

## **2 Recommendations**

### **2.1 Master Plan for Design Promotion**

#### **2.1.1 Change In the concept of design**

As discussed in the following section, the master plan envisages the ability to create a product that incorporates needs of the market and strengths of the manufacturer as design's important feature, with the intention that design is to serve as a major driving force for industrial development measures in Indonesia, represented by export promotion, SME development, development of industrial linkages, regional industry development and job creation.

Design emerged when manual, customized production by an artisan was replaced with mechanized, mass production, in an attempt to counter against deterioration of quality and drive sustainable growth of mass production. In other words, design activities were initially motivated by an attempt to establish the ways to make industrial products of high quality in a standardized and rationalized manner, while incorporating elements of aesthetics and amenity. At present, design activities refer to the act of planning and designing to achieve the above objective (with the design process consisting of a whole range of activities).

The scope of design has been continuously expanding as effectiveness of design activities was proven in various respects. A particular emphasis is being placed on the change in role of design from materialistic to idealistic, whereby it becomes a means to propose an idea. In addition to the traditional effect of providing comfort by creating a color, shape and/or space, today's design is expected to help develop the ability to perform business activities or public administration by understanding the design process and applying it to planning and design work.

#### **2.1.2 Major objective of design promotion and strategic theme to materialize the objective**

The ultimate objective of design promotion is to use design for betterment of culture, the living environment, industry, trade and the national economy. In Indonesia, revitalization of industry is an area receiving the highest priority as it impacts many other sectors (including culture and daily life), and the master plan for design promotion should set its target as this immediate and pressing goal.

Particularly important is to develop the ability to create a product that helps establish the country's identity, especially when created among small- and medium-size enterprises that can generate large employment opportunities. This will be critical in strengthening the industrial sector through export promotion, SME development, development of industrial linkages, regional industry development and job creation.

### **2.1.3 Implementation of design promotion**

#### **Meaning of design promotion**

Design promotion is defined as an act of creating and empowering a chain of flow consisting of processes that ensure that (1) a good design is created and proposed, (2) applied to objects; and (3) the applied objects are utilized, for the purpose of improving the cultural and living environment or developing industry, trade or the national economy as a whole.

The design process should involve: (1) designers who propose the design; (2) design educators and researchers; (3) private enterprises, government authorities, and other organizations which apply the design to the objects; (4) consumers and businesses which use the objects designed, such as systems, space, media; and (5) government authorities and organizations which plan and implement design promotion initiatives.

Thus, design promotion represents activities participated in by all the above parties to improve the design process to the desirable level as viewed by each party, including: (1) the improvement of design and presentation skills of designers and the development of the social environment so as to encourage design creation and supply; (2) the raising of awareness of the usefulness of design as well as the method for design use by implementers (e.g., government and private enterprises; together with support for introduction of the design process; and (3) the raising of awareness of design value by users (private enterprises and consumers) and the improvement of the ability to identify a good design.

Furthermore, it is important to mobilize resources and develop the system to plan and implement the design promotion process.

#### **Design promotion potential**

While design promotion activities have still to be full-fledged in Indonesia, great potential is seen in various areas, including abundant design resources that can appeal to the world<sup>3</sup>, opportunity to produce an excellent effect of design, and a growing community

---

<sup>3</sup> Design resources herein used embrace diverse meanings that may expressed in a variety of words representing design elements and outcome, such as figure, design, device, motif and pattern.

of highly skilled people who can integrate the resources and opportunities to bring results.

#### **Constraints on design promotion**

At the same time, there are a number of constraints on promotion of design in the country.

#### **1) Constraints on design use**

One major obstacle to such activity, however, is the limited number of people in the country who understand the importance of design promotion in the country. In particular, there is the lack of interest on the industry side, which must act as a core element of promotion activity. The lack of interest is seen in the following four aspects.

First of all, there is the lack of awareness of as to what effects (benefits) can be expected from the use of design. A majority of manufacturing enterprises, particularly smaller ones, are too busy or too content with the status quo to respond to new kinds of inquiries from the buyer. Few of them think about how they will be able to develop their business if they develop original products by obtaining the design capability. Even government organizations that are responsible for design promotion do not fully understand its potential.

Secondly, most foreign buyers working in Indonesia are not interested in original product development using local resources and ideas. This is partly because they tend to view Indonesia as a production center characterized by a low-cost labor force and natural resources. More importantly, however, few local manufacturers propose new products and designs.

Thirdly, foreign-affiliated companies and local companies that have introduced foreign technology (particularly large enterprises) are content with current technology and products or are not confident about local design capabilities, and continue to rely on external design sources.

Finally, consumers constitute a major obstacle to design promotion. While the country has large population, its market is still small in terms of purchasing power. A high percentage of people still earn low income and do not use many industrial products. Furthermore, low income people in urban and rural areas make their purchase decisions based on price. As local manufacturers target the low income class to avoid competition with large corporations, their products are primarily designed to meet minimum performance requirements for cost reduction, far from original design.

## 2) Constraints on designers

While excellent designs are seen in some fields, particularly interior design and some areas of craft design, designers have still to demonstrate their capabilities in other fields, especially industrial design and package design. Designers are expected to demonstrate what design can do for industry. In particular, they fail to use communication skills to make hypothetical presentation effectively.

## 3) Constraints on the promotion organization

First of all, it stands on a very weak foundation; industry does not realize the effectiveness of design in the industrial development process, while design promotion has not yet become a national priority or public concern.

There are several organizations spearheading design promotion activities, including the Design Council and the Design Center, but they are facing the following constraints in addition to the lack of support from industry:

- a) Their activities do not cover all regions and industries. While the Design Council is represented by related government authorities, its activities are virtually planned and implemented by MOC&SME.
- b) The Design Council, therefore, depends on a single ministry for financial source and is susceptible to budgetary limitation.
- c) The Design Council is made up of representatives of many ministries as well as universities and industries. Nevertheless, it is dominated by members representing government organizations and its meeting is not attended by formal members, making it difficult to discuss broad issues covering all industries and regions.
- d) On the other hand, the Design Center, which was established as a core design resource, has volunteer staff from universities and designer organizations, and can be flexible in planning and conducting promotional activities compared to government organizations. However, its activities are fairly limited due to a budget constraint and the absence of full-time staff.

