

INNOVA FOSTER

Fostering startup & innovation ecosystems in Europe

LOCAL ACTION PLAN

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Executive summary

This action plan was developed as part of Malta Enterprise's participation in the European Union's Interreg Europe co-funded *Innova Foster* project. The project brings together seven European public entities, which manage or influence, directly or indirectly, policies related to SMEs growth and competitiveness and regional innovation capacity.

This project aims at facilitating the growth of local startups and support to scaleups by addressing their needs through a set of policy recommendations which are presented in this document. The proposals put forward are aimed at improving the entire local ecosystem, for any type of startup and are based on extensive desk research, various interregional exchange visits and extensive engagement with local startups and key stakeholders.

A well-functioning local startup ecosystem is a complex collaborative and linked network of processes by the right actors, having the right interaction, within a supportive environment to startups and scaleups. Malta has a relatively new and small startup ecosystem, however vibrant and with big potential. Currently numerous relevant startup initiatives are being introduced in the country; however, these seem uncoordinated and various gaps still exist in the Maltese startup ecosystem.

It is envisaged that the implementation of this local action plan will lead to further development of the local startup ecosystem. This will be achieved by addressing the most significant gaps when compared to more mature ecosystems. In turn this will enable more startups to flourish in Malta and to establish themselves as innovation providers.

The proposals presented fall within three strategic areas: infrastructure, incentives and capacity building, across all lifecycle stages of a startup. Through the research carried out, 100 potential actions for improvement have been identified, which have been grouped under 35 objectives. These have been translated into nine key actions which address the most urgent gaps, to establish a Maltese startup ecosystem which is better suited to support quality startups and scaleups and attract the interest of the international startups and investors.

The ultimate goal of the *Innova Foster* project is to improve Malta's Operational Programme I (OP I) with regards to SMEs competitiveness, by proposing how funding and investment can be strategically (re-)directed to address the gaps which have been identified in Malta's startup ecosystem. While the actions proposed can be financed by European Regional Development Fund (ERDF), it is argued that other sources of funding - whether national, European, private or public - can be considered.

The nine key actions evolve around creating a national strategy, making key information available and accessible, increasing financial and nonfinancial assistance to startups, improving physical infrastructure, building capacity, and increasing local and international visibility of the local startup ecosystem.

This document harnesses the relevant information and knowledge obtained during 2017 and 2018. It proposes an initial two-year action plan for 2019 and 2020, during which the implementation of the suggested actions will be monitored.

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Part I – General information

Project:	INNOVA FOSTER - Fostering startup & innovation ecosystems in Europe https://www.interregeurope.eu/innovafoster
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1. Introduction

This report is a deliverable emanating from Malta Enterprise's (ME) participation in the European Union's Interreg Europe co-funded *Innova Foster* project. The project brings together 7 public bodies or equivalent, which are all managing national, regional or local policies that are related to SMEs growth and competitiveness and regional innovation capacity. The project partners' details can be found in Annex 1.

The project started in January 2017 and runs in two phases till December 2020. It has a total budget of €1.2 million. ME share of the project totals ca. €195,000 of which ca. €165,000 is covered by Interreg Europe and ca. €30,000 is contributed from ME's own resources.

The project aims at facilitating the growth of local startups. This shall be achieved by first understanding the difficulties faced in the local startup ecosystem and addressing these with a number of policy improvement recommendations set within this action plan. The project has combined interregional exchange visits, engagement with local and international stakeholders and in-depth research to improve and support the growth of high-potential SMEs in Malta.

Malta's startup ecosystem has its very peculiar challenges due to the country's smallness. Malta is a micro state which has a population of ca. 475,000 and an area of ca 316 km² and hence is the world's tenth smallest and fifth most densely populated country. It is envisaged that the implementation of this local action plan will lead to the development of the local startup ecosystem. This will be achieved by addressing the most significant gaps when compared to more mature ecosystems. In turn this will enable more startups in Malta to establish themselves as innovation providers.



Photo 1: Event during the project meeting in Slovenia, October 2017

2. Definitions

This project focuses primarily on *highly scalable and innovative startups and scaleups*. It is important to note that there is no standard or universal definition of what constitutes a “startup”.

For the purpose of this project we have referred to the definitions for startup, scaleup and startup ecosystem as established by Startup Genome¹, an organization highly specialized at mapping startup ecosystems. These definitions are clear, precise and measurable:

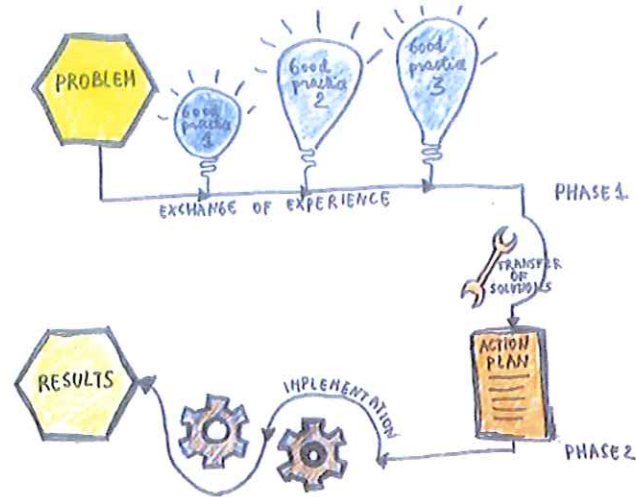
- **Startup:** *A temporary organization in search for a repeatable and scalable business model with at least \$10,000 in funding and at least one Full Time Employee (FTE).*
- **Scaleup:** *A promising sub-set of startups with a valuation of at least \$50,000,000 or more within 10 years*
- **Startup ecosystem:** *The concept of a shared pool of resources, generally located within a 100 km radius around a centre point in a given region, with a few exceptions based on local reality.*



Photo 2: Breakout session from “Startup Café” - a startup event inspired by Innova Foster, organized by Malta Enterprise, December 2018.

¹ <https://startupgenome.com/>

3. Project timeline



The project is organised in two phases:

Phase 1 (January 2017 – December 2018): This phase included an inward-looking process to gather insights on Malta's status quo, as well as international benchmarking through exchange visits to project partners offering insights into more mature startup ecosystems. This specifically allowed us to:

- Review existing information;
- Learn about the respective entrepreneurship and innovation ecosystems;
- Identify international good practices, solutions and ideas and investigate the possibility to tailor these to local needs;
- Map out the way forward for the development of improved innovation and entrepreneurship ecosystem in Malta, particularly from a public policy perspective.

Phase 1 concluded in December 2018 with the delivery of the local action plan to the Interreg Joint Secretariat.

Phase 2 (January 2019 – December 2020): This part oversees the adoption and deployment of the actions put forward within the local Action Plan developed during the first phase. During phase 2 further international collaborations will help derive learning outcomes from the project and provide a collaborative platform for the project partners. This will enable the partners to address any difficulties encountered and to disperse further knowledge to key stakeholders and wider audiences.

4. Project objectives

The overall project's objectives for Malta are:

- To strengthen the productivity of enterprises
- To facilitate SMEs to develop enterprise further
- To address specific needs of micro-enterprises
- To boost research and innovation
- To encourage startups' engagement in innovation processes
- To encourage collaboration between businesses
- To encourage SMEs to engage in industry specific innovation processes
- To strengthen networking and clusters for increased flexibility, resources, expertise and cost reduction

It must be noted that participation in Innova Foster occurs in synchronicity with numerous initiatives currently organised in Malta, which are relevant to startups and developing enterprises. However, since these initiatives are scattered between various entities and players the project has invested resources to map the current startup and innovation ecosystem and to suggest improvements for its development.

To achieve the project objectives a number of actions are being proposed, based on project research, stakeholder feedback and international exchange experiences. The project's main goal is to improve Malta's Operational Programme I (OP I) with regards to SMEs competitiveness, by identifying the strategic investment that would support the development of Malta's startup and innovation ecosystem. The actions proposed fall within 3 strategic areas: infrastructure, incentives and capacity building, across all lifecycle stages of a startup. Where available, examples of related good practices from other project partners have been included for reference.

