletta.

Since the majority of independent cultural and creative practitioners in Malta work in micro and nano enterprises, the creation of the Valletta Design Cluster shall fill a critical lacuna in the regional and national provision of services and facilities for this group of operators and for the whole creative and design ecosystem in Malta. This is even more relevant within the categories of potential users in the pre-start-up phase, as well as for the freelance and micro/nano-enterprise category. The space shall serve as a platform for networking, collaboration and co-working, bringing design and creativity, entrepreneurship and social impact together under one roof. The completion of the Valletta Design Cluster in the early stages of Phase 2 of Design4Innovation shall facilitate interdisciplinary collaboration in design and related activities, and will also encourage close collaboration between educational, research, industry and investment stakeholders, all of which are linked to the other two actions under this Action Plan.

CENTRU GHALL-PROĠETTI // INTERNATIONAL PROJECT LABS

Le-Centru għall-Proġetti jikkonsisti f'żewġ idjar fi Triq il-Ġendus, u huwa parti integrali mill-facilitajiet u s-servizzi tal-Valletta Design Cluster. Dawn id-djar huma attrezzati sabiex jikkomodaw sa hdxar-il resident b'erbat ikmammar ta' sodda waħda u żewġ dormitorji ta' tliet u erba' sodod kull wieħed, kompluti b'facilitajiet 'self-catering' u kmamar tal-banju li jistgħu jintużaw mir-residenti kollha. Dawn ir-residenzi jinsabu ezatt f'deġn il-binja ewlenija tal-Valletta Design Cluster u għalhekk jipprovdu access dirett u konvenjenti għall-facilitajiet li toffri l-binja ewlenija, u b'mod speċjali, lil-komunità ta' Prattikanti li jiffrekwentaw il-post.

The International Project Labs consist of two townhouses on Bull Street, an integral part of the Cluster's core facilities and services. They are fully equipped to accommodate up to eleven residing practitioners offering four single bedrooms and two dormitories of three and four beds each, complete with self-catering facilities and shared bathrooms. The project labs are immediately adjacent to the main building of the Valletta Design Cluster and as such provide direct and convenient access to all the facilities within the main building and, most importantly, to the community of users and practitioners frequenting the facility.

SPAZJU TAL-IKEL // FOOD SPACE

L-Ispazju tal-ikel għewwa l-Valletta Design Cluster jipprovdi zona li permezz tagħha jingħata support lil proġetti komunitarji u inizjattivi li għandhom x'jaqsmu mal-ikel, start-ups u attivitajiet tal-komunità. Dan l-ispazju jinsab fil-pjan terran tal-Valletta Design Cluster, u huwa attrezzat bi kċina armata, kafetterija, kċina b'disa' sezjonijiet li jistgħu jintużaw għat-tagħlim, kantin, u zoni għall-istivar tal-ikel.

The Food Space is a dedicated area in the Valletta Design Cluster aimed at supporting community projects centred around food as well as supporting food-based initiatives, start-ups and community events. Located on the ground floor of the Valletta Design Cluster, this facility includes a fully-equipped kitchen, a café area, a kitchen with nine stations which can be used for education purposes, and a canteen, together with food storage areas.

STUDJOWS // STUDIOS

L-Istudjows jikkonsistu fi hmistax-il kamra separata, kollha fis-sular ta' fuq tal-Valletta Design Cluster, li jistgħu jintużaw bħala spazji kreattivi għal persuni li jaqsmu l-ispazju zmin twil jkdmu għewwa l-Cluster. Dawn jinkludu disat ikmammar zghar (Tul 5.8m, Wisa' 3.2m, Għoli 4.3m) bi tmienja minhom b'mezzanin li jista' jiġi aċċessat permezz ta' sellum li jingibed lura, u tliet ikmammar kbar (Tul 5.8m, Wisa' 7.9m, Għoli 4.4m) li jistgħu jinqasmu f'sitt spazji iżgħar permezz ta' partinin. Kull kamra hija aċċessibbli permezz tal-lift ewlieni, bl-aċċess ikkontrollat mis-sistema elettronika tal-Cluster. Il-ikmammar kollha fihom daww, ilma, internet, imwejġ, sigġijiet u spazju zghir fejn wieħed jista' jerfa' xi oġġetti.