### **Strategic thrusts for design promotion**

Strategic thrusts for design promotion assuming the priority target as well as constraints as indicated above are as follows:

- 1) To encourage industries/enterprises to introduce design on their own initiative to leverage the ability of design for product development and market exploration, eliminating any restrictions on introduction of design

Most importantly, private enterprises and government organizations, key players in the design promotion process to introduce and use the design process, are aware of importance of design and have still to introduce it, apparently because they are uncertain if they will be able to gain benefits that are worth new investment and various risks accompanying it. In Indonesia, however, there are a number of restrictions to prevent industry from introducing the design process smoothly. To overcome the situation, pilot projects should be carried out as a successful example to convince industry of benefits created by design and encourage them to make their own initiatives.

- 2) To build up the system for design promotion in a stepwise manner, concentrating resources and efforts to the most viable and effective method and approach while understanding the current restraints such as the shortages of funds, manpower and experience, etc.

Successful design promotion is carried out by a permanent system capable of developing and implementing a well-defined plan on a continuous basis. Such system has not been developed in Indonesia. At present, there are a variety of resources that can be used for design promotion. There are universities and training institute which provide design education. There are several designers' associations and organizations specialized in promotion of the craft industry. In the public sector, the design council is positioned as an official organization to discuss design promotion policy, and the design center is responsible for implementing individual policies. What lacks at present is an institutional framework to ensure systematic and continuous design promotion activities. As a result, promotion activities by various organizations are carried out separately and sporadically and fail to form a consistent process with mutually complementary or supportive relationships. It is therefore important to build up the system to effectively mobilize and concentrate available resources on the most effective design promotion activities, parallel to pilot projects that are intended to create successful examples.

Strong support from industry cannot be expected so long as the government lacks funds and manpower to pursue design promotion policy consistently. As the design promotion system must be developed under these unfavorable realities, it is important to select the most optimum and effective approach available in the country by learning from experiences in other countries and apply limited resources to the efforts that promise to produce the most results.

- 3) To produce creative designers, together with development of the environment to support their creative activities.

Many industrial products made in the country are based on foreign designs or simply copy them. As they fail to differentiate themselves from other products in terms of design and performance, they inevitably compete fiercely in the domestic market to result in price wars and relentless cost cutting. As Indonesia needs to guide its industry to an advanced stage of development, it is important, among other things, to create original products that represent the country's unique identity. In other words, Indonesian industry must have the ability to develop products that meet market needs by analyzing current market conditions and by taking advantage of local resources, including raw materials, production skills and design resources, which enable Indonesian products to gain non-price competitiveness.

The product development process must be driven by designers who are capable of proposing an innovative product concept spontaneously. The innovative designer goes beyond the traditional role of devising a design solution in response to the customer's request.

Obviously, education is not sufficient, although essential, to produce innovative designers who must bear various risks when they propose a new product design. Thus, design promotion activities need to include the efforts to develop the business environment that supports innovative designers who take such risks as an entrepreneur (e.g., prior investment for product conceptualization). Such support including provision of financial assistance schemes, will empower designers and attract new talents.

4) To raise general design levels, and improve ability to appreciate design and its quality.

One of major objectives of design promotion is to approach industrial development from an international perspective. In other words, design promotion should aim at raising industry's design capabilities to an internationally acceptable level. To this end, it is useful and important to learn from experiences in advanced countries in the design fields, especially at an early stage of design promotion.

While this can be accomplished by collecting information through formal channels including publications and overseas missions, it is important to take a participatory approach to give local designers and design-related personnel hands-on experience, such as by holding design workshops attended by first-rate foreign designers, design evaluation under their participation, and the planning of design events by foreign producers.

5) To create a favorable image of design resources in the country, disseminating

originality and quality of Indonesian designs, materials and designers to the international scene.

If the country as a whole transmits positive messages on quality and performance of its products, or production activities (e.g., environmentally friendly), which are acceptable to the world, they will form a favorable image of the country and its industry and can be used as the basis of new product development. Again, there are plenty of design resources in the country that are not fully exploited, including talented designers. While introduction of the design process is expected to produce good results for the design promotion purpose, conscious efforts to make most use of design resources are critical in establishing the country's identity in design ability and expressing it as an industrial asset.

#### **Process to further the strategic thrusts**

The strategic thrusts are recommended to be realized by the following process. The master plan recommends to undertake this realization process in an integrated manner.

- 1) To encourage industries/enterprises to introduce design on their own initiative, eliminating any restrictions on introduction of design: Although industries and enterprises hold some expectation toward design implementation, they are not confident enough in introducing it on their own. Creating model cases within the country and advertising the results will build up confidence among a large number of enterprises that are interested.
- 2) To build up the system for design promotion in a stepwise manner: As little support can be expected from the private sector, efforts should be led by the government in close cooperation of the design community. Initially, resources will be mobilized to support the above activities. Then, to ensure promotion activities on a sustained basis, a formal promotion system will be set up around the Design Council responsible for policymaking while the Design Center implements promotion policies as the design utilization base. Then as demand for design implementation grows in the private sector, efforts should be made to induce their active support and participation.
- 3) To produce creative designers, together with development of the environment to support their creative activities: Designers will be trained to develop the ability to take initiative in design creation through the training of design instructors (technical support staff) and research and study activities, essential elements in the process of promoting design implementation. Then, when industry has begun to realize the importance of design promotion, joint research projects between government and industry will be initiated, to aimed at developing original designs and functioning as an incubator for

innovative designers.

- 4) To raise general design levels, and improve the ability to appreciate design and its quality: Opportunities for exposing the public to good Indonesian designs will be created through various design encouragement projects, including the hiring of experienced designers from overseas to provide guidance and advice at workshops and other events.
- 5) To create a positive image, disseminating knowledge of the originality and quality of Indonesian designs, materials and designers to the international scene: The results of the above initiatives including design concept and work will be publicized through international exchanges and the mass media, including exhibitions.

#### 2.1.4 Implementation steps

Design will become pervasive when it is successfully used by industry and government to produce positive impacts, which raise public awareness of design's value. At the same time, the widespread use stimulates designers to develop their design skills and creativity. In Indonesia, where industry does not fully recognize the efficacy of design and its potential value, efforts to demonstrate its benefits by way of examples in real application are important to give a sufficient push for industry to discover merits of design and be motivated to take action. At the same time, it is important to have a permanent organization which can carry out design promotion activities under a well-prepared plan and on a continuous basis.

In fact, proliferation of design and the promotion system have a complementary relationship to fuel each other. For instance, the widespread use of design by industry and government does not lead to the overall improvement of design levels, unless there are ample opportunities to advertise its effect or learn from more advanced experience in other countries. On the other hand, projects that raise public awareness or encourage design implementation cannot serve as a true driving force for design promotion unless design is actually adopted by industry and model cases with favorable results emerge.

The master plan, therefore, proposes the ways to proceed with design promotion by keeping the actual progress of design use in pace with the operation of the promotion system.

