



Malta Communications Authority

Annual Plan 2022

Malta Communications Authority

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Table of Contents

	Page
1. Introduction.....	3
1.1 Mission Statement and Strategic Objectives.....	3
1.2 Legal Frameworks.....	3
1.3 Accountability Framework.....	5
1.4 Measuring Performance	5
1.5 Communication and Engagement.....	6
1.6 Work Programme.....	6
2. Programme of Work and Priorities	7
2.1 Electronic Communications.....	7
2.2 Digital Services.....	22
2.3 Postal Services	26
2.4 Policy Shaping	32
2.6 Research and Development.....	37
2.7 Ensuring Quality and Continuity in Delivery.....	39
2.8 Delivery of the Work Programme	40
3. Financial Projections	41

1. Introduction

This document sets out the Malta Communications Authority's (MCA) Annual Plan for 2022. It sets out the priority work-streams and related individual tasks that the MCA will be conducting during 2022. The Annual Plan is reflective of the MCA's Strategy Update covering the period 2022 - 2024.

1.1 Mission Statement and Strategic Objectives

The mission of the MCA is:

'To promote and safeguard a communications environment that is conducive to investment, innovation, economic growth and social well-being'

For the MCA to achieve its mission over the next three years, the following are the identified strategic objectives emerging from the strategy update for the period.

1.	Promoting and safeguarding competition in the electronic communications sector.
2.	Ensuring that electronic communications undertakings provide a transparent, quality service to users in line with incumbent social obligations.
3.	Maintaining open, safe and secure electronic communications.
4.	Maximising the potential of radio spectrum.
5.	Supervising the provision of relevant digital services.
6.	Safeguarding sustainable competition in the postal sector.
7.	Ensuring that postal undertakings provide a transparent, quality service to users in line with incumbent social obligations.
8.	Contributing to the ongoing development and implementation of sector policy.
9.	Conducting relevant research, exploring and developing emergent policy areas.

1.2 Legal Frameworks

The MCA's mission, mandate and functions derive from the Malta Communications Authority Act, Cap 418. The MCA is responsible for:

- the regulation of electronic communications networks and services, radiocommunications equipment and the management of the radio spectrum and numbering resource as defined in the Electronic Communications (Regulation) Act, Cap 399;¹
- the regulation of postal services as determined by the Postal Services Act, Cap 254;
- ensuring compliance with the Electronic Commerce Act, Cap 426;² and for
- improving the accessibility of the websites and mobile applications of public sector bodies, S.L. 418.03.

The MCA is also responsible for ensuring compliance with the following EU regulations:

- Regulation (EU) 2015/2120 laying down measures concerning open internet access;
- Regulation (EU) 531/2012 on roaming on public mobile communications networks within the European Union;
- Regulation (EU) 2017/1128 on cross-border portability of online content services in the internal market (referred to as the Cross-border Portability Regulation);
- Regulation (EU) 2018/302 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market (referred to as the Geo-blocking Regulation); and
- Regulation (EU) 2018/644 on cross-border parcel delivery services.

In addition, in the second half of 2021, Government tasked the MCA with new mandates in the regulation of digital services.

Government tasked the MCA with the responsibility for relevant parts of the Consumer Protection Cooperation Regulation (EU) 2017/2394 on cooperation between national authorities responsible for the enforcement of consumer protection laws (referred to as the CPC Regulation), under the overall purview of the Malta Competition and Consumer Affairs Authority (MCCAA).³

¹ Directive (EU) 2018/1972 establishing the European Electronic Communications Code (EECC) was transposed into national law on the 1 October 2021. The EECC replaces the EU Common Regulatory Framework adopted in 2002 (and amended in 2009) under which the MCA has regulated electronic communications since 2004.

² The MCA is required to ensure the proper functioning of the eCommerce sector as provided for by the Electronic Commerce Act which follows the EU Directive 2000/31/EC. The same applies to eIDAS EU Regulation 910/2014 where MCA assumes the role of a Supervisory Authority.

³ A new Article 32A (Orders to remove content on online interface, etc) of the Malta Communications Authority Act widens the MCA's enforcement powers in order to be in a better position to address unlawful practices and identify rogue traders was brought into force on the 1 October 2021.