While the proposals are put forward in support of developing actions for funding under our OP I, other sources of (co-)funding, whether national, European, private or public, could be considered to obtain the desired results.



Photo 3: Stakeholder focus group meeting: some of the breakout groups, April 2018

Part II – Policy context

The Action Plan aims to impact:

- Investment for Growth and Jobs programme
- European Territorial Cooperation programme
- Other regional development policy instrument

Name of the policy instrument addressed: ERDF OP1 – Enhancing competitiveness of SMEs

5. Malta's startup & innovation ecosystem

Third party research shows that currently SMEs contribute ca. 81% of the gross value added and employment of the Maltese economy. About 97% of all local enterprises employ less than 10 persons and there are just over 100 firms employing more than 250 staff. Since 2010 the number of firms has grown by 30% and micro enterprises accounted for 98% of this growth.

The 2018 Global Startup Ecosystem Report (GSER), using its own definitions, estimates that Malta has currently about 50 to 100 startups (with at least \$10,000 in funding and 1 FTE). Startup Genome highlights the need for Malta to generate more startups and scaleups, in order to boost the local ecosystem which it argued is in the initial 'activation' stage².

The 2018 report highlights also that Malta's tech startup ecosystem is one to watch in the areas of FinTech, Blockchain, gaming, big data and analytics, and notes that, in the context of Brexit, Malta is well positioned as a relocation destination for UK startups and companies searching for stability and a suitable point of entry into the EU market. Furthermore, Malta is described as a dynamic hub that can attract early-stage startups who want to work in a location that combines good weather, low operating costs and increasing government support.³

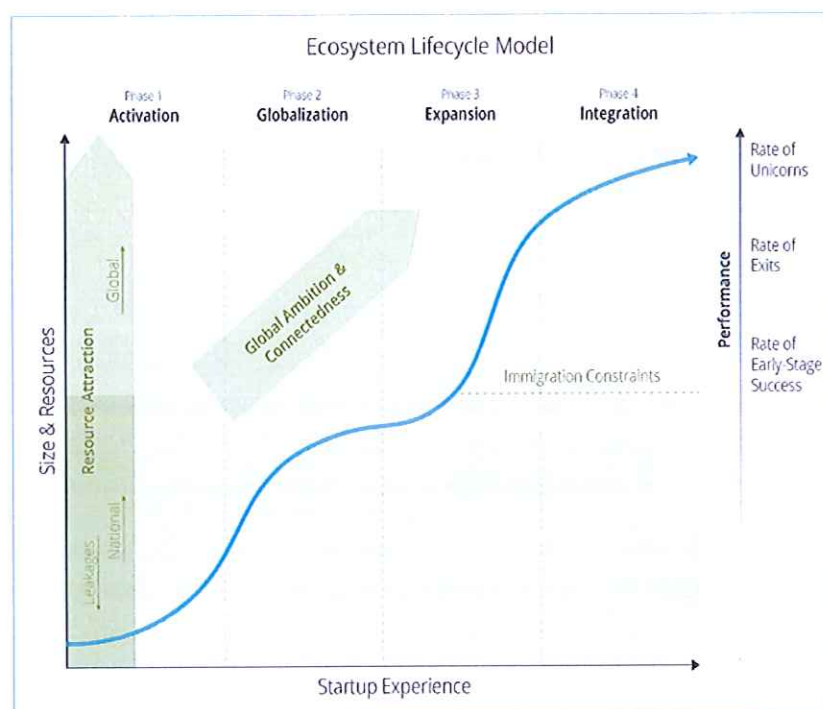


Figure 1: Startup Ecosystem Lifecycle (Source: Startup Genome¹)

² <https://www.timesofmalta.com/articles/view/20180801/business-news/unravelling-founders-dna-in-the-maltese-tech-startup-ecosystem.685788>

³ <https://www.mca.org.mt/articles/global-report-recognises-malta-leading-ecosystem-fintech-blockchain-and-gaming>

Another point well worth noting is that many highly scalable and innovative startups are 'born global', focused on international business and follow a scale fast strategy.

In Malta, Innova Foster seeks to address a wider ecosystem context than the 'highly scalable and innovative' startups, which are deemed highly technologically enabled and have great scaling potential. Through its proposals the local action plan aims at developing the entire ecosystem, therefore it does not discard any other type of startups – which are important to the Maltese ecosystem – like persons in the business ideation stage or micro enterprises start-ups with no imminent internalisation prospects.

The local startup ecosystem is a complex network and its effectiveness is dependent on collaborative interaction amongst various players to form a supportive environment for startups and scaleups. To this end, we investigated the following key elements:

- Actors (entrepreneurs, institutional players, corporates)
- Interactive processes (networking, collaboration, joint activities)
- Environment (regulatory framework, local context, history, culture)



Photo 4: Project meeting in Torun, Poland, March 2018

6. Startup ecosystem analysis

Limited information, figures and statistics exists on the Maltese startup ecosystem, local startups and scaleups. Much of our data was obtained through desk research and from key stakeholders feedback. Information was collected through various questionnaires for stakeholders and startups, numerous stakeholder meetings, participation in startup events, reviewing research of third parties (Startup Genome, The Global Entrepreneurship Monitor, etc.) and further desk research.

Throughout 2017 and 2018 we organised a number of consultations with stakeholders and hosted 7 stakeholder meetings, of which two focus groups to discuss in an interactive way the selection and filtering of proposals for actions.

In addition, we participated in 8 interregional visits and corresponding thematic events, with a total of 12 local stakeholders joining us. Approximately 40 local stakeholders participated in the thematic event we hosted in Malta.

We carried out 12 internal capacity building meetings, in order to transfer knowledge to key team members working on/with startups in our organization. An overview of the project key activities can be found in Annex 2.

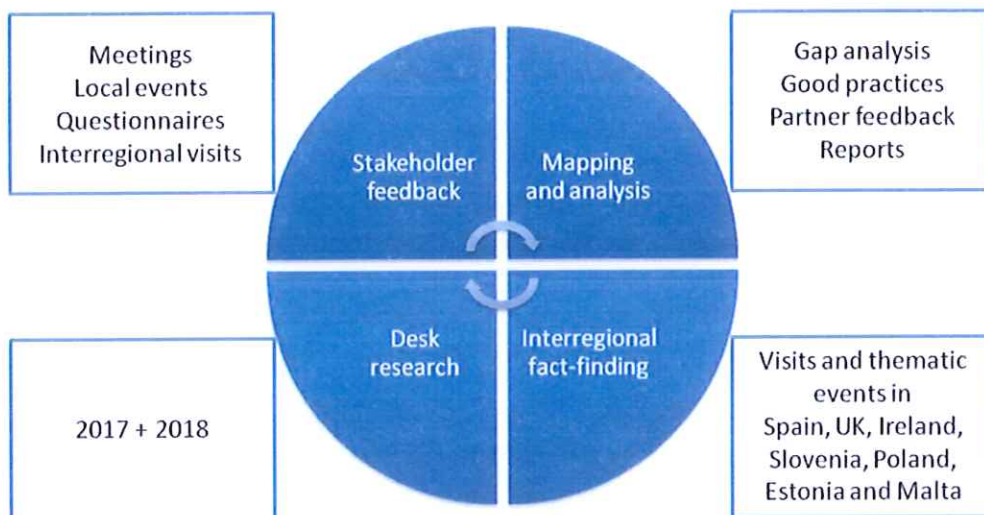


Figure 2: Project components and interlinkages

Our research shows that most of the key elements in the Maltese startup ecosystem have been created recently. The main interesting conclusions are:

- Startup community groups are quite new in the scene; however, seem to be growing and getting more attention in the local media.
- Meetups and events are happening but in isolation and without an established frequency.
- Improvement is necessary in academia–business collaboration.
- Even though quite new, the role models in Maltese startup culture are made more and more visible though recognised ‘ambassadors’ and various events now happening in the country.
- Very little Venture Capital activity is found in Malta. Seed capital and private competitions offering prizes are better developed, even though no formalized business angel network exists in Malta. Crowdfunding is in its infancy, with only one active Maltese crowd funding platform (on donation basis), however companies with requirements for crowd funding may of course tap into other international platforms.
- A number of concerns have been identified in relation to the regulatory environment - e.g. bankruptcy laws, capital gains tax, etc.
- R&D transference to market is encouraged through the national Research & Innovation Strategy and corresponding action plan.
- There are a number of public (TakeOff, MITA, KBIC) as well as private (Microsoft) incubators and accelerators, however next generation accelerators are non-existent.
- Ongoing activity in education suggests that focus on entrepreneurship, STEM and coding is increasing.
- Support services, like loans for startups, technology transfer and business training are developing. Many key stakeholders, amongst others Malta Enterprise (various incentives and support), University of Malta (Knowledge Transfer Office), Trade Malta (internationalisation course), and the private sector already offer their services in this respect.
- In traditional corporate innovation models recent activity suggests an increasing appetite towards startup investment by large business, but mind-set/culture still in need of improvement. Newer models to enhance corporate innovation in Malta still seem to be lacking.