**Phase 1** is regarded as the phase to establish basis for design promotion. The focus will be placed on two fronts. First of all, efforts will be made to promote actual design projects as model cases and disseminate the results industry-wide. Secondly, to support the above efforts, design staff at industrial promotion organizations will be trained or hired.



At the same time, preparations will be made to develop a permanent system to perform research and study activities as well as projects to encourage design use. In this conjunction, the Design Council will be revitalized as the place to discuss and decide on policies and programs required to implement the above activities.

Phase 2 will be the period to enhance and expand design promotion programs and projects. As short-term and medium-term activities, promotion of actual applications (pilot projects) will be further encouraged, and with the progress in design use, efforts will be made to induce active participation of industry in the design promotion process. In fact, these effects will be very critical for the further progress of design promotion, and desirable activities should include participation in the Design Council, financial support for the design utilization base, and promotion of joint design development projects by industry and government. Efforts will continue to show model cases in design implementation to an increased number of industries and enterprises through ongoing research and design activities and education of design support staff by foreign designers, which will also help train future leaders and innovative designers. Finally, a formal consultation program to back up design implementation activities by industries will be initiated by mobilizing necessary resources, and projects to advertise the results of design implementation efforts will be deployed.

Phase 3 is the phase to fully utilize the promotion system including organizations that have gained resources and experience. As long-term activities, projects will be initiated to disseminate the results of increased design use by private enterprises and government organizations, while setting up a mechanism to learn from successful cases in other countries. Most importantly, an emphasis should be placed on protection of design. Also, excellent designers and design works will be introduced internationally to help improve the general image of Indonesian design.

### **2.1.5 Organizational setup for design promotion**

During the initial stage wherein active participation of industry cannot be expected, government organizations responsible for industrial development and export promotion are expected to assume leadership in design promotion activities with the support of the design community including universities.

As industry gains general confidence in the merit of design implementation, efforts will be made to invite active participation and develop a permanent support and promotion system.

The basic system for promotion will be built at the following two levels: (1) national

level to plan, coordinate and operationalize design promotion policies; and (2) operational level to implement design promotion programs.

Two organizations will be responsible for policymaking, coordination and program development, a designated government department (organization) and the Design Council that will collect opinions and views from the private sector.

The *policymaking organization at the central government* will be responsible for formulation and modification of national design policies, drafting of laws and regulations, and budget preparation. It will also propose a basic plan for design promotion activities at local level, where local governments do not have sufficient planning capabilities. The policymaking organization will also serve as the secretariat of the Design Council. Among design promotion programs, it will supervise and control activities of the Design Center that will implement actual programs based on national design policies, and will coordinate policies of related organizations. Finally, it will implement important programs for other organizations which are unable to implement.

The Design Council will serve as the *design policy collaboration body* to reflect opinions of related parties in setting or modifying the basic direction of national design policy and encourage related organizations and stakeholders to actively participate in the process. It will confer regularly, at least one a year. Basically, it will discuss: (1) activity reports of government organizations related to design promotion policy; and (2) action plans, together with the reviewing of design policy and related systems and programs. The Design Council will be used as the basis of this body and will be restructured to become an extensive organization represented by industries and local governments. It will serve as an official forum for broad-based discussion of issues related to the interests of industries and regions. Participation should be drawn from all sectors. The secretariat (the policymaking body, actually work being done by the Design Center) will be armed with enough resources to enable it to focus on operationalization of policies into programs. Finally, subcommittees will be established by key field to ensure implementation of priority programs.

Organizations related to design promotion will include: (1) ad-hoc organizations established to implement design promotion activities under the direction of the design policymaking body or the policy reviewing body, e.g., Indonesia Design Center (IDC) and other design utilization bases; (2) government organizations (including local governments) responsible for industrial development, the fostering of SMSEs, export promotion, regional development, and education, which logically entail functions related to design promotion; (3) design related organizations operated as the private or the third-sector organization (designers' associations, trade organizations representing industries that have the interest in

design promotion, design promotion organizations operated by the private sector, and local design centers); (4) trade organizations representing industries implementing or using design; (5) private, non-profit organizations (including corporations and associations); and (6) educational institutions related to design.

In Indonesia, it is very difficult to obtain broad support from industry for design promotion activities, while most government organizations are limited in funds, manpower and experience. Similarly, other organizations including private and third-sector and educational institutions are not ready to conduct autonomous activities due to financial restraint.

It is therefore important to focus the limited funds and manpower available (through the assistance of the government and international organizations) on the Design Center and government organizations that are closely associated with design promotion policy. At the same time, the Design Center should take initiative in developing coordinated efforts with other organizations that conduct autonomous activities, which will be linked to the center's activities to maximize the overall results.

## **2.2 Action Plan**

The following presents the action plan for Phases 1 through 3. Phase 1 is assumed to be 1 to 3 years, while Phase 2 being 3 to 5 years, and Phase 3 being 3 to 8 years. The actual periods for these phases will depend on the capability of the major executing body to materialize the plan.

Nevertheless, it is necessary to take note that immediate actions are necessary to be completed within one to two years followed by active introduction of design and design process by enterprises and industries, taking into account the factor that CEPT (Common Effective Preferential Tariff), which is an important element of AFTA, is to be implemented in the year 2003, and that the competitiveness of Indonesian industry must be improved to some extent by the time.

The third phase is the phase for design promotion with the private sector initiatives to flower. The system and infrastructure is targeted to reach the level of the developed countries by the end of this phase. Further, an identity is targeted to be established for Indonesian products and the image of Indonesia in terms of industrial products is expected to be improved similarly, by the end of this phase. In this sense, the phase is assumed to be completed within the period of PJP II, which positions the PJP II period as the taking-off stage of Indonesian economy towards the developed economy.

For the overall action list, see Table III-1.

### **2.2.1 Phase 1 (Immediate) actions**

#### **Design policymaking body**

- (1) To select priority industries and regions for design promotion activities during Phase 1 (see "activities by organizations related to industrial development, regional development and export promotion" below); and coordination of related ministries and departments to gain consensus and assign projects and programs.
- (2) To decide on the support system required to implement promotion policies during Phase 1 (appointment of officers and assignment of design staff), covering ministries, the design center, and organizations related to industrial development, regional development and export promotion), and the development of the legal infrastructure, and budget request.

#### **Design Council**

- 1) To review priority industries and regions selected for design promotion activities

during Phase 1.

- 2) To decide on a basic direction of research and study activities (☛ III-2.5<sup>4</sup>).
- 3) To discuss the basic policy for development of research networks organized by public research organizations and universities (☛ III-2.5).
- 4) To held discussions related to the establishment of deign evaluation standards (☛ III-2.3).