The Studios are fifteen dedicated and independently accessed rooms, all located on the first floor of the Valletta Design Cluster, aimed at serving as creative spaces for longer-term tenants of the Cluster. They consist of nine smaller rooms (dimensions L 5.8m, W 3.2m, H 4.3m), eight of which have an internal mezzanine accessed via a retractable ladder, and three larger rooms (L 5.8m, W 7.9m, H 4.4m) which can also be partitioned into six smaller units. All rooms are accessible via the main lift, and access is controlled via the electronic management system of the Cluster. Rooms will be provided with electricity, water, internet, tables, chairs and basic storage.

SPAZJI GHAL-LAQGHAT U KAMRA GHALL-KONFERENZI // MEETING SPACES AND CONFERENCE ROOM

Il-Valletta Design Cluster se jkollu hames spazji għal-laqqhat ta' daqsijiet differenti, li jvarjaw minn kmamar zghar għal kmamar tal-laqqhat ta' daqs medju, attrezzati b'diversi facilitajiet. Il-Valletta Design Cluster se jkollu wkoll sala għall-konferenzi li tesa' tmenin ruh. Is-sala għall-konferenzi tingħaqad mal-pjan terran permezz ta' lift u hija wkoll aċċessibbli għal persuni b'mobbiltà ristretta. Hemm ukoll lift separat li jgħaqqad il-kċina mal-pjan terran.

The Valletta Design Cluster will have five fully-equipped meeting spaces of various capacities, ranging from small consultation rooms to medium-sized meeting rooms, all with flexible set-up features. The Valletta Design Cluster will also have a fully-equipped conference hall with a seating capacity of eighty persons. The conference hall is connected to the ground floor by lift and is fully accessible to mobility-impaired users. It is also serviced separately through a food lift to the kitchen on the ground floor.

IL-ĠNIEN // THE ROOF GARDEN

Il-Ġnien ta' Fuq il-Bejt (Roof Garden) se jkun spazju pubbliku għodid għewwa l-Belt Valletta, estiz tul l-Ispazju kollu tal-binja ewlenija tal-Valletta Design Cluster. Il-Ġnien se jinkludi padjilun (li jista' jintuża għal laqqhat/workshops fuq il-bejt), vaska zghira, zona għat-tfal, zona fejn jistgħu joqogħdu bilqiegħda gruppi zghar, żewġ spazji multifunzjonali li jistgħu jintużaw għal laqqhat bejn gruppi zghar jew workshops fil-miftuh, u, naturalment, spazji hodur li jinkludu sigar u arbuxxelli indigeni tul il-maggorparti tal-ispazju tal-bejt. Dan l-ispazju pubbliku huwa aċċessibbli permezz ta' lift kif ukoll tarag u se jkun miftuh għall-pubbliku waqt hinijiet tal-Ruh 'standard'.

The Roof Garden is a new public space in Valletta, covering the full roof space over the main building of the Valletta Design Cluster. The Roof Garden will include a roof pavilion for meetings/workshops at roof level, a small pond, a kids' area, seating for small groups, two multifunctional spaces for small group meetings or open-air workshops, and, of course, green spaces with mostly local trees and shrubs on most of the roof area. The Roof Garden is fully accessible by lift and by stairs and will be publicly accessible during standard opening hours.

SPAZJU GHALL-KO-HIDMA // COWORKING SPACE

Il-Valletta Design Cluster se jinkludi sa għoxrin spazju għall-ko-hidma attrezzati bl-iskrivani, spazju fejn wieħed jista' jerfa' xi oġġetti, kamra zghira dedikata għall-vidjokonferenzi u salott. L-ispazju għall-Ko-Hidma jinsab fil-pjan terran tal-binja, vicin workshop tal-ghodda. Fil-bitha li tinsab biswit dawn iż-żewġ spazji hemm ukoll zona fejn wieħed jista' joqogħod bilqiegħda.