It must be said that various initiatives are being developed in Malta on an ongoing basis, thus the situation is far from static and the above analysis is merely an outline of the main identified trends at the time of writing.

6.1 SWOT and challenges

From stakeholder feedback received we identified the following strengths, weaknesses, opportunities and threats of the Maltese local startup ecosystem.

<p>Malta's local ecosystem strengths</p> <ul style="list-style-type: none"> ✓ Strategic location ✓ Climate & lifestyle ✓ Lower cost compared to major hubs in Europe ✓ Strong human capital ✓ Strong ecosystem for iGaming and Financial Services ✓ EU MS & Access to EU market ✓ ICT infrastructure 	<p>Malta's local ecosystem weaknesses</p> <ul style="list-style-type: none"> ▪ Absence of startup/entrepreneur visa ▪ Difficulties with access to finance (VC) ▪ Risk-averse culture/entrepreneurship not celebrated ▪ Lengthy process re business bank acc ▪ Limited community spaces for startups ▪ Limited international visibility for MT ▪ Low unemployment means less startups
<p>Malta's local ecosystem opportunities</p> <ul style="list-style-type: none"> ✓ Attract founders, talent, investors by providing clear regulatory frameworks ✓ Nimble policy making ✓ Capitalising on success in iGaming and Financial Services ✓ Digital Single Market opportunities ✓ Malta acting as test bed 	<p>Malta's local ecosystem threats</p> <ul style="list-style-type: none"> ▪ Limited local pool of entrepreneurs, talent and finance → external resources ▪ iGaming industry skewing labour market for ICT-skilled staff ▪ Startup community not organised ▪ Limited scope for banking industry specialisation (small startup density MT) ▪ Fiscal regime not conducive to startups

Figure 3: Malta's Startup Ecosystem SWOT (Source: Innova Foster)

Based on the SWOT analysis, our further research and other feedback collected we have identified the overall challenges - and hence respective focus areas to address, in order to improve the local ecosystem:

- Government strategy and long term action plan
- Need to foster an entrepreneurial and innovation culture
- Small community
- Need to improve startups links to innovation
- Difficulty to access finance, particularly early to scaleup stages
- Need to improve support & mentoring opportunities
- Need for more (adequate) physical infrastructure for entrepreneurship to develop
- Missing enabling conditions for failed entrepreneurs

6.2 Results from ecosystem gap analysis

The Maltese ecosystem was mapped out using the *Startup Ecosystem Canvas*⁴ template which divides the ecosystem in these three main stages of development plus a section on 'Supporters' (Government, Talent and Evangelists):

1. **IDEA-STAGE:** This is where new entrepreneurs get inspired, learn best practices, develop skills, validate ideas, and begin to build their team and product.
2. **LAUNCH-STAGE:** In this stage, entrepreneurs establish and formalize the company, develop the product, get feedback from customers, and prepare for the next step.
3. **GROWTH-STAGE:** Here, a startup proves their utility, receives recognition, and scales up. This usually requires funding, angels, VCs, and ways to connect them to startups.

This mapping exercise, done in collaboration with the local stakeholders, showed that the Maltese startup and innovation ecosystem needs improvement in the following areas, many of which are found in the 'Growth-stage' of the Canvas:

<u>Team Formation</u>	Resources for teaming up. (i.e. events or other resources that facilitate early-stage recruitment and cofounder matching)
<u>Build First Product</u>	Hackathons & resources to build. (i.e. other builder-focused events and resources)
<u>Seed Accelerators</u>	Seed funding mentor programs (Techstars-style programs that provide funding)
<u>Pitch & Demo</u>	Show local startups for investment (i.e. demo days for companies seeking seed investment)
<u>Investor Networking</u>	Connect professional investors with founders. (i.e. events or groups that facilitate connections with professional investors vs. angels)
<u>Angels / Micro-VCs</u>	Seed-stage investors
<u>Venture Capitalists</u>	Series A and beyond
<u>Expansion</u>	Growth accelerators/consultants. (i.e. programs and business consultants for capital-rich companies to grow and scale)
<u>Policy</u> ⁵	Central vision/mission, coordinated action, coordinated team from policy makers / key stakeholders

A copy of the compiled Canvas can be found in Annex 4.

⁴ <http://fi.co/canvas>

⁵ Policy is not found in the Canvas, however was identified as an area in need to be addressed.

6.3 Key findings from more advanced startup and innovation ecosystems



Photo 5: Group photo of project meeting and visit to Cork, Ireland, November 2017.

Malta Enterprise and 12 local stakeholders participated in the project's 8 interregional visits and thematic events. Approximately 40 local stakeholders participated in the thematic event organized in Malta. These experiences have strengthened collaboration between Malta Enterprise and the ecosystem's stakeholders, improved capacity in staff and allowed for exchange of knowledge, ideas and potential solutions. A list of these events, the countries visited, and the local stakeholders who joined us are listed in Annex 3.

The project exchange visits offered insights to startup ecosystems of other European regions and cities, whereby the below listed characteristics have clearly set apart the more advanced ecosystems:

- i. **Pipeline feel:** a speedy progression exists from initial interest to business formation, scaleup and growth, which is made possible through a variety of interconnected initiatives put in place by policy makers as to address different players and business development stages.
- ii. **Good coordination:** availability of a clear public agenda taking into consideration business leaders inputs, allowing local optimisation in line with major vision, emphasizing strong inter-agency and cross-community collaboration.
- iii. **Private sector participation:** whereby business leaders contribute actively to ecosystem development and more established businesses support startups through guidance, vital

introductions and networking extended all the way to corporate accelerators and investment opportunities.

- iv. **Focus on impact:** importance to generate more quality startups as to drive development of scaleups that are more competitive and successful on international level.
- v. **Service & infrastructure combo:** provision of support services in addition to infrastructure offering, whereby levels of assistance may vary but would be relevant to specific business type and development stage.
- vi. **Mentoring and training:** strong emphasis is placed on business capacity building, with mentorship on the increase in view of mentors' ability to trigger speedy problem solving for startups.
- vii. **Access to finance:** availability of orientation and investment readiness support to businesses seeking to identify the best funding option in relation to their development stage as set within complex landscape of private and public funding tools and opportunities.
- viii. **Innovation:** high level of support to innovation driven enterprises, which are vital to formation of competitive scaleups and future dynamics in the ecosystem.
- ix. **Government as adaptor of innovation:** from support and investments in strategic infrastructures to initiatives focusing on public procurement for innovation, whereby "buying a solution" for societal challenges replaces "buying what exists" in the market, giving startups a chance to participate and grow.
- x. **Value creation and return:** peer support and giving back to ecosystem is encouraged with understanding that startups gone global would serve as a vital link for networking/introductions with other ecosystems internationally and would return once matured to set up further activity if their initial experience was good.
- xi. **Global links:** use of international linkages for larger market reach which feeds back into ecosystem success.
- xii. **Networking:** facilitation of networking opportunities for speedy referral and progression of startups to "the next step", engagement between multi nationals / large corporates with startups and scaleups for faster innovation and growth.

It is evident that the development of a coherent startup ecosystem requires time. Some of these elements listed have been existing for years within more advanced ecosystems. It is clear that long-term vision, continuity planning and implementation of good practices contribute to successfully fostering and growing such ecosystem.