#### **Design Center**

(☛ II-Appendix 2.4)

- (1) To secure required manpower, i.e., to meet the minimum requirements to sustain the center's activities, consisting of:
  - One or more full-time design employee
  - A few part-time employee (assigned by designers' associations and other organizations)
- (2) Implementation of a training program for promotion-related staff of government organizations

The training program will teach design awareness to officials in government organizations (including supervisory personnel) who will be involved in design promotion programs, including operation and management of design utilization bases, so that they will be able to perform their duties according to the general guiding principles. It will cover employees of departments responsible for priority industries and regions and will be expanded to other departments that will be involved in promotion activities in the future, as manpower and budgets permit. The program will also be applied to designers who are hired as design advisors.

- (3) Design workshop project

Practical training related to design (product development) will be conducted for priority industries and regions as the core of design promotion activities implemented by departments responsible for promotion of the industries and regions. At the outset, a workshop management committee will be organized in each industry or region by owners or managers of individual enterprises and will develop the curriculum and an overall execution plan including the solicitation of participants, operation and management procedures, and product development strategies. The establishment of the committee will be the prerequisite to the workshop in order to ensure the participatory type of

---

<sup>4</sup> Sections cited in this chapter refer to those in Main Report.

management.

- Eligible participants: Owners, managers, and product planners of enterprises in the priority industries and regions<sup>5</sup>

(4) Information gathering and dissemination (↔ III-2.4)

- Collection of house organs of design organizations in and outside of the country (e.g., through the exchange), news on overseas design competitions and design awards, and collection of design magazines (including back numbers)
- The establishment of a library and the lending of source materials
- The development of a database on domestic design information

(5) National craft survey (↔ II-Appendix 2.3)

In consideration to the importance and development potential of the craft industry in the country as well as the value of design resources, the commercialization efforts should start from inventory taking of current resources. In the process, craft resources will be classified into those for preservation and those for commercialization. The survey results will form the basis of developing promotion programs according to the needs.

**Activities by organizations related to industrial development, regional development and export promotion**

Departments responsible for design promotion targeting the priority industries and regions include directorates of the Ministry of Industry and Trade, NAFED, departments of the Ministry of Cooperatives, Small and Medium Enterprises, and local governments. The design-based industrial or regional development process is implemented by selecting a particular industry or region with high potential and launching design promotion activities or in combination with other non-design programs.

Design-related programs will be conducted under the support of the design center at the initial stage. In future, each responsible department will conduct a particular program under its jurisdiction, with as-requested support from the center. Candidate programs that are considered to be effective are described below.

(1) Specific area development project (↔ II-Appendix 2.1)

This is a comprehensive project focused on local initiative-based regional

---

<sup>5</sup> Participants, plus design students and designers (including freelancers) who wish to participate in the program. As learned from the workshop conducted during the present study, participation of designers is effective in activating the workshop and stimulating designers to improve their skills. Also, it serves as an opportunity to advertise the role of the designer to industry and region.

development. Immediate goals will be the development of original products and advanced design capabilities. In the future, the fruits of these efforts will be applied to overall regional development efforts. The first step is the design workshop project (described above).

- An area for the phase 1 project will be selected by the Design Council from those recommended by the department in charge of regional development according to the degree of potential to achieve the above goal. One of key qualifications is the ability of the area to establish the workshop implementation committee organized by local businessmen.

## (2) Specific industry development project (☛ II-Appendix 2.2)

This is a comprehensive project focused on local initiative-based industrial development. Immediate goals will be the development of original products and advanced design capabilities, with the ultimate goal to bring the industry to an advanced level. The first step is the design workshop project (described above). In addition, workshops, financial support and R&D support will be carried out to address the issues facing a particular industry, including quality control, and the improvement of packaging (including the upgrading of engineering technology).

- An industry for the Phase 1 project will be selected by the Design Council from those recommended by the department in charge of industrial development according to the degree of potential to achieve the above goal. One of key qualifications is the ability of the industry to establish the workshop implementation committee organized by enterprise owners and managers.

### 2.2.2 Phase 2 (short/mid-term) actions

#### Design policymaking body

1) To ensure the accomplishment of the goals in Phase 2, the policymaking body will review design policies and programs during Phase 1, evaluate effectiveness of the implementation system, and develop the legal infrastructure for policy implementation during Phase 2, together with budgeting. Its activities will include:

- Establishment of design guidance organizations
- Establishment of the design adviser system
- Implementation of the research and consultation program using foreign designers
- Expanded application of the SME financial support system to the hiring of the designer
- Tax incentive for costs related to product development

- Development of the legal environment to promote standardization of design licensing
  - The development of the legal system and the information management system to collect and disclose statistics related to intellectual property, related proceedings and decisions, and other information
  - Enforcement of legal control over design of imported products
- 2) To select priority industries and regions for design promotion activities during Phase 1 and coordination of related ministries and departments to gain consensus and assign projects and programs.

#### **Design Council**

- 1) To expand the representation by including industries and regions and establish itself as the core organization to discuss design policy.
- 2) To discuss and make recommendations on the above issues upon inquiry of the policymaking body.
- 3) To establish a basic direction of design research and study during Phase 2.

#### **Design Center**

- 1) To encourage participation by industry.

Participation in the Design Center by industry will be encouraged by: (1) participation in the executive committee on the Design Council/Design Center; and (2) financial contribution.

- 2) Continuation of training program

Two programs started in Phase 1, "the training program for government staff related to design promotion" and "the design workshop project" will be continued by expanding their scope. During Phase 2, however, the design center will no longer hold these programs. Instead, each responsible organization will plan and operate its own program and the Design Center will support it by reviewing and modifying the curriculum and sending instructors. The Design Center will shift its focus to the following activities.

- 3) Activities to encourage good design by inviting foreign designers

Design activities that are currently carried out in Indonesia emphasize technical aspects of design, i.e., "how to make." The focus needs to be shifted to "what to make," which represents the concept of initiative/innovative design. To promote the development of the original product and develop advanced design capabilities, as



contemplated in the program, the design industry must be exposed to good design that stimulates creativity. This is the first step before going to an advanced design level. Furthermore, the concept can be further expanded beyond the traditional role of design for industrial purposes, including contribution to society.

To grow out of the existing level, outside resources are very effective, i.e., invitation of prominent designers from overseas, who will serve as instructors at the design utilization bases and technical support centers, covering design practice and research.