The Valletta Design Cluster will include up to twenty coworking stations equipped with desk plug-in services, basic storage, a dedicated small video conferencing room and a lounge space. The Coworking Space is located on the ground floor of the building next to the Makerspace, and shares with the latter an external seating area in the central courtyard.

IL-BITHA // THE COURTYARD

Il-Bitha Centrali, li qabel kienet tagħmel mal-parti t'isfel ta' Triq Zekka, hija l-ispazju pubbliku ewlieni li jaqsmu iż-żewġ blokk tal-binja. Originarjament dan kien spazju miftuh, iżda issa, grazzi għal tinda tal-ħgieg li tinfetah u tingħalaq skont il-bżonn, l-ispazju kollu tal-bitha se jkollu l-qiegħ mill-elementi, u għalhekk se jkun jista' jintuża tul is-sena kollha, filwaqt li xorta jgawdi minn arja friska b'mod naturali. L-ispazju huwa wieħed versatili u l-ghamra ta' go' fih se tkun tista' tiċċaqlaq facilment skont il-bżonn. Il-bitha kollha hija aċċessibbli mill-pjan terran, mill-entratura ewlenija fi Triq il-Ġendus u minn Triq San Karlu.

The Central Courtyard is the main ground floor public space between the two blocks of the building, formerly part of lower Old Mint Street. Traditionally an open space, this area will now become an all-season multifunctional space thanks to a retractable glass canopy which shelters the whole length of the central courtyard, but which can also be opened to allow for free and natural circulation of air. The space is very versatile in usage and will be furnished with loose and re-configurable seating facilities. The whole courtyard is fully accessible on the ground floor level and can be accessed via the main entrance on Bull Street or from St Charles Street.

WORKSHOP TAL-GHODDA // MAKERSPACE

Dan l-ispazju jinsab fil-pjan terran tal-Valletta Design Cluster. Huwa miftuh għal kulhadd, u huwa attrezzat b'diversi għodod fosthom daww li jintużaw għal xogħol tal-metall, xogħol tal-inġenjar, ħjata u xogħol bit-tessuti, xogħol li jinvolvi oġġetti elettronici, ikkastjar, xogħol bil-forom, kif ukoll apparat relatat mad-disinn bit-kompjuter, thin (CNC), qtugħ, routing, stampar tridimensjonali (3D printing) u xogħol tar-rakkmu. Dan l-ispazju se jkun qed joffri wkoll taħrir, support u aċċess lil komunità ta' haddiema.

The Makerspace is a workshop located on the ground floor of the Valletta Design Cluster. Open to all, it will be equipped with tools for metalworking, woodworking, textiles, electronics, casting and moulding, as well as equipment related to computer-aided design, CNC milling, cutting, routing, 3D printing and embroidery. The Makerspace will also offer training, support and access to a community of makers.

Fig 2: The services to be offered by the Valletta Design Cluster

3. Players involved

The main stakeholders engaged in the implementation of Action 1 are the following:

- The Managing Authority for the Structural Funds (Malta): The Managing Authority is the entity responsible for the funding of projects approved under the Structural Funds for Malta for 2014-2020. As more than half the investment in the infrastructural works of the project (Action 1) is coming from the European Regional Development Fund, the Managing Authority will have the role of oversight in relation to the infrastructural works undertaken at the Old Abattoir site in Valletta and its conversion into the Valletta Design Cluster.
- Restoration Directorate, within the Ministry responsible for Culture: The Restoration Directorate are providing the full architectural, surveying and monitoring contribution to the project, through the engagement of a project architect and architectural project team, the drafting of all the necessary tenders, the selection of contractors and the oversight of all works and certification of all

completed works, to ensure that the infrastructural intervention is in line with the project brief as developed and defined by the Valletta Cultural Agency.

4. Timeframe

2017-2018 Changes to OP 1 and communication with Managing Authority, approval of project intervention

2017-2018 Co-design of spaces involving stakeholder meetings and coordination with the Managing Authority and the architecture team at Restoration Directorate

2018-2020 Infrastructural Works on site

2020 (Q3) Finalisation of works / launch of Valletta Design Cluster's first community of users

5. Costs

The full investment in this action is expected to cost about €8.4M excluding VAT.