7. Goals, objectives and actions



Photo 6: Sharing information at the Innova Foster stand at the Startup Café event, organized by Malta Enterprise, November 2018

Based on the research undertaken, the knowledge obtained from project partners and stakeholders, as well as taking into consideration the identified key challenges and gaps in the local startup ecosystem, a list of potential actions has been devised. These actions have been grouped under 35 objectives, subdivided under three goals corresponding to the strategic areas under OP I: infrastructure, incentives and capacity building.

The identified actions differ in degree of implementation difficulty. Some of the actions identified involve interaction between various players and would require a mature environment and significant budgets. Implementing these would require a clearer national strategic direction and would require longer term planning. Based on our analysis as well as considering the Innova Foster Interreg phase 2 project implementation requirements, the list was narrowed down to 9 key actions which have high impact, can be implemented within 2 years and which are to serve as foundation for the further development of a more dynamic startup ecosystem in Malta.

The 9 key actions evolve around developing a national strategy; making information available and accessible; increasing financial and non-financial assistance to startups; improving physical infrastructure; capacity building; and increasing visibility of the ecosystem.

The proposed key actions are the following:

I. Infrastructure

- Action 1: A formalized structure to champion and develop the local startup ecosystem
- Action 2: Interactive web platform for Malta's startup ecosystem
- Action 3: Update facilities and infrastructure

II. Incentives

- Action 4: Improvement of dedicated support schemes for startups
- Action 5: Innovation and design vouchers for SMEs
- Action 6: Creation of a focus group for initiatives targeting specific groups

III. Capacity building

- Action 7: Develop a national strategy
- Action 8: National branded startup event
- Action 9: Dedicated training initiatives

The specific details – the information on which these actions are based, what the actions entail, who the key players are, as well as estimated costs and potential funding sources – are listed in Part III of this document. How the actions will be monitored and how the expected outcomes are measured is listed in a monitoring dashboard, which can be found in Annex 5.



Photo 7: Project stakeholder meeting at Malta Enterprise, October 2018

8. Conclusion

This action plan presents 9 key actions which are deemed to be the first steps that Malta needs to take to prepare the ground for a well-functioning startup ecosystem. Other actions which the authors have developed through the project journey could be considered for implementation as deemed necessary and useful at a later stage of development.

The key to improve Malta's local startup and innovation ecosystem is that of addressing existing gaps, building on past successes fostering vertical ecosystems (e.g. Financial Services, iGaming), adopting good practices from other European regions and seeking specific solutions that are conducive to the local environment.

All the project's working documents, presentations, research, and further documentation are available for stakeholders' perusal. Most of these will be made available through the online knowledge depository, other documents and further information can be obtained by contacting the authors.

Some of the promising results already emanating from Malta Enterprise's participation in the Interreg Europe Innova Foster project's first phase are:

- A map of the local startup ecosystem and corresponding gap analysis
- Research results with input from 100+ local startups and 60+ stakeholders
- 8 international visits and thematic events from which 40+ local stakeholders benefitted
- In-house capacity building of a team of 7, who can now better service startups
- Identification of 12 reference points from more mature startup ecosystems
- Identification of 35 overarching objectives with 100 potential actions for improvement
- Creation of local action plan with 9 key actions
- Creation of an online Innova Foster knowledge depository
- Launching of three new startup incentives by Malta Enterprise
- Organisation of a startup event and various focus groups
- Providing necessary expertise to the Ministry for the Economy, Investment and Small Business

Malta's startup and innovation ecosystem is small and still in activation mode, yet is vibrant and offers great potential. It is argued that with the right basis created, the country's ecosystem can grow and produce more and better quality startups and scaleups leading to enhanced international competitiveness of both Malta and Europe.

Part III – Details of the actions proposed

Action 1: A formalized structure to champion and develop the local startup ecosystem

1 The background

Malta lacks a formal startup strategy and a structure to champion the development of the ecosystem. Currently, an informal forum exists amongst key stakeholders run on the voluntary basis for exchange of the latest developments relevant to startups and entrepreneurship. The forum has limited capacity to impact policy making and is not backed up by dedicated resources.

Using the good practices seen in Ireland and Slovenia it is proposed to create a formalised structure, for example in the form of a Foundation, focused on startup ecosystem development in Malta:

- To act as major policy driver
- To create an integrated approach to startup policy development in Malta
To enable proactive rather than reactive policy making
- To bring together all key stakeholders in a formal / strategy driven forum (on a quarterly basis)
- To create a structure which actively consults government and stakeholders on startups, monitors progress, proposes actions, sets and measures KPIs
- To oversee Malta startup ecosystem branding
- To create and give guidance to operating team of interactive web platform

Such a structure functions by facilitating the formation of core and steering groups that will support policy development and implementation. The members of these groups will differ in functionality and will involve various stakeholders as deemed relevant.

Examples from partners:

- Ireland - [The Cork Innovates Partnership](#) brings together key stakeholder organisations who are actively engaged in entrepreneurial, innovation or business support activities and who collaborate under the mantle of Cork Innovates to promote Cork with a specific focus on driving the economic reputation and perception of Cork as the optimum location in Ireland for innovation and entrepreneurship.
- Slovenia - [Start-up Slovenia](#) is an active facilitator and promoter of public and private stakeholders in the Slovenian startup ecosystem with a dedicated team to run a web site for startups.

2 Action

Setting up a formalized Foundation to coordinate on entrepreneurial strategy and policy and startup ecosystem development. Such a structure will look into policy and strategy / country's vision and longer term development, funding, establishment of coherent branding and online platform, etc and will work closely with various key stakeholders as needed.

- Proposal outlining why foundation is going to set up and what its remit will be
- Setting up of legal structure and allocation of budget and resources
- Setting up of management structure and official launching foundation

3 Players involved

- The Ministry for the Economy, Investment and Small Business (MEIB) as main driver in setting up the legal structure for the Foundation.
- Malta Enterprise as main consultative body on startups to the Foundation
- Other public and private entities as ecosystem stakeholders, required for their input into the policy for startups as well as for the activities and collaboration.

4 Timeframe

- Proposal tabled in Parliament Q4 2018
- Legal entity set up by notarial act Q2 2019
- Allocation of budget Q2 2019
- Foundation recruitment of staff Q2 2019
- Board and management appointed Q2 2019
- Official launch Q3 2019
- Start delivering outputs by Q4 2019

5 Costs

A budget will be established by the appointed CEO and his or her team. It is envisaged that the structure would require at least 3FTEs (yet part of the HR element could be shared with other functions within the ministry and government). Main budget headings will include staff, overheads including office space and information/promotion costs.

6 Funding sources

MEIB will seek funding through the national budget or through the OP.

It is not excluded that certain aspects of activities will be funded through public and private collaborations.

Action 2: Interactive web platform for Malta's startup ecosystem

1 The background

Much of the essential knowledge and information for and about startups is scattered. It has been pointed out that there is the lack of a place (an online space) which provides all the relevant and available information in a user friendly way, as well as the need for more visibility and joint branding of Malta's ecosystem, resources on what is happening. On the other side, various players need data on active startups.

It is proposed to build/compile one online interactive web platform and database to support the ecosystem, by:

- bringing together various players, providing available information, tools and knowledge
- making relevant information available and accessible to entrepreneurs and startups in an integrated way, linking existing resources to the relevant business development stages
- establishing a platform where entrepreneurs, startups and stakeholders can interact
- increase the visibility of Malta as a startup location

The platform will include the development of online tools to facilitate startup activity (dynamic ecosystem map / calendar of events etc) as well as an online space for founders to connect to angels/investors. This will require the creation of a dedicated operating team which should collaborate with ecosystem stakeholders on ongoing basis.

There are various initiatives from the Innova foster partners that show the benefit of such a platform:

- **Slovenia** – [Start-up Slovenia](https://www.startup.si/en-us/team) as an active facilitator and promoter of public and private stakeholders in the Slovenian startup ecosystem, with a dedicated operating team (<https://www.startup.si/en-us/team>) to run a web site for startups
- **Poland** – various initiatives:

[Start-up Poland Foundation](#) is a non-profit organisation representing the Polish start-up community – it publishes reports on Polish startups and builds awareness of the potential of startups among public officials involved in decision making. The foundation has its own website with a database of start-ups, investors and all other people related to the startup community.