Government designated the MCA as the competent authority responsible for the application and enforcement of Regulation (EU) 2019/1150 on promoting fairness and transparency for business users of online intermediation services [referred to as Platform to Business (P2B) Regulation].⁴

Government also designated the MCA as the competent authority and focal point for the application and enforcement of the EU Digital Services Act (DSA), once this legislation is adopted and comes into force. The DSA will update the current EU legal framework governing digital services and aims to create a safer and trusted online environment. The DSA is currently being debated by the Council and European Parliament and is expected to be adopted and come into force in 2022.

These newly assigned regulatory tasks dovetail well with the other responsibilities that the MCA carries vis-à-vis electronic communications, eCommerce and postal services, all of which are inter-related.

1.3 Accountability Framework

The MCA is accountable to the Minister responsible for Communications for the preparation and presentation of its financial estimates for approval, following an annual consultation by the responsible Minister with the Minister responsible for Finance. The MCA presents its Annual Report on its operations for the preceding year to the Minister responsible for the MCA and the Minister responsible for Finance. The MCA is also held to account by the sectors it regulates and by the public on whose behalf it regulates. On a yearly basis the MCA publishes its Strategy Update, Annual Plan and its Annual Report on its website.

1.4 Measuring Performance

Progress towards the attainment of the MCA's strategic objectives is measured by a series of related activities. In this respect, and on an ongoing basis, the MCA:

- carries out biannual market reviews providing an overview of the trends in the sectors under its mandate;
- conducts performance measurement and monitoring in line with the key performance indicators (KPIs) identified in the MCA's strategy update and other benchmarks, such as the EU's Digital Economy and Society Index (DESI)⁵; and
- monitors the achievement of its objectives and work programme, identifies any shortfalls and takes the necessary steps to remedy them.

⁴ Online Intermediation Services for Business Users (Enforcement Measures) Regulation, 2021 (S.L. 399.49).

⁵ The [Digital Economy and Society Index](#) (DESI) is a composite index that summarises relevant indicators on Europe's digital performance and tracks the evolution of EU member states in digital competitiveness.

1.5 Communication and Engagement

The MCA is committed to engaging with various stakeholders, including citizens, consumers, authorised entities, government departments and other regulators, constituted bodies, the business community, the EU, and various other international bodies. The MCA also promotes collaboration and coordination with the various national entities that contribute to the development of the sectors it regulates. A variety of communication channels, such as its website and social media channels, are utilised to effectively build greater awareness of the MCA's activities, its roles and responsibilities, its various initiatives and on general trends in the sectors it regulates. In the context of regulatory decision-making, stakeholders have the opportunity to provide the MCA with feedback and express opinions on developing regulatory measures and proposed regulatory decisions through an established consultation process.

1.6 Work Programme

Section 2 sets out the MCA's programme of work planned to be carried out during 2022. The objectives of the work programme are aligned with the MCA's Strategy Update 2022 - 2024.

The work programme presents continuity in a number of legislative and regulatory initiatives that are well-under way (such as a number of regulatory measures necessary as a result of the transposition of the EECC into national law on the 1st of October 2021), whilst taking into consideration new developments that will have an impact on the sectors regulated by the MCA and on the MCA's organisational and operational capacity.

2. Programme of Work and Priorities

What follows is an overview of the MCA's programme of work for 2022 that will contribute to the achievement of the identified strategic objectives.

2.1 Electronic Communications

Strategic Objective 1 - Promoting and safeguarding competition in the electronic communications sector

Overview

The MCA has a central role in ensuring that consumers and businesses obtain the maximum benefit in terms of choice, price, quality and safety of electronic communications services. The MCA does this by ensuring that markets can work effectively through regulation that promotes efficient investment, encourages innovation, and facilitates the sharing of infrastructure. Appropriate regulatory measures have continued to support both infrastructure- and service-based competition in the electronic communications sector. Changing consumer and business needs continue to drive demand for better quality of service, greater reliability and security, faster speeds, and additional bandwidth on both fixed and wireless electronic communications networks. The MCA will continue to focus its work on promoting and safeguarding competition and creating a favourable climate for increased investment and innovation in very high-speed broadband networks. The MCA will also continue working with industry to ensure the Malta's vital electronic communications networks are safe, secure, and resilient (Strategic Objective 3: Maintaining open, safe and secure electronic communications).