Activities in this field are to include:

- Good design awards
- Design competitions
- Exhibitions of excellent designs
- Design competitions of students at design institutions as part of graduation projects

#### 4) Enhancement of research and study functions

In addition to the support for the design research networks as the secretariat, the Design Center will have its own research department.

The research department will invite foreign designers who will guide research projects and educate design leaders.

The results of research projects (such as prototype development) will be made available to industry to encourage commercial application.

#### 5) Mobile craft design school

Based on the result of the craft survey conducted during Phase 1, a mobile or traveling craft design school will be held to upgrade design skills of the craft industry. In particular, focus will be placed on the following two distinctive objectives: (1) to seek an opportunity for commercialization as mass-produced, industrial craft; and (2) to preserve traditional craft that is made in a small lot and refine it for sophistication and inheritance by later generations.

#### 6) Permanent exhibition

Good designs and new, innovative designs will be displayed at locations visible to consumers, producers and foreign visitors. Current displays at the IDC and government facilities are recognized only by related parties of the design community. The permanent exhibition should be used as a showcase for advertising contemporary designs in the country.

### **Activities by organizations related to industrial development, regional development and export promotion**

The specific area development project and the specific industry development project, which will be launched during Phase 1, will be expanded in its scope. At the same time, the following programs will be commenced.

#### **(1) Design adviser project**

Compared to the two projects which focus on a specific industry or area, the project will target individual enterprises. A craft guidance center will be established under an industrial promotion organization to assist SMEs in introducing the design process. The design adviser will be a designer registered with the guidance center. The service fee for the adviser will be charged, but subject to discount through subsidy or tax incentive.

#### **(2) Protection, refinement and inheritance of traditional craft (☛ II-Appendix 2.3)**

Based on the result of the survey of traditional craft to be conducted during Phase 1, traditional crafts qualified for protection measures will be designated, followed by activities to support protection efforts, including: 1) support for sales promotion; 2) technical assistance for refinement and sophistication; and 3) provision of subsidy and tax incentive. These activities will be carried out in combination with the above support activities, such as the traveling design school and permanent exhibition and sales.

#### **(3) Regulatory control over design copying of exports (☛ III-2.8)**

Strict regulation will be enforced to exports of copy products from Indonesia in order to improve the country's image in the export market and restrain murky trade with foreign buyers. In particular, a certification system will be introduced to designate products that are widely copied and require them to obtain certification by a specified organization before export.

### **2.2.3 Phase 3 (Mid/long-term) actions**

During Phase 3, related organizations will be fully utilized to maximize ongoing efforts, and programs focusing on specific industries and areas will be expanded to all industries and areas. At the same time, the design center will be reorganized as an integrated, large-scale center with its own financial base.

Compared to activities during Phases 1 and 2, the following activities will be emphasized during Phase 3:

- To reinforce design protection activities, particularly advertisement and public

education

- To encourage voluntary activities related to design protection by industries.
- To step up introduction of domestic designers and design works to other countries.
- To collect foreign design information through a special correspondent program.

### **2.3 Other Recommendations Related to Design Promotion**

In Indonesia, there is great need for revitalization of industry, from both short- and medium-term perspectives envisaged by the master plan, and its success or failure will have significant impact on the daily life of the people, culture and many other aspects. Based on the recognition of the situation, the master plan aligns its primary objective with the urgent need, particularly focusing on promotion of SMEs, exports and industrial linkage through development of product design that also constitutes the basis of establishing the country's identity.

At the same time, however, it is important to avoid that the product development process and other design promotion activities are skewed toward economic efficiency. The global trend demands the review of economic efficiency standard.

The following indicates some of probable major perspectives need to be taken into account in design activities in Indonesia.

#### **(1) Environmental consideration: perspective of "sustainable design/ecological design"**

Destruction of rain forest, global warming and other environmental problems caused by economic development characterized by mass consumption are serious concern of the world community. New lifestyles and thoughts from new perspectives are highly demanded to achieve the harmonious relationship between the environment and economic growth, the effective use of limited resources and energy sources through recycling, and coexistence with the nature. In the world of design, emphasis is being shifted to the product that does not become a waste, and has the feature of facilitating recycling and reuse.

#### **(2) "Universal design" perspective: friendly to everyone**

The mass production society that serves the interest of the supply side focuses its attention on meeting the needs of majority. Public expectations of the new product concept that can be used comfortably and safely by everyone are now rising. "Universal design" is becoming a new norm to create and propose a product, a space, a facility and equipment that can be accessible to the physically handicapped, elderly and everyone else.

At first thought, designs and products from these perspectives may be less demanded compared to those serving the traditional mass consumption society and can be thought as the needs to be fulfilled sometime in future. However, an increasing number of consumers in industrialized countries have realized the importance of addressing the needs now and have changed their attitude, as evidenced in the changing shopping behavior. Thus, it is becoming a pressing issue for Indonesian industry to deal with, in particular, they have to think about how the new perspectives should be reflected in product design when they start implement the design process.

### (3) Consideration to the Indonesian history, tradition and culture

Indonesia has a highly rich, diverse cultural and historical heritages that were developed through the country's long history and on the basis of its unique traits in terms of multi-culture, multi-religious, diverse nature, and colonial experience. Indonesian industry must find the ways to incorporate these assets in design, which constitutes a determinant factor for their ability to establish self-identity in their products. At the same time, some assets have been left withering or forgotten, including traditional production technologies and physical models, and no serious discussion has been made to find the way to hand them on to future generations. Thus, these assets need to be viewed from not only the prospect for commercialization, but also from the need for "protection and preservation," including the viewpoint of how it should be done.

New design trends and techniques can be learned from advanced examples in various countries, and foreign designers can hand out many ideas and hints from different perspectives. Nevertheless, to discover the country's identity and instill it into design is basically a task for Indonesia designers. Thus, the master plan recommends to enhance Indonesia's own design movement through research and development activities, and local design exchange, etc.