An online database of development services is run by the Polish Agency for Enterprise Development – includes trainings, vocational courses, consultancy, postgraduate studies, mentoring, coaching.

Creation of several short documentary video clips telling the story of the startup from idea through the subsequent stages of its development – 5 stories about rising stars of Polish business who, being in their twenties, earned their first money in an unconventional manner.

Weekly cycle “That’s the way to do business in Torun” is published online – business owners make a few minutes’ speech about how to obtain capital and find partners in their industry, how to conduct effective marketing and gain customers.

2 Action

Creation of an interactive web platform for Malta’s startup ecosystem, inclusive of interactive map, resources, e-tools, best practices, calendar of events, links, etc.

- Draft proposal by Foundation, including specifications and terms & conditions
- Issue call for tender
- Select supplier
- Supplier to supply platform
- Populate, promote and manage platform by Startup Foundation

3 Players involved

- The Startup Foundation as driver of this action
- Ministry for the Economy, Investment and Small Business and Malta Enterprise as main stakeholders to provide relevant expertise and information to the content of such online portal
- All players in the ecosystem (education providers, incubators, accelerators, etc) to feed into the system their information, events, etc.

4 Timeframe

- Q2 2019, Malta Enterprise will propose the terms and development parameters of this platform to the Foundation and the Ministry
- Q4 2019: Foundation issues a call for tenders
- Q4 2019: tenders will be evaluated and winning proposal chosen
- Q2 2020: Supplier to supply platform according to Terms and Conditions and specifications
- Q2-4 2020: Startup Foundation to populate, promote and manage platform

5 Costs

€ 20,000 - € 50,000 as initial estimation for the design and creation of the web platform, including new e-tools etc.

6 Funding sources

Funding will be sought through the OP or national budget.

Action 3: Update facilities and infrastructure

1 The background

Various incubators and accelerators were visited during the interregional visits, offering valuable ideas and perspectives.

Tartu's [SPARK Demo](#) facility in Estonia offered an interesting example of the new business support structure for entrepreneurship, created in 2016 under the leadership of Tartu Science Park and with the support of the city of Tartu. The demo hall brings together the most successful manufacturing companies, exporters, image-makers, employers, brightest startups and business support organisations to spark collaboration, new ideas and create new opportunities and solutions.

Furthermore, the best practice of the Spanish [high-tech incubator](#) is conceived as an infrastructure where, equipment, knowledge and transfer of technology are crucial which is inspirational for this action.

To this end, the action proposed concerns upgrade of existing facilities and considerations for further development / introduction of new facilities supporting entrepreneurship and innovation as deemed necessary.

2 Action

After having seen the incubation facilities in the partner countries, Malta Enterprise, which administers the Kordin Business Incubation Centre (KBIC), will embark on plan to redevelop its incubator to provide facilities and services more aligned to the current requirements. In this respect Malta Enterprise will consider the following good practices based on experiences acquired from the project:

- General outdoor and indoor facelift to create a more welcoming environment conducive to the expectations of start-up and entrepreneurs
- further promotion of recreational areas such as the open kitchen space, discussions rooms and shared development spaces
- in-house support and handholding with regards to various business aspects (including legal, financial, operational advisory)
- co-working/maker spaces and hot-desking
- rebuilding links with other international incubation organisations (such as [EBN](#))

3 Players involved

Malta Enterprise

4 Timeframe

- Q1 - 2 2019 - KBIC, in collaboration with Malta Enterprise to plan works
- Q2 2019: KBIC to present project plan
- Q2-3 2019: KBIC to secure funding required

- Q4 2019: KBIC develop in-house support services
- Q4 2019 – Q1 2020: indoor and outdoor facelift finalised, including areas for co-working, maker spaces and hot-desking as well as improved shared development spaces
- Q1 2020 new in-house support services launched

5 Costs

The cost of the project will be determined once the full scope is developed yet a budget of € 500,000 is envisaged for addressing the minimum requirements.

6 Funding sources

The project will be supported through the Operational Programme or National Funds.

Action 4: Improvement of dedicated support schemes for startups

1 The background

At the start of the project Malta Enterprise had one startup support scheme "[BStart](#)". In addition, the Measures and Support Division administered the "[Start-up Investment Grant Scheme](#)", an incentive scheme for startups funded through the Operational Programme.

Through the course of the project a number of partners' support measures and schemes have been used as inspiration for new schemes and incentives locally, among others:

- **Slovenia** - The Slovene Enterprise Fund offers up to € 329,000 in seed capital per company (in 3 stages: 1st – € 54,000 (in connection to Startup of the year competition), 2nd - € 75,000, 3rd – € 200,000; including an intense advisory, education and mentoring support programme. Micro-loans up to € 25,000 are also mentioned to provide SMEs with easier access to finance for developing the company. It has simplified terms for approving state aid, lower interest rate, lower insurance requirements, longer loan maturity and possibility of benefitting from payment deferment.
- **Ireland** - Enterprise Ireland mentioned repayable assistance for start-ups that has contribution through ERDF to the initial amount, further to which the money keeps on rotating in the ecosystem as successful enterprises pay them back to be borrowed by new entrants.
- **Ireland** - Micro-finance – lender of last resort with 1 % interest rate reduction if application comes through Enterprise Ireland – this measure is not restricted by sector.
- **UK** - showed increased focus on soft measures for development of entrepreneur and self-sufficiency in businesses and assistance to link start-ups with more established players / buyers in the market.
- There are schemes/initiatives that cover all stages of business, from early stage startup to scaleup and growth stages. Incentives available range from very low amounts (GBP 250 loan) to significant mixed-source investments up to GBP 4 mln. UK also offers more loans than grants (Start-up loans up to GBP 25k, business loans up to GBP 100k, export finance up to GBP 150k, investment fund GBP 25k-100k, business angel investment from GBP 150k to 2 mln).
- **UK** - Growth Start-Up programme for businesses with potential to turnover GBP 250k & employ 5 employees within the first 3 years.

This resulted in the creation of 3 additional dedicated incentives for startups: "[Startup finance](#)", "[Startup advance](#)" and "[Leap2Enterprise](#)". Next steps would involve schemes progress monitoring, considerations in relation to any amendments required / possibility to introduce service element in combination with financial support.

2 Action

To improve dedicated support schemes and incentives for startups by monitoring and evaluating progress and adjusting the schemes to better suit the requirements of start-up and entrepreneurs.

- Setting up of in-house Technical Incentives Evaluation Committee within Malta Enterprise, which will:
- Create methodology to monitor and evaluate startup incentives
- Monitor the startup incentives using said methodology
- Present report to Malta Enterprise with proposals to improve startup incentives
- Measure improvement

3 Players involved

- Malta Enterprise responsible to set up said Committee to revise its startup incentives
- Measures and Support Division as observer to transfer the methodology to improve their own startup incentives

4 Timeframe

- Q1 2019: set-up of a Malta Enterprise in-house Technical Incentives Evaluation Committee (TIEC)
- Q3 2019: TIEC will create methodology to monitor and evaluate progress of current startup incentives
- Q4 2019: TIEC will present report with sub-actions to undertake to adjust current incentives
- Q1-4 2020: sub-actions to be implemented and improvement rate to be measured and shared for continuous improvement of these and other incentives

In addition: by the end of 2019 a report will be finalised with recommendations for future development. The report will include the results of field studies regarding the effectiveness of the existing start-up incentives and analysis of gaps that need to be addressed and how these could be supported through support measures. The feedback will be used in the redevelopment of the start-up incentive package post 2020.

5 Costs

This action will be supported through National Funds allocated to Malta Enterprise – no additional funding is envisaged.

6 Funding sources

Malta Enterprise budget.

Action 5: Innovation and design vouchers for SMEs

1 The background

The exchange visit to Cork in Ireland presented a case of a more developed ecosystem built on entrepreneurship and innovation, whereby many of high potential SMEs / solid scaleups arise out of innovation background or in collaboration with good links to research organisations.