Safeguarding a competitive environment via appropriate SMP and other regulatory measures

The MCA promotes competition and consumer choice in electronic communications markets through the Significant Market Power (SMP) Framework. In line with the European Commission's Guidelines on market analysis and the assessment of SMP, the MCA reviews a pre-determined set of electronic communications markets⁶ and assesses whether or not they are or are likely to become effectively competitive. If not, the MCA imposes appropriate pro-competitive obligations as necessary, including those relating to access, pricing, non-discrimination, and transparency. Such obligations are designed to promote competition by enabling other operators and new entrants to compete on a level playing field with a SMP operator. If the MCA concludes that regulation is no longer justified, it removes the retail or wholesale regulation.

In 2020 the MCA concluded an assessment of the wholesale fixed broadband access market used to provide mass market broadband services and bundles. Given the presence of two large operators, the MCA assessed the market for the presence of joint dominance and found that there is inadequate competition in the market. However, in April 2021, Epic commenced with the deployment of its own

⁶ Wholesale local access market at a fixed location and the wholesale specific capacity market [relevant markets 1 and 2 of the Commission Recommendation (EU) 2020/2245 of December 18, 2020].

FTTH broadband access network which could serve to move the scene towards a more competitive scenario. As a result, in June 2021, the MCA published a notification on the need for a re-assessment of the wholesale fixed broadband access market. This development required the MCA to re-evaluate the state and potential further development of infrastructure-based competition. Whilst in the market analysis conducted in 2020 the emphasis was on access to third party networks at the active layer, the scope of the exercise now includes the ease of deployment of new fixed fibre-based broadband networks. Moreover, access at the active level may still be required and could subsist over a span of time. The findings of the analysis, including the proposed regulatory approach, is expected to be published for consultation in the first half of 2022.

In addition, in 2021 the MCA commenced with a review of the market for wholesale dedicated capacity (also known as 'wholesale high quality access' services and as 'wholesale leased lines' services). This market is relevant for business use requiring a higher quality connectivity. The findings of the analysis, including the proposed regulatory approach, will be published for consultation early in 2022.

Facilitating infrastructure roll-out and sharing of high-speed networks

Outside the SMP framework the MCA has a role in facilitating access to physical infrastructure (e.g., access to poles and ducts) for the purposes of providing electronic communications services by ensuring that there are the lowest possible barriers to use such infrastructure, thus speeding up the deployment of both fixed and wireless high-speed broadband networks. With the ongoing deployment of very high-capacity networks across Malta, access to passive infrastructure (and its re-use) has become increasingly important. The sharing of physical infrastructure and other modes of collaboration also has a positive impact on the environment as it prevents energy-wasteful infrastructure works.

In 2022 the MCA will continue to facilitate the deployment of very high-capacity fixed and wireless broadband networks by providing the necessary support and guidance to sector players and other institutional players. Such support and guidance will address areas related to the sharing and re-use of existing physical infrastructure, co-investment, and access to in-building physical infrastructure. The MCA will also work with other competent authorities to further facilitate the deployment of very high-capacity networks, including fibre and 5G networks. Among others, the recently set up of the Utilities Services Coordinating Committee (referred to as the Utilities Committee), established under Article 22 of the Utilities and Services (Regulation of Certain Works) Act, Cap 81, is one of the ideal vehicles in terms of setting out the related policies for infrastructure access.

Managing information as the means to promote competition

The MCA will continue to collect data from the providers of electronic communications services and publish bi-annual market reviews, quarterly market data and monthly retail price movements. The MCA will collect information on available physical infrastructure from electronic communications operators as well as other utilities to be in a better position to promote the re-use of existing physical infrastructure. The MCA will also collect data required for the geographical mapping of the availability

of broadband networks and services across Malta (Strategic Objective 3: Maintaining open, safe and secure electronic communications).

The data collected from the providers of electronic communications services is vital in supporting the MCA's regulatory decisions that serve to promote and safeguard competition. The information collected is also a valuable tool in empowering end-users to make informed choices (Strategic Objective 2: Ensuring that electronic communications undertakings provide a transparent, quality service to users in line with incumbent social obligations).