Table III-1 Action List for Design Promotion (1/2)

Programs/ projects	Immediate (1-3 years)	Short-term (3-5 years)	Medium-/long-term (5-8 years)
(1) Creation of actual applications and dissemination of results	<p><b>A</b> Creation of actual applications through pilot projects of region- or industry-specific design promotion</p> <p><b>B</b> Expansion of pilot projects to other areas/industries</p>	<p><b>A</b> Dissemination of the results of pilot projects</p> <p><b>C</b> Proliferation of outcome of pilot projects</p> <p><b>C</b> Start of design enlightenment events</p>	<p><b>C</b> Continuation of design enlightenment events</p>
(2) Development of the design promotion system	<p><b>Revitalization and expansion of the Design Council</b></p> <p><b>A</b> Revitalization of the Design Council</p> <p><b>A</b> Setting of design promotion policy direction by the Design Council</p> <p><b>Expansion of the design council (expanded participation by industry)</b></p> <p><b>A</b> Establishment of the council's role and function as the core design policy-reviewing body</p> <p><b>Functioning of the Design Center</b></p> <p><b>A</b> To secure minimum required staff (full-time)</p> <p><b>B</b> Establishment of the center's library and development of the design information database</p> <p><b>A</b> Establishment and implementation of design training courses</p> <p><b>Establishment of the design promotion system within industrial promotion organizations (MOC-SMEs, MOIT, their district offices, and industrial technology research institutes)</b></p> <p><b>B</b> To support the hiring/training of design staff of industrial promotion organizations.</p> <p><b>B</b> To provide training for design staff of design promotion-related organizations.</p> <p><b>Development of the support system for design implementation by private enterprises</b></p> <p><b>Promotion system</b></p> <p><b>A</b> Establishment of design guidance organizations or the reinforcement of the existing organization</p> <p><b>A</b> Education of researchers and instructors by invited foreign designers</p> <p><b>C</b> Establishment of the design adviser system</p> <p><b>C</b> Publication of information on designers</p> <p><b>B</b> Activities by design guidance organizations</p> <p><b>Incentive for private enterprises implementing the design process</b></p> <p><b>B</b> Expanded application of the financial assistance program for SMEs to the hiring of designers</p> <p><b>C</b> Tax incentive for R&amp;D expenditures</p> <p><b>C</b> General incentives through display, publication and rewarding of good design</p> <p><b>Establishment of the research and study system</b></p> <p><b>Policy setting for research</b></p> <p><b>A</b> Discussion of research and study policy at the design council</p> <p><b>C</b> Selection of research topics (setting the basic direction) at the design council according to the changing needs of the times</p> <p><b>Establishment of the research and study system and dissemination of results</b></p> <p><b>B</b> Formation of research networks by public research organizations and universities</p> <p><b>A</b> Publication of research results at public research institutes and universities</p> <p><b>A</b> Research and development under invited foreign designers</p> <p><b>A</b> Joint research and development of original design by universities and industries</p> <p><b>A</b> Joint research and development of original design by universities and industries Commercialization (prototype development)</p> <p><b>Basic research for design development</b></p> <p><b>B</b> Collection and assortment of basic design information required for original development</p> <p><b>B</b> Comprehensive survey of craft resources</p>		





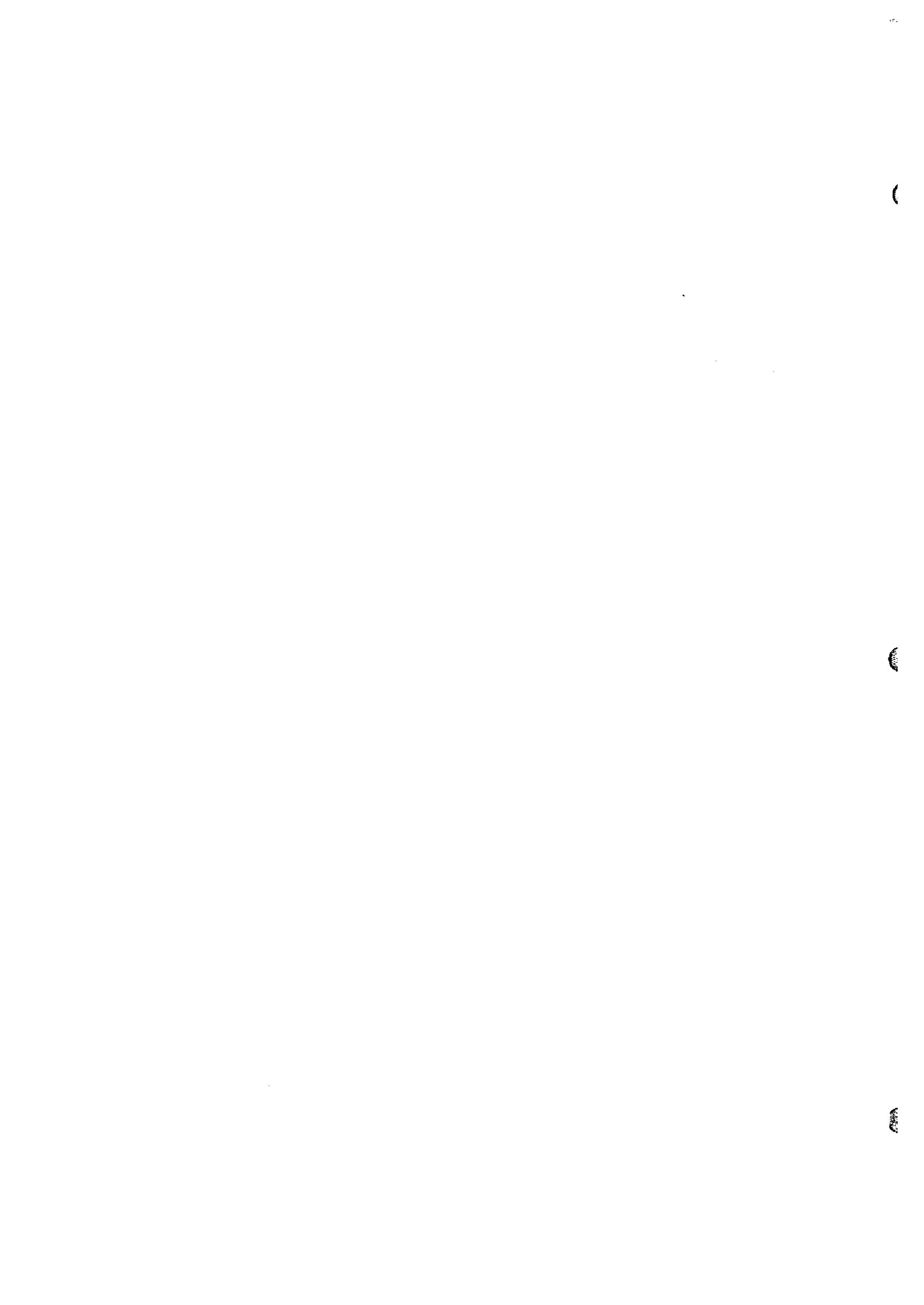


Table III-1 Action List for Design Promotion (2/2)