Collaborations between universities, institutes and local industry (SMEs) are encouraged there through an [Innovation Voucher](#) programme:

- From 2007-2016 4500 vouchers were given out, totalling an investment of 22 mln.
- The voucher consists of € 5,000 to work on innovation with university or research institute, open to most sectors & to SMEs, creating low risk for RDI
- There are 3 type of vouchers: 2 x 100% & 50/50%
- The measured impact has been a 7% increase in turnover for every € 1 invested
- This has also created positive impact on links between business & research communities
- Little red tape as most of transactions and agreements happen between SME & research organisation, the administering body pre-approves idea and then transfers money to research organisation upon completion of an innovation agenda as was agreed between SME & research organisation

Malta already has a [Commercialisation voucher scheme](#) through the Malta Council for Science and Technology (MCST) however it is different as it assesses commercialization potential for IP protection prior to the actual undertaking of any research and development, while the Innovation Voucher is targeted to development of appetite for innovation activities and to links establishment between research organizations and companies.

It is argued that this could be an excellent incentive for Malta, where there is the need for closer collaboration between startups and research providers.

2 Action

Introduction of innovation and design voucher scheme for SMEs, based on Ireland's example, which seems to account for Malta's small size limitations while keeping the focus on innovation appetite, easy access to knowledge, collaborative development and minimal bureaucracy.

In Malta it was decided that the voucher should also include design, giving a larger scope to the incentive, of an area that is of high interest and value to local businesses.

3 Players involved

Malta Enterprise to develop and manage the scheme.

4 Timeframe

- Collect feedback from industry for requirements – Q2 2019
- Drafting of incentive - Q3 2019
- Presentation of incentive and internal approval - Q4 2019
- Secure funding – Q1 2020
- Presentation of incentive and external approvals (in line with new state aid rules) – Q 2 - 3 2020
- Preparation of promotional material for incentive – Q3 2020
- Pre-launch of incentive Q4 2020
- Incentive available Q1 2021

5 Costs

No cost for the development and management of the scheme (Malta Enterprise own budget).
The sum to be invested through the vouchers has to be determined.

6 Funding sources

Funding can come from Malta Enterprise budget, Operational Programme or national funds.

Action 6: Creation of a focus group for initiatives targeting specific groups

1 The background

Exchange visits showed that different regions seek to expand the entrepreneurship base by encouraging specific groups within society through dedicated initiatives to develop initial interest in starting up and creating a business.

For example: Ireland supports females with STEM qualifications; Slovenia supports social entrepreneurs whose activity would alleviate government resources and the UK shared initiatives targeted to younger people.

In Malta, similar actions could be considered to promote startup opportunities within sections of society that have not yet been actively addressed.

2 Action

Malta Enterprise to establish and coordinate a focus group of experts to propose, develop and coordinate initiatives targeting specific groups such as females, mature employees, youth and disadvantaged groups.

- Set up focus group
- Set calendar of meetings
- Create dedicated meetings to discuss target group requirements
- Propose incentives
- Develop incentives
- Launch incentives

3 Players involved

Experts from the following entities will be joining the focus group:

- Malta Enterprise
- Jobsplus
- LEAP centre
- Education providers
- NGOS and other stakeholders

4 Timeframe

- Q2 2019 - Malta Enterprise to identify members of focus group and formally invitation to participate
- Q3 2019 - Setting up focus group, identification of participants' roles and responsibilities
- Q3 2019 - Malta Enterprise to prepare calendar of meetings and agenda
- Q2 2019 - Focus group will meet at least biannually – first meeting Q2 2019
- Q1 – 4 2019/2020: On ongoing basis focus group will draft proposals for Malta Enterprise's consideration of new incentive(s)

- If proposal is approved, focus group will develop the incentive(s) and present to Malta Enterprise
- Focus group will coordinate and monitor these incentives on ongoing basis

The focus group will be established in 2019 by Malta Enterprise. It will organise meeting (at least biannually) on specific areas - such as female entrepreneurship, youth entrepreneurship etc. - with the relevant stakeholders and propose initiatives and actions to support these specific groups.

5 Costs

Setting up and running the focus group, hosting the meetings, review and reporting would be done by Malta Enterprise from its own budget.

Individual potential scheme budgets will be determined and agreed on, based on the proposals presented.

6 Funding sources

Setting up and running the focus group, hosting the meetings, review and reporting would be done by Malta Enterprise from its own budget.

Action 7: Develop a national strategy

1 The background

Inspired by Slovenia's [Startup Manifesto](#) and Ireland's [National Policy on Entrepreneurship](#) it is proposed to develop a national strategy document. The document will address the country's outlook towards the development of the startup and innovation ecosystem, entrepreneurial formation and growth, innovation and diversification, internationalization, etc.

The updating and implementation of the strategy will be assigned a specific function with a clear focus and objective. The strategy will set clear guidelines for:

- nurturing and developing a functional start-up and innovation ecosystem
- driving effective change in line with market and technological developments
- addressing the ecosystem gaps timely and proactively
- establishing targets to be actioned in the short, medium and long term
- seeking to developing Malta as entrepreneurship location
- establishing continuous development processes to ensure that the strategy and policies are in line with most recent developments.

2 Action

Develop a National policy / strategy in relation to the startup and innovation ecosystem in Malta. This is to be undertaken by the Startup Foundation.

The obtained Innova Foster knowledge and information as well as list of potential actions will facilitate the definition of further steps to take for the development of the ecosystem, which can be addressed in a subsequent action plan.

The Foundation will:

- Allocate resources
- Formulate the strategy
- Present strategy and if approved implement strategy

3 Players involved

Malta Startup Foundation, in collaboration with the Ministry for the Economy, Investment and Small Business and Malta Enterprise.

4 Timeframe

Once the Malta Startup Foundation is set up its first task will be to create the national strategy:

- Allocating resources – Q4 2019
- Defining mission and national vision – Q4 2019
- Analysis / research – Q4 2019 – Q1 2020
- Strategy formation, drafting of the document and officially presenting document – Q2 2020
- Strategy implementation and monitoring – Q3 onwards

5 Costs

Not relevant at the moment.

6 Funding sources

National Budget or Operational Programme

Action 8: National branded startup event

1 The background

Existing events still do not have momentum and scope to be established as yearly national startup events, which bring together various stakeholders, and reinforce Malta as a good place for entrepreneurs and startups.

Through the Innova Foster project the value of such event has been observed in the Tartu region (Estonia) which organised [Entrepreneurship Week](#); in Manchester (UK) with [Venturefest Northwest](#); in Madrid (Spain) with the [South Summit](#) and Slovenia [PODIM](#).

While these events are regional but have national and international perspectives, the size of the local community allows for the development of an annual startup event. The event could bring together all stakeholders and provide a local platform with an international outlook.

The event will have the scope of:

- building Malta's image as a start-up location by making the local startup ecosystem more known locally and internationally
- attracting entrepreneurs, knowledge, start-ups and investors
- supporting matchmaking and networking
- supporting entrepreneurs and start-ups in seeking skills, knowledge and access finance

Motivated by experiences of Innova Foster, Malta Enterprise organized in November 2018 the first of such events as part of the SME week in Malta. The event which was branded "[Startup Cafe](#)" and it brought together about 130 startups, entrepreneurs, investors, academics etc. and included speeches, presentations, panel discussions, mentoring and networking.

2 Action

Creating a national yearly startup event. The proposal is to continue growing "[Startup Cafe](#)" by branding it as the national startup event, and creating a yearly returning event.

- Revise lessons' learned from previous edition
- Allocation of resources
- Setting of agenda, liaise with stakeholders / speakers
- Promotion of event
- After event takes place evaluate new lessons learned, and follow up with potential new ideas for events, incentives and actions

3 Players involved

Malta Enterprise, in collaboration with the Malta Startup Foundation, the Ministry for the Economy, Investment and Small Business and other stakeholders.

4 Timeframe

- Assign task force for event – Q1 2019
- Task force to draft agenda for next event - Q1 2019
- Task force to meet/invite stakeholders, speakers etc to participate – Q1-2 2019
- Task force to organise and manage logistics (venue etc) - Q1 -2 2019
- Task force to organise and run marketing campaign – Q1-2 2019
- First event to take place - Q3 2019

- Assign task force for event – Q1 2020
- Task force to draft agenda for next event - Q1 2020
- Task force to meet/invite stakeholders, speakers etc to participate – Q1-2 2020
- Task force to organise and manage logistics (venue etc) - Q1 -2 2020
- Task force to organise and run marketing campaign – Q1-2 2020
- Second event to take place - Q3 2020

5 Costs

Approximately Euro 10,000 per annum.