This activity is supplemented by public and business perception surveys. The results of these surveys serve as an additional input to the shaping of regulatory decisions and indicate how consumers' preferences, behaviours and perceptions of electronic communications services are changing over time. In 2022 the MCA will commence a new round of consumer and business perception surveys across all the electronic communications markets. The MCA will also conduct a research study to assess the overall value and quality of service level satisfaction amongst users of electronic communications services.

Managing the compliance framework

In addition to promoting competition and consumer choice in electronic communications markets through the SMP framework and in facilitating the sharing of infrastructure, the MCA ensures efficient and effective use of radio spectrum and numbering resources. Radio spectrum and numbering resources are essential inputs for the provision of electronic communications services. The efficient management of radio spectrum (Strategic Objective 4: Maximising the potential of radio spectrum) and numbering resources facilitate competition, enhances connectivity and promotes efficient investment.

The MCA will continue to manage Malta's numbering plan by allocating numbers to service providers for new [e.g., Internet of Things (IoT) technologies] and existing services, and by monitoring their utilisation to ensure efficient use of numbers. The MCA will also continue to ensure that all end-users who so request can retain their number(s) independently of the undertaking providing the service.

Effective competition depends not just on supply-side considerations relating to the ease of entry to markets or on the availability of spectrum and numbering resources. Effective competition also depends on demand-side factors, such as the ability and willingness of customers to switch easily in response to a better deal in the marketplace, whether switching to another supplier or switching to another offer or bundle provided by their existing supplier. In helping customers make informed choices, price is an important factor in choosing a service, but once customers have settled on the price they want the best quality available at that price. Monitoring and publishing quality levels not only safeguards consumers' welfare but also serves to ensure fair and dynamic competition. The MCA's objective to protect and inform consumers so that they can choose and use electronic communications services is discussed under Strategic Objective 2.

Priority Programme of Works 2022 - Strategic Objective 1

Project / Activity	Planned Output
Wholesale local access provided at a fixed location (Market 1) - Market review and analysis	<ul style="list-style-type: none"> - Statement on the analysis of the market (Q4/2021) - Public consultation - Notification of draft Decision to the European Commission - Report on Consultation / Decision
Wholesale dedicated capacity (Market 2) - Market review and analysis	<ul style="list-style-type: none"> - Public consultation - Notification of draft Decision to the European Commission - Report on Consultation / Decision
Monitoring GO's VULA Reference Offer (RO)	<ul style="list-style-type: none"> - Monitoring of the VULA Reference Offer - Monitoring of VULA service level agreements - Review of revisions to wholesale charges (as necessary)
Facilitating sharing of physical infrastructure	<ul style="list-style-type: none"> - Guidance on access to physical infrastructure and access to in-building physical infrastructure to operators - Mediation services to facilitate agreement on issues related to physical infrastructure access and pricing
Consumer Perception Surveys <i>(Mobile Telephony, Fixed Telephony, Fixed Broadband, Broadcasting and Bundles)</i>	<ul style="list-style-type: none"> - Review and update consumer perception surveys - Commence field work - Analysis of survey findings and publication
Business Perception Survey <i>(Mobile Telephony, Fixed Telephony, Business connectivity, Broadband)</i>	<ul style="list-style-type: none"> - Review and update business perception survey and commence field work - Analysis of survey findings and publication
Informing stakeholders on key data and trends in the electronic communications sector	<ul style="list-style-type: none"> - Publication of bi-annual market review report <i>(July - December 2021 / January - June 2022)</i> - Publication of quarterly data report sheets - Publication of a quarterly pricing bulletin

Strategic Objective 2 - Ensuring that electronic communications undertakings provide a transparent, quality service to users in line with incumbent social obligations

Overview

While digital innovation and competition helps to deliver widespread, value-for-money, and good quality electronic communications services for consumers, competition cannot deliver this alone. The MCA will continue to focus its work on empowering consumers by providing clear information on their rights and in assisting them in making better informed choices in their use of electronic communications services. The MCA will ensure that end-users can shop around with confidence, switch easily, and are treated fairly. The MCA will also continue to ensure that public electronic communications providers provide transparent, value-for-money and quality services to users.

Enhancing quality in the provision of publicly available electronic communications services via effective monitoring tools

In 2021 the MCA consulted on the QoS parameters to be measured by internet access service providers and publicly available interpersonal communications providers, in line with the principles and obligations set out in the EECC. The MCA intends to publish its decision on the measurement and publication of QoS related information across all publicly available electronic communications services in the first half of 2022. The information will ensure that people and businesses have the right information to make informed decisions about the electronic communications services best for them.