Programs/ projects	Immediate (1-3 years)	Short-term (3-5 years)	Medium-/long-term (5-8 years)
<b>Design protection</b>			
▶ Infrastructure development	<p>C</p> <ul style="list-style-type: none"> <li>Development of the legal infrastructure and the enforcement system</li> <li>Advertisement and public education</li> </ul>	<p>C</p> <ul style="list-style-type: none"> <li>Reinforcement of the enforcement system</li> <li>Development and disclosure of the legal database including statistics related to IP, and legal proceedings and decisions</li> <li>Standardization of design licensing agreement</li> </ul>	<p>A</p> <ul style="list-style-type: none"> <li>Expansion of advertisement activities</li> </ul>
▶ Regulatory control by law enforcement		<p>A</p> <ul style="list-style-type: none"> <li>Regulatory control on specific export items through design certification</li> </ul>	<p>C</p> <ul style="list-style-type: none"> <li>Continuation of regulatory control in specific areas</li> </ul>
▶ Voluntary regulation		<p>B</p> <ul style="list-style-type: none"> <li>To encourage design protection by voluntary design registration by industry</li> <li>To encourage voluntary design management activities by producing centers and industries</li> </ul>	<p>A</p> <ul style="list-style-type: none"> <li>To expand registration and advertisement activities</li> <li>To expand voluntary management and enforcement by producing centers and industries</li> </ul>
<b>Collection and dissemination of design information, and international exchange</b>			
	<p>C</p> <ul style="list-style-type: none"> <li>Use of ongoing opportunities for international exchange</li> <li>Development of the knowledge base on exchange activities and results by designers' associations</li> <li>Advertisement and public education by designers' associations</li> </ul>	<p>C</p> <ul style="list-style-type: none"> <li>Special foreign correspondence on design information</li> <li>To expand advertisement and public education by designers' associations</li> </ul>	<p>B</p> <ul style="list-style-type: none"> <li>Expansion of the special foreign correspondence program</li> </ul>
			<p>C</p> <ul style="list-style-type: none"> <li>Continuation of advertisement and public education by designers' associations</li> </ul>
<b>Strengthening of financial and technical foundation of design business</b>			
	<p>C</p> <ul style="list-style-type: none"> <li>Provision of designer information to potential customers</li> </ul>	<p>B</p> <ul style="list-style-type: none"> <li>Expansion of the designer information system</li> <li>Promotion of design implementation by the design adviser system</li> </ul>	
	<p>B</p> <ul style="list-style-type: none"> <li>Government contract by design cooperative and securing of financial access</li> <li>Strengthening of the SMEs financial assistance program and application to design business</li> </ul>	<p>A</p> <ul style="list-style-type: none"> <li>Establishment of the foundation for the design industry</li> <li>Strengthening of the SMEs financial assistance program and application to design business</li> </ul>	<p>C</p> <ul style="list-style-type: none"> <li>Expansion of activities by the design industry</li> </ul>
	<p>C</p>	<p>E</p> <ul style="list-style-type: none"> <li>Promotion of standardization and quality control related to design</li> <li>Development and proliferation of standard contract practice</li> <li>Establishment of standard design fees</li> </ul>	
<b>(3) Training of innovative designers</b>			
<b>Human resource development</b>			
		<p>A</p> <ul style="list-style-type: none"> <li>Design consultant/adviser training courses</li> </ul>	<p>A</p> <ul style="list-style-type: none"> <li>Education of researchers and instructors by invited foreign designers</li> </ul>
<b>Basic research and data service for design development</b>			
	<p>B</p> <ul style="list-style-type: none"> <li>Collection and assortment of basic design information for original development</li> </ul>	<p>A</p> <ul style="list-style-type: none"> <li>Joint research and development of original design by universities and industries</li> </ul>	<p>C</p> <ul style="list-style-type: none"> <li>Continuation of joint research and development by universities and industries</li> </ul>
<b>(4) Learning from advanced design applications</b>			
	<p>B</p> <ul style="list-style-type: none"> <li>Introduction of foreign good design/applications through human exchange and networking</li> </ul>	<p>A</p> <ul style="list-style-type: none"> <li>Invitation of foreign designers for instruction</li> <li>Introduction of domestic good design/applications through certification and rewarding</li> </ul>	<p>C</p> <ul style="list-style-type: none"> <li>Continuation of introduction of good design/applications</li> </ul>
	<p>B</p> <ul style="list-style-type: none"> <li>Upgrading of competitions, awards and exhibitions</li> <li>Development of design evaluation standards (design council)</li> </ul>		<p>B</p> <ul style="list-style-type: none"> <li>Hiring of experienced (foreign) producers for event planning</li> </ul>
<b>(5) Proposition of Indonesian design and materials</b>			
		<p>B</p> <ul style="list-style-type: none"> <li>Introduction of excellent designers/applications to overseas</li> </ul>	<p>A</p> <ul style="list-style-type: none"> <li>Expanded introduction of excellent designers/applications to overseas</li> </ul>

(Note)