6 Funding sources

National Budget.

Action 9: Development of dedicated training initiatives

1 The background

Research and exchanges with the project partners show that in comparison to developments in more mature regions there are knowledge gaps in various areas within Malta's startup and innovation ecosystem. To this end, there is the need to develop training and capacity to address these shortcomings. Within the Innova Foster project the following activities were identified:

- Spain – [Google Campus](#) in Madrid
- UK support service is offered to SMEs providing orientation amongst funding available from a range of private and publically-backed sources and guidance on best option in relation to business development stage, followed by investment readiness support and help to meet investors / obtain funding
- Estonia – Startup demo events where startups can discuss projects with stakeholder and investors [sTARTUp Day](#)

2 Action

Organisation of training event on topics relevant to ecosystem development as identified through preliminary research and good practices exchanges under Innova Foster.

Target group: startups

Objective: to support startup entrepreneurs

Timeframe: at least one training per year.

Training topics are:

- diversifying funding options
- investor-readiness
- pitching ideas/projects
- other

3 Players involved

- MCAST
- University of Malta
- MCST
- Malta Enterprise

4 Timeframe

Q2 2019 – ideation of course and agreement with training providers

Q3 2019 – development of course

Q4 2019 – course promotion

Q4 2019 – course provision

Q1 2020 – evaluation

Q2 2020 – ideation of course and agreement with training providers

Q3 2020 – development of course

Q4 2020 – course promotion

Q4 2020 – course provision

Q1 2021 – evaluation

5 Costs

Estimated to be approximately Euro 20,000 per annum.

6 Funding sources:

National or Operational Programme.

ANNEXES

Annex 1 – Project partners

INCYDE Foundation – SPAIN

INCYDE is a Spanish Foundation promoting the entrepreneurial mind-set and the creation and growth of new businesses.

<http://www.incyde.org/>

Oldham Metropolitan Borough Council (OMBC) – UK

Oldham is committed to achieving a balanced local economy, supporting businesses and increasing investment to develop strong position in Greater Manchester.

<https://www.oldham.gov.uk/>

Torun Regional Development Agency – POLAND

The agency provides a range of SME support and advisory services linked to commence building new regional startup community and ecosystem.

<https://www.tarr.org.pl/>

Scientific Research Centre Bistra Ptuj – SLOVENIA

SRC Bistra in Ptuj is a regional development agency and a research centre promoting entrepreneurship and innovations.

<https://www.bistra.si/>

Malta Enterprise – MALTA

Malta Enterprise is the country's economic development agency, tasked with attracting new foreign direct investment as well as facilitating the growth of existing operations.

www.maltaenterprise.com

Tartu City Government – ESTONIA

The City of Tartu is a local municipality for promoting innovation, competitive entrepreneurship and knowledge-based production and services.

<https://www.tartu.ee/et>

Cork City Council – IRELAND

The City Council of Cork plays a key role in supporting economic development and enterprise and co-founded the Cork Innovates Partnership.

<http://www.corkcity.ie/en/>

Annex 2 – List of project key activities 2017 and 2018



30/01 - 1/02/2017	Project kick-off in Barcelona and introduction to Barcelona startup ecosystem, Spain
08/03/2017	Stakeholder meeting, Startup & Enterprise Forum: introduction to project and project objectives
22/03/2017	Hosted <i>Europe, Let's Cooperate Interregional Cooperation Forum Malta</i> visit and presentation about the project
25-26/04/2017	Project visit and thematic event – Tartu, Estonia
19/05/2017	Stakeholder focus group to discuss outcome of received questionnaires
20/05/2017	Survey amongst stakeholders undertaken, plus various one to one talks at the <i>BStart – Developing a startup culture</i> event at Malta Enterprise
09/06/2017	Meeting with Malta Communications Authority (MCA) about their in-depth startup ecosystem mapping exercise in 2016
13/06/2017	Meeting with project manager of the Interreg Europe Design4Innovation project from the Ministry for Justice, Culture and Local Government about their project and the Valletta Design Cluster
27-28/06/2017	Hosted interregional visit in Malta and Thematic Event for partners and local stakeholders
04/07/2017	Stakeholder meeting, Startup & Enterprise Forum: project progress, Estonia visit, highlights of Malta visit and next steps
22/08/2017	One-to-one stakeholder meeting with Malta Business Bureau
13/09/2017	One-to-one stakeholder meeting with Malta Investment Management Co Ltd (MIMCOL)
4-6/10/2017	Visited South Summit (startup event), Madrid, Spain
16/10 – 19/10/2017	Project visit and thematic event – Ptuj, Slovenia
27/11 – 30/11/2017	Project visit and thematic event – Cork, Ireland
26/01/2018	Stakeholder meeting, Startup & Enterprise Forum: startup ecosystem mapping
21-22/03/2018	Project visit and thematic event – Torun, Poland
10/04/2018	Stakeholder focus group meeting – discuss findings, analysis and actions to address lagging areas in startup ecosystem
05/06/2018	Stakeholder meeting, Startup & Enterprise Forum: To discuss ideas from focus group session to address lagging areas in startup ecosystem
12-15/06/2018	Project visit and thematic event – Oldham, UK
03/07/2018	Creation of <i>Innova Foster online knowledge depository</i> for stakeholders
19/07/2018	Participation in <i>Startup Genome</i> presentation about the Malta startup ecosystem, organised by the Malta Communications Authority
25/07/2018	Meeting with Ministry for the Economy, Investment and Small Business about Local Action Plan
25-27/09/2018	Project visit and thematic event – Madrid, Spain
03-05/10/2018	Participation in <i>ZEST – Delta Edition</i> startup event with one panellist who discussed our findings about our local startup ecosystem
26/10/2018	Stakeholder meeting, Startup & Enterprise Forum: project progress, principles from more advanced startup ecosystems and actions to be proposed in action plan
01-02/11/2018	Participation with stand within the <i>Startup Village</i> at the Malta Blockchain Summit
10/11/2018	Participation with stand at <i>Startup café</i> , startup event, Malta Enterprise
12/11/2018	Meeting with project manager of Interreg Europe Design4Innovation project from the Ministry for Justice, Culture and Local Government to discuss similarities and project experiences with regards Local Action Plan development
14/11/2018	Presentation about project findings to entrepreneurship students (BA, MA and PhD students) from the University of Malta
04/12/2018	Presentation of Local Action Plan and project findings to Malta Enterprise Board
11/12/2018	Local Action Plan finalised

Annex 3 – Interregional visits and thematic events

Location	Date	Thematic event theme	Stakeholders
Barcelona, Spain	February 2017	Kick-off event and introduction to Barcelona's Startup Ecosystem	
Tartu, Estonia	April 2017	Global trends to startup linkage on innovation	TakeOff (University of Malta) MITA Innovation Hub
Malta	May 2017	Support to clusters in emerging industries, driven by innovation	Participation of ca. 40 local stakeholders
Ptuj, Slovenia	October 2017	Regional awareness raising and community building	Ministry for the Economy, Investment and Small Business Malta Arts Council
Cork, Ireland	November 2017	Supply-side innovation vouchers and innovation management support	Malta Investment Management Co. Ltd Malta Business Bureau
Torun, Poland	March 2018	Incubation centers as platforms for innovation	TakeOff (University of Malta) Malta College for the Arts, Science and Technology Kordin Business Incubation Centre
Oldham, UK	June 2018	Incentives for cooperation between industry and startups	Ministry for the Economy, Investment and Small Business Malta Communications Authority
Madrid, Spain	September 2018	Innovative Public Procurement	Ministry for Finance

Annex 4 – Malta Startup Ecosystem Canvas

This document is work in progress and evolving regularly. For an updated version please contact Malta Enterprise.