In 2022 the MCA will update its QoS monitoring mechanisms for mobile broadband services so that consumers can check the claims made by operators about the quality of their services. In addition, the MCA will conduct a research study to assess the overall value and quality of service level satisfaction amongst users of electronic communications services. The monitoring of user quality of experience in the use of electronic communications services is a valuable indicator of actual quality of service. This study will enable the MCA to gain further insight with regards to which areas may require further regulatory intervention and/or end-user education.

Improving the MCA's capabilities vis-à-vis consumer protection

Beyond being aware of the service that consumers are actually receiving, end-users of electronic communications services have a right to protection with respect to subscriber contracts. Contracts are an important tool for end-users of electronic communications services to ensure transparency of information and legal certainty. In 2021 the MCA finalised a review of existing decisions regarding end-user rights (such a switching and contract duration and termination) and relating to consumer contracts, providing further protection to consumers in line with the principles and obligations set out in the EECC and transposed into national law. The findings, including the proposed regulatory approach, will be published for consultation early in 2022.

Ensuring universal access to voice communications services and an adequate broadband internet access service

In March 2021, the MCA published an interim decision on universal service obligations (USO) of electronic communications services whereby a number of legacy services (public call boxes, facsimile communications services, and the provision of fixed prepaid telephony services from a fixed location) were removed from the USO. The interim decision also confirmed the availability of voice communications services and of a broadband internet access service at a fixed location as a universal service. In addition, in October 2021 following the transposition of the EECC, the MCA published its decision on the minimum functional characteristics of an adequate broadband internet access service and the procedure for ensuring the availability of an adequate broadband internet access service, including the underlying connection, at a fixed location.

In 2022 the MCA will consult on a revised version of its interim USO Decision in order to align it with the transposition of the EECC into national law. In addition, the MCA will monitor any issues with the availability of voice communications services and an adequate broadband internet access service, alongside with understanding how people's connectivity needs are evolving. The MCA will also assess any claim for funding of the net-cost incurred in the provision of the USO by a designated operator.

Updating 'Must Carry' rules for TV channels qualified as meeting General Interest Objectives

'Must carry' obligations are subject to periodic review in order to keep them up to date with technological and market evolution. In 2022 the MCA will finalise a review of 'must carry' obligations for the transmission of general interest television broadcast channels⁷ on undertakings providing electronic communications networks and services used for the distribution of television broadcast channels to the public. 'Must carry' obligations apply in those cases where a significant number of end-users of such networks and services use them as their principal means to receive television broadcast channels. The last review was carried out in 2017 whereby Melita's Cable TV network and GO's IPTV network are subject to 'must carry' obligations.

Improving consumer awareness

Consumer awareness on fixed and mobile products and services - The MCA will, via its online service comparison portal, [Telecosts](#), continue to promote transparency by providing consumers with the necessary tools to ensure that they are aware of alternative suppliers and services so that they can easily compare information on prices, service characteristics and quality. The MCA will, via its website, consumer guides and the use of social media, continuously update information available to consumers on how to get the best from electronic communications services. In addition, the MCA will continue to report on pricing trends in fixed and mobile services. This includes a review of the prices available to consumers buying different types of services and a summary of what, on average, consumers are

⁷ The Broadcasting Authority (BA) has determined eight local TV broadcast channels qualified as meeting GIOs: TVM, TVM News+, Parliament TV, Living, Net TV, One TV, Smash TV and Xejk.

paying. It will also look at tariff structures and how discounted prices vary from standard or 'list' prices, as well as the difference between in-contract and out-of-contract prices.

Operator contracts - The MCA will continue to monitor the contractual obligations of all electronic communications operators to ensure that they are in line with the new rules reflected in legislation, resulting from the transposition of the EECC. The MCA will ensure that such contracts provide clear and relevant information helping users to take informed and correct decisions when acquiring electronic communications services (both as standalone and as a bundle).