6. Funding sources

€5.3M are being considered eligible costs and are expected to be funded through OP1. This consists of 80% ERDF funding and 20% funding from the Government of Malta. The remaining €4M are being contributed directly by the Government of Malta.

7. Indicators

Output indicators:

- 1 new design cluster

Impact indicators:

- Number of users of the different facilities at the new cluster (following opening of the Valletta Design Cluster in Q4 2020)
- New / sustained joint projects by users of the Cluster (following opening of the Valletta Design Cluster in Q4 2020)
- New / sustained international collaborations by users of the Cluster (following opening of the Valletta Design Cluster in Q4 2020)
- Improved access to finance by users of the Cluster (following opening of the Valletta Design Cluster in Q4 2020)
- Improved well-being of urban users around the Cluster (following opening of the Valletta Design Cluster in Q4 2020)

Data collection:

- Quantitative research based on user data collected through Valletta Design Cluster user management system
- Qualitative research (surveys) with users of the Cluster
- Impact Study carried out in collaboration with the University of Malta assessing impact of project on neighbourhood and quality of life



Design 4 Innovation
Interreg Europe

Design 4 Innovation promotes design as a tool for user-centred innovation to enhance SME competitiveness and help them create more desirable products and services, be more profitable and grow faster.

www.interreurope.eu/design4innovation

An interregional cooperation project for improving SME competitiveness policies.

Project Partners

- PDR, Cardiff Metropolitan University (UK)
- Flanders Innovation & Entrepreneurship (BE)
- KEPA - Business and Cultural Development Centre (EL)
- Investment and Development Centre (EL)

Action 2

Establish a design-dedicated sectoral grouping under the Malta Chamber of Commerce and Industry with a strong link to both industry and academia

1. Background

The importance of linking with stakeholders is at the core of Design4Innovation. Roping in stakeholders during the stakeholder and dissemination events held in Malta as well as their attendance and active participation in dedicated workshops during the regular project partners meetings throughout phase one of the project proved to be an inspiration both for the partners as well as for the stakeholders. This has also strengthened the drive to create a greater awareness about the value of design and innovation in growth for SME's in Malta. The national study undertaken by the Ministry of Finance and mentioned earlier in this document found that there is a lack of structural

clusters in Malta. The Valletta Design Cluster wants therefore to support the development of a design-focused industry group within the Malta Chamber of Commerce, Enterprise and Industry.

During the early stages of Design4Innovation, each partner undertook a design ecosystem mapping exercise to understand in greater depth the strengths and weaknesses within each region. The lack of sectoral representation and of collective action driven independently by design practitioners has been identified as a key weakness within the wider ecology in Malta. This has been reflected in the project's first Policy Booklet and also discussed with project partners during the partners workshop held in Malta in April 2018. Furthermore, the Valletta Design Cluster's membership

in the Bureau of European Design Associations has highlighted the potential benefits of collaborative and collective action, as well as the enhanced effectiveness in communicating issues of relevance between industry players and policy makers. The creation of such an industry-led group within the structures of Malta's main industry bodies addressed this lacuna. This shall also bring on board the main academic bodies that make a direct contribution to design practice in Malta, namely the University of Malta and MCAST, as well as existing professional bodies such as the Chamber of Architects and the Chamber of Engineers.

This action will feed the new National Cultural Policy that is currently in draft form and that will have the 2020-2025 period as its terms of implementation. Based on the initial research carried out by the Creative Economy Working Group, the collaboration between the policy making arms of the Ministry of Culture and the Ministry of Finance have built a collaborative approach towards assessing and analysing the contribution of the cultural and creative sector to the wider economy. The development of a structured working relationship

between the Valletta Design Cluster and the Chamber of Commerce, through a dedicated group, will feed into this but will also allow the following exchanges and development to take place:

- Strengthen research efforts, validate findings and support the development of concrete and relevant policy recommendations that have a direct impact on start-ups, SMEs and other bodies active in the design and creative fields;
- Provide a platform for lobbying and engagement with government and with other institutions as well as play a stronger role in national and EU policy debates;
- Influence the prioritisation of funding and support mechanisms that are accessible to start-ups and SMEs in the design and the creative sector, as well as develop joint projects and initiatives that can tap into local, European and international funds;
- Strengthen capacity-building and skills for the sector by working together and develop a meaningful channel of communication with educational institutions, with a view to further develop skills and professional expertise in the sector.