 STARTUP ECOSYSTEM CANVAS MALTA v2.1 March 2018				
1. IDEA			EVANGELISTS Successful local founders who lead the ecosystem & frequently mentor newbies Simon Azzopardi (Silicon Valletta) Helga Fful (Advise Limited) Prof Juanito Camilleri (Harvest Tech.) Ivan Bartolo (6PM) Nathan Farrugia (Ultimate Performance)	GOVERNMENT Public organizations that facilitate local economic development Malta Enterprise MIEB MCA MITA MCST Transport Malta MTA MIMCOL Business First / Business Dev. Malta OPM
1. Inspire Startup Media: Centralized local info, listings, news Startupgatewaymalta.com Malta Startup Space (FB public group) Startup Malta (FB public group)	2. Educate Best Practices: Beginner knowledge-sharing events Bidding Rockstars (MCA) JCI La Vallette BNI Malta SME week (MEIB)	3. Validate Team Formation: Resources & events for teaming up Malta Startup Jobs (LinkedIn) JCI La Vallette		
2. LAUNCH			GOVERNMENT Local Universities: Major business/technical universities University of Malta MCAST	TALENT Local Employers: Major large technical employers ST Microelectronics Playmobil Simonds Farsons Cisk Betsson Group Toly Products Trellberg Sealing Solutions Betfair Tipico Foster Clark Corinthia Group Actavis Baxter Bessedo Crimsonwing Consolidated Biscuits Crane Currency De la Rue Currency & Security Print Progress press GoldenHarvest Manufacturing Lufihassa Technik Methode Electronics SR Technics Magro Brothers Metalfarm RS2 Software 6PM Seifert Systems General Softdrinks
1. Start Establish: Law firms & banks for startups BOV JAIME financing package BOV Start-Up Financing / StartPlus BNF Business Accelerate APS InnovFin SME Guarantee	2. Develop Formalize: Accounting, Development & HR Firstbridge "Basement to Boardroom" NM Group Checcu Cauchi acceler8.today	3. Launch Seed Accelerators: Seed funding mentor programs YouStartIT (MITA) MIMCOL seed investment scheme		
3. GROWTH			TALENT Local Employers: Major large technical employers ST Microelectronics Playmobil Simonds Farsons Cisk Betsson Group Toly Products Trellberg Sealing Solutions Betfair Tipico Foster Clark Corinthia Group Actavis Baxter Bessedo Crimsonwing Consolidated Biscuits Crane Currency De la Rue Currency & Security Print Progress press GoldenHarvest Manufacturing Lufihassa Technik Methode Electronics SR Technics Magro Brothers Metalfarm RS2 Software 6PM Seifert Systems General Softdrinks	
1. Recognition Investor Networking: Connect founders & prof. investors FUSION (MCST) Seed Investment Scheme (MIMCOL)	2. Funding Angels / Micro-VCS: Seed stage investors Bstart (ME) Start-up finance (ME) Go Beyond Takeoff Seed fund Award (UoM) Maritime Seed Award (UoM) Startup Investment Grant Scheme (ERDF)	3. Growth Infrastructure: Office space, HR, insurance & more KBIC Valletta Design Cluster Malta Life Sciences Park SME Growth Grant Scheme (ERDF) Enterprise Europe Network Int. Partnership Award Scheme (MCST)		
Major Media: Mainstream local business press Business Times Malta Business Weekly Business Agenda Entrepreneur	Venture Capitalists: Series A and beyond	Expansion: Growth accelerators/consultants Accelerating Entrepreneurs prog. (EY) Prima (MCST) Marra (MCST) Horizon2020 (MCST) Micro Guarantee scheme (ME) Internationalisation Scheme - Trade Malta		
SUCCESS STORIES Successful home-grown companies that have raised significant institutional funding, employ a large workforce, or have achieved liquidity. i-Movo, Altano, 6PM, H8jar, Thought3D, Oulala, Reaqa, DiscountIF, Rawstream, Catena Media, Shireburn, Ascend Software		Other interesting/upcoming(*) initiatives/actions SIGMA E-gaming Conference Malta Chamber - BOV SME Toolkit Govt startup eForm Malta Development Bank(*) Malta Stock Exchange 'Prospects' Risk Investment Scheme (MIMCOL)(*) H2020 SME instr. possibly to ind startups(*) Entrepreneurship Manual (Jobsplus) Entrepreneur of the Year Award (EY) JAYE Business Plan Competition Valletta Design Cluster JAYE Primary and Secondary Prog MIP / private industrial parks Finance Malta		
The Startup Canvas template and methodology has been developed by the Founder Institute (https://fi.co/canvas_template). This Malta Startup Ecosystem Canvas content is collected and collated by Malta Enterprise based on the findings of, and for the purpose of, the Innovafoster project, co-financed by Interreg Europe (www.interreg.eu/eu/innovafoster). For more information about this project please contact Malta Enterprise on euprojects@maltaenterprise.com or visit www.maltaenterprise.com .				

Annex 5 – Monitoring and impact

Dashboard for monitoring the Innova Foster Local Action Plan and expected impact.

Action	Who	Method	Ambition
Action 1: A formalized structure to champion and develop the local startup ecosystem	<ul style="list-style-type: none"> - Ministry for the Economy, Investment and Small Business - Malta Enterprise - Other government entities and private stakeholders 	<ul style="list-style-type: none"> - Proposal - Plan for implementation - Dedicate team and resources - Mandate and objectives - Launch structure 	Proposal by 2019, official structure launched and operational by 2020
Action 2: Interactive web platform for Malta's startup ecosystem	Malta Enterprise	<ul style="list-style-type: none"> - Creation of content - Creation of platform - Dedicate team and resources - Launch platform 	Terms and development parameters by 2019, proposal for funding by 2020
Action 3: Update facilities and infrastructure	Malta Enterprise	<ul style="list-style-type: none"> - Assessment of KBIC needs - Proposal for KBIC works - Implementation works 	Proposal by 2019, works finished by 2020
Action 4: Improvement of dedicated support schemes for startups	<ul style="list-style-type: none"> - Malta Enterprise - Measures and Support Division 	<ul style="list-style-type: none"> - Monitoring and assessment - Proposal for actions 	Monitoring and assessment in 2019, proposal with actions by 2020
Action 5: Innovation and design vouchers for SMEs	Malta Enterprise	<ul style="list-style-type: none"> - Proposal for incentive - Development of incentive - Launch of incentive 	Development incentive in 2019, draft incentive ready in 2020 and launch by 2021
Action 6: Creation of a focus group for initiatives targeting specific groups	<ul style="list-style-type: none"> - Malta Enterprise - Jobsplus - LEAP centre - Education providers - NGOS and other stakeholders 	<ul style="list-style-type: none"> - Creation of focus group - Focus group meetings - New incentives proposed 	Focus group created in 2019, proposal for the development of new incentives by 2020
Action 7: Develop a national strategy	<ul style="list-style-type: none"> - Ministry for the Economy, Investment and Small Business - Malta Enterprise 	<ul style="list-style-type: none"> - Dedicate team and resources - Draft strategy - Input from key stakeholders - Finalise and launch strategy 	Strategy to be finalised and launched by 2020
Action 8: National startup event	<ul style="list-style-type: none"> - Malta Enterprise - Ministry for the Economy, Investment and Small Business - Other stakeholders 	<ul style="list-style-type: none"> - Dedicate team and resources - Key stakeholder meetings - Event management - Measure impact 	2019: 1 event 2020: 1 event
Action 9: Dedicated training initiatives	<ul style="list-style-type: none"> - MCAST - University of Malta - MCST - Malta Enterprise 	<ul style="list-style-type: none"> - Dedicate team and resources - Preparatory meetings - Training management - Measure impact 	2019: 1 training 2020: 1 training

Annex 6 – Signatures

The proposed actions and deliverables in this action plan are supported by the Ministry for the Economy, Investment and Small Business.

Its implementation is to be monitored by Malta Enterprise as part of the Innova Foster project.

Signature and stamp:



For the Ministry for the Economy, Investment and Small Business

Date: 14-08-2019

Name: Nancy Caruana
Permanent Secretary
Position: Ministry for the Economy,
Investment and Small Business

Signature and stamp:



For Malta Enterprise Corporation

Date: 23 July 2019

Name: Karl Herrera

Position: Chief Officer, Incentives Development, Evaluation and Monitoring