**A** Key activity

**B** Critical as the preparation process for future promotion activity

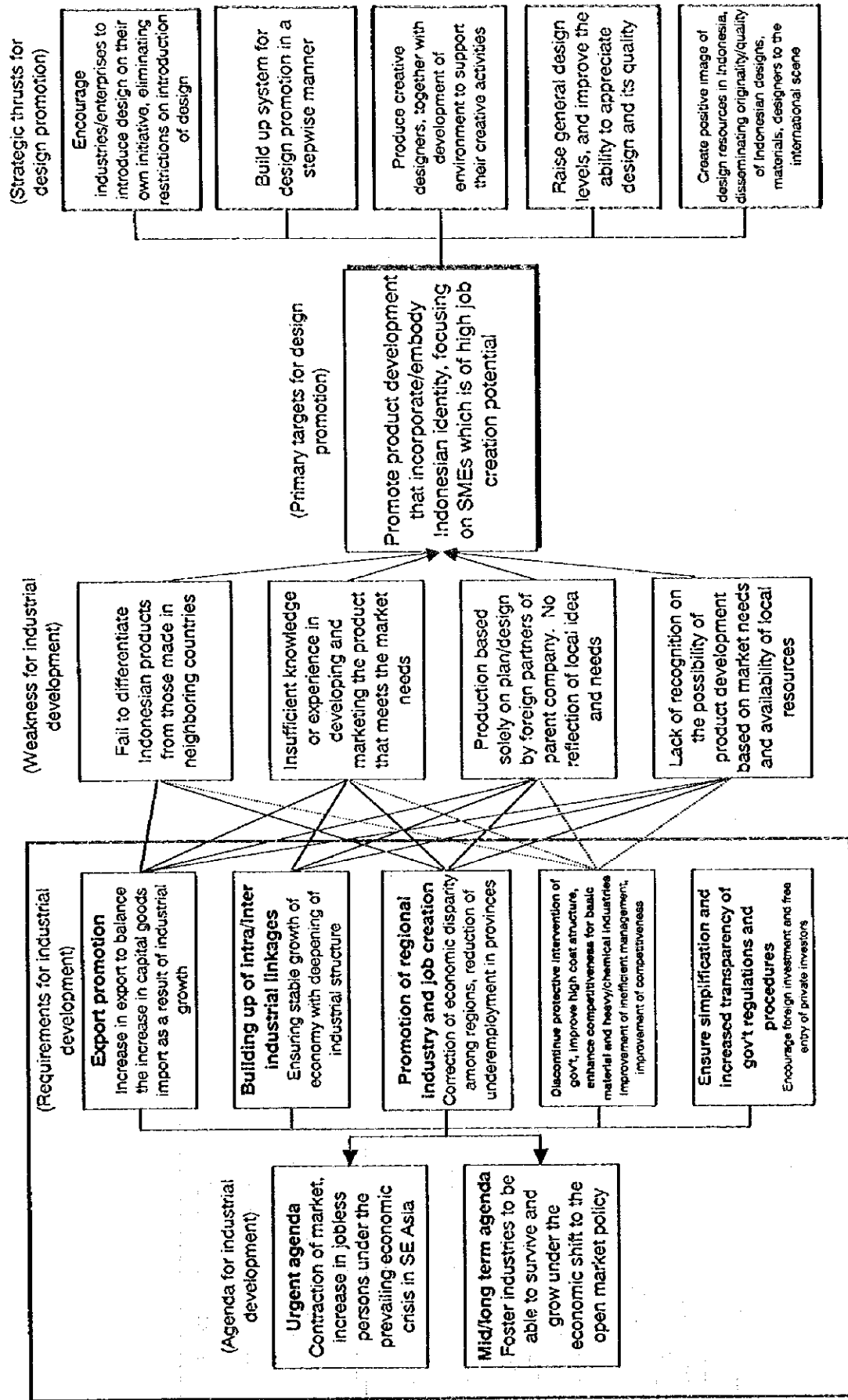
**C** Activity desirable to implement for the future, although it may not show its full effect







Figure III-1 Agenda for Industrial Development, and Strategic Thrusts for Design Promotion



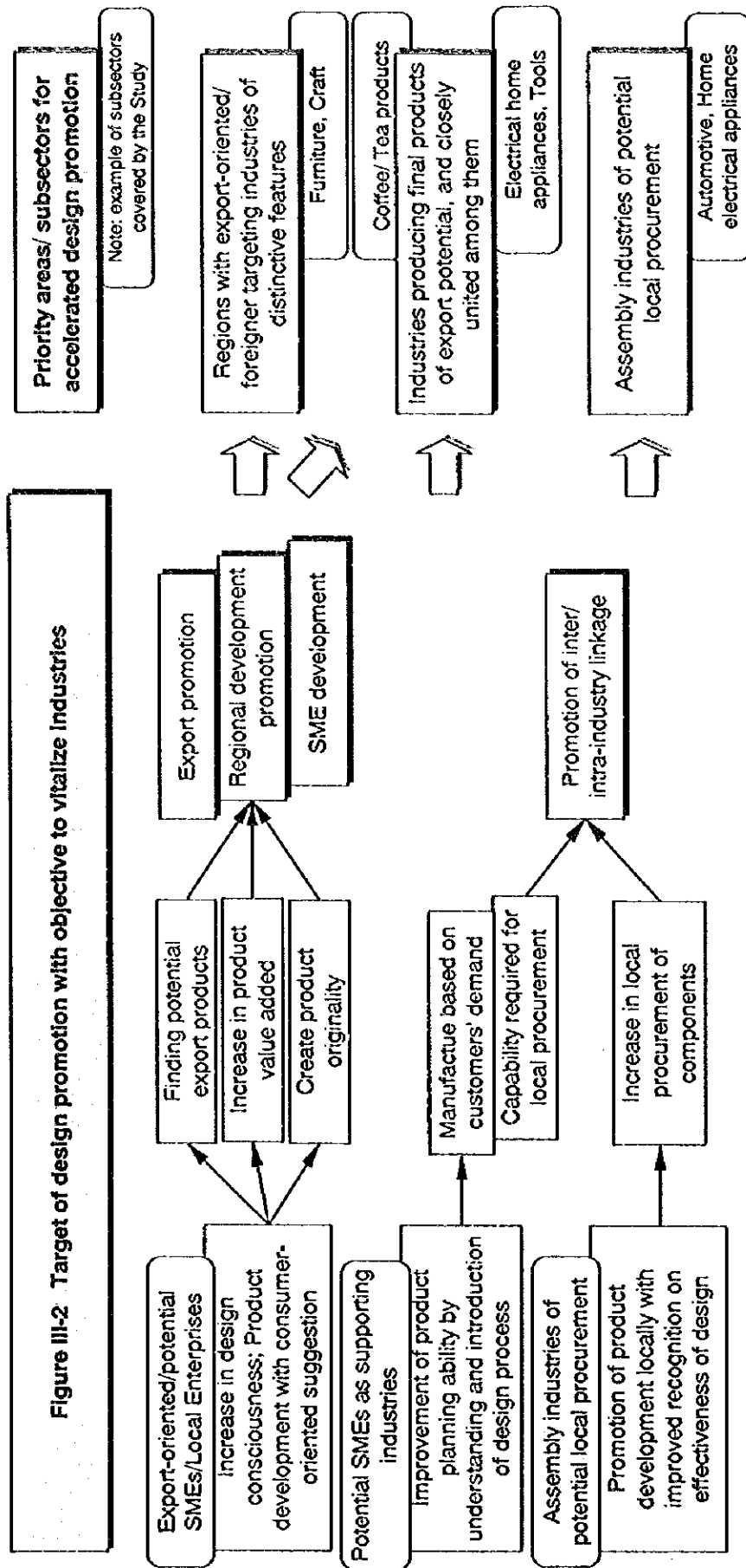


Figure III-3 Shift in Priority of Strategic Thrusts for Design Promotion (Conceptual)

	Immediate Actions	Short/Mid-Term Actions	Mid/Long-Term Actions
Encourage industries/enterprises to introduce design on their own initiative, eliminating any restrictions on introduction of design			
Build up system for design promotion in a stepwise manner			
Produce creative designers, together with development of environment to support their creative activities			
Raise general design levels, and improve the ability to appreciate design and its quality			
Create positive image, disseminating originality/quality of Indonesian designs, materials and designers to the international scene			







JICA