Key learnings from the Design4Innovation experience that have a direct relevance for this action have centred around the following themes:

(i) Addressing fragmentation in the sector and supporting initiatives that bring together players from the different fields effecting the sector. This has been mainly contributed through the adoption of the design ecology mapping framework developed by PDR (Partner 1), as well as through funding schemes addressing the design sector in a holistic manner (Flemish Innovation and Interpretation Agency - Partner 2).

(ii) A coherent approach towards financial and non-financial support for the sector ensures that the various needs of SMEs, be they start-ups, early stage SMEs or established organisations, are addressed in an appropriate and relevant manner through user-centred policy making. The funding schemes developed by the Flemish Innovation and Interpretation Agency (Partner 2) as well as the networking events organised by the Barcelona Design Centre (Partner 8), together with lessons learnt during visits to these partners and during the various partners workshops (especially Workshop 3 in Galicia and Workshop 4 in Malta where financial

and non-financial support for the sector was discussed) were all supportive of this internal capacity building process. The presentation of best practices from all the partners during the Malta meeting, which led to a public exhibition and networking event, was also relevant in this sense.

Between 2017 and 2019, both the Malta Business Bureau and the Malta Chamber of Commerce attended a number of Design4Innovation partners meetings as stakeholders. Their contribution to these for a, followed by internal meetings held in Malta during stakeholder group sessions were conducive to laying the ground for the initiatives that will be linked to this action.

2. Action

The sectoral group would be facilitating exchange of expertise and resources, monitor and document design actions within SMEs, identify good practices, and as such support the development of design operators and of policy in Malta. It also has the aim of ensuring a greater understanding of the benefits of design as an industry enabler (horizontal priority) and as such goes beyond the confines of sectoral representation. The way this measure is expected to impact policy development in this area is through three areas of activity: (i) the sectoral group will be a main actor in terms of lobbying and consulting with the various relevant policy makers within government and the relevant extended group of stakeholders; (ii) it will be able to assess and translate the effects of the other actions under this Action Plan and take policy-related decisions and initiatives to strengthen and support policy; and (iii) it will serve as a main sounding board to the pertinent strategic research in this field which would be building up on the already existing research efforts by the Ministry of Finance in relation to design activity on Malta, and inform policy accordingly.

The main sub-activities for this actions consist of:

- i. Creation of a task group with the key stakeholders with the aim of defining a roadmap for the creation of a design-focused industry group
- ii. Launch a consultation process with industry and the wider stakeholder groups
- iii. Develop and launch the group

3. Players involved

The main stakeholder for this action is the Malta Chamber of Commerce, Enterprise and Industry, in collaboration with the Malta Business Bureau. The process will also involve consultations with the University of Malta, MCAST and professional bodies.

4. Timeframe

- 2020 (Q1-Q2) - Exploratory research and consultation on options for the design group set-up
- 2020 (Q3) - Decision on modality of action implementation and launch of platform for the group
- 2021 - Biannual meetings of the group and links to policy actions that can be integrated in the operational programme of the new Valletta Design Cluster (as per Action 1)

5. Costs

The main activities related to this action are expected to fall within two main categories. Firstly, capacity building initiatives and research will involve meetings and study visits as well as formally organised stakeholder meetings, supported by communication measures. Secondly, this consist of in-kind support by the Valletta Design Cluster and the various stakeholders and partners, related mainly to internal expertise and research, participation to meetings by officers from various stakeholders and industry representatives, and meeting venues. The total budget for this measure is expected to be approximately €15,000.

6. Funding sources

Internal funding sources from stakeholders' own resources and through Valletta Design Cluster's own internal operational budget.

7. Indicators

Output indicators:

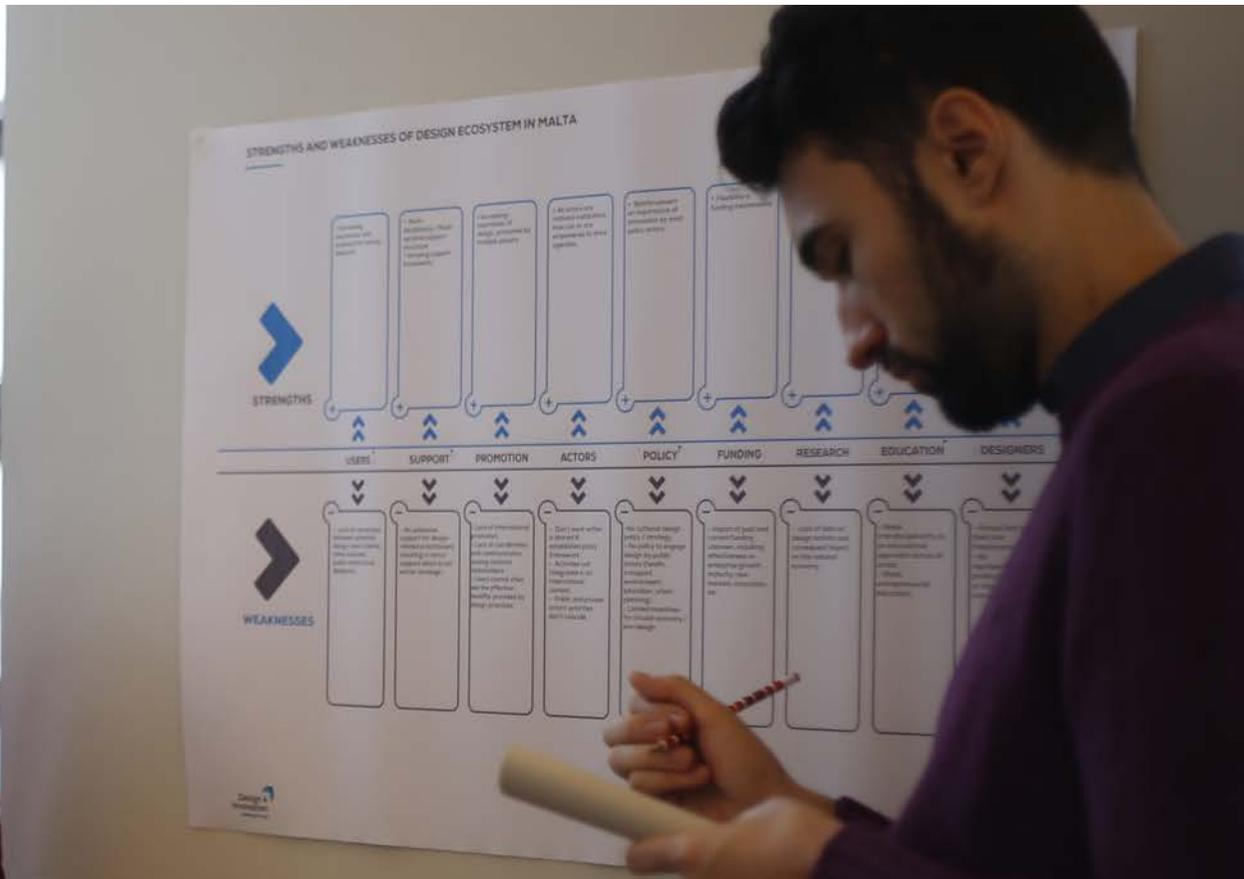
- 1 new sectoral group

Impact indicators:

- Enhanced design policy framework in Malta
- Biannual meetings between relevant policy making bodies
- Joint initiatives addressing the sector, focusing on skills, networking and internationalisation

Data collection:

- Update of the mapping exercise for the design ecosystem in Malta



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