Termination of contracts and switching providers - The MCA will continue to monitor inter-operator porting and switching processes, and the extent to which they promote good consumer and competition outcomes. In addition, the MCA will continue to monitor and assess the cancellation and termination arrangements of electronic communications service providers (after or during the initial commitment period), and the impact these have on consumers' ability to exit their service contract quickly, conveniently and without error.

Mobile roaming rules - The MCA will continue to monitor compliance with the roaming rules⁸ including through consumer complaints and engage with stakeholders if compliance concerns arise and where appropriate take enforcement action. The current EU Roaming Regulation expires in June 2022. The European Commission's legislative proposal of the 24th February 2021 to recast the EU Roaming Regulation will extend the current provisions by another decade until June 2032. The main amendments include a further lowering of the wholesale roaming caps, an obligation on roaming providers to offer their roaming customers the same quality of service as at home "to the extent technically feasible" and more transparency on access to emergency services and the cost of accessing value-added services when roaming. The MCA will ensure that operators implement the new provisions established in the review of the EU Roaming Regulation which will come into force on 1st July 2022.

Ensuring consumer rights and customer service - The MCA will continue to ensure that electronic communications service providers uphold the rights of their customers and deliver acceptable levels of customer service. The MCA will continue to handle and resolve complaints it receives from customers of service providers. The MCA also plans to take on the role as an Alternative Dispute Resolution (ADR) entity in line with the EECC with a view to resolving disputes between providers and consumers.

⁸ Since 15th June 2017 consumers who have roaming services have been able to use their phone abroad within the EU for no extra charge, subject to certain safeguards.

Priority Programme of Works 2022 - Strategic Objective 2

Project / Activity	Planned Output
QoS framework for providers of publicly available electronic communications services	<ul style="list-style-type: none"> - Report on consultation / Decision - Implementation of QoS framework (monitoring publication of QoS measurements, QoS comparative information via Telecosts.com portal)
QoS Oversight	<ul style="list-style-type: none"> - Public consultation on the measurement of mobile broadband QoS - Report on consultation / Decision
Study on Quality of Experience (QoE)	<ul style="list-style-type: none"> - Commence study of QoE - Analyse results and identify any areas of concern - Publish results
Review of subscribers' contract related decisions	<ul style="list-style-type: none"> - Public consultation - Report on consultation / Decision
Updating the 2021 interim Decision on Universal Service Obligations / Designation	<ul style="list-style-type: none"> - Public consultation - Report on consultation / Decision - Call for expression of interest, as applicable - Designation/s of universal services, as applicable
Review of GO's claim for funding the net cost incurred to provide the USO	<ul style="list-style-type: none"> - Assessment of GO's funding claim for the year 2018 - Decision on GO's funding claim and source of funding
Review of 'must carry' obligations	<ul style="list-style-type: none"> - Public consultation - Report on consultation / Decision
Management of the Service Comparison Portal - Telecosts	<ul style="list-style-type: none"> - Maintaining the Service Comparison Portal - electronic communications services / packages (including prices and quality of service) - Ongoing promotion of the Service Comparison Portal

Strategic Objective 3 - Maintaining open, safe and secure electronic communications

Overview

The presence of multiple very high-speed electronic communications networks in Malta is good news from the angle of resiliency and redundancy. The robustness of public electronic communications networks also depends on the attainable levels of cyber-security. The ever-increasing dependency on electronic communications networks and services by citizens and businesses makes it imperative that various electronic communications networks available to the public are reliable and resilient. The increasing dependency on electronic communications services also raises more opportunities for cyber-attacks. The MCA will continue working with industry to ensure that Malta's vital electronic communications networks and services are open, safe, secure and resilient.

Building necessary network and cyber-security capacity

The MCA will continue to ensure that the various providers of public electronic communications networks and publicly available electronic communications services in Malta manage security risks posed to the security of networks and services and provide appropriate levels of resilience. The MCA will continue to work with the European Commission and ENISA⁹ to implement mitigating measures to address 5G cybersecurity risks.¹⁰ In view of the 5G network deployments in Malta the MCA will, in 2022, embark on a 5G risk assessment, identifying any associated risks and mitigation measures accordingly.

In 2021 the MCA finalised a review of the minimum security and integrity requirements and reporting obligations of public electronic communications network and service providers in line with the provisions of the EECC transposed into national law. The review will provide further clarity on what is expected of the providers. Moreover, the establishment of the security and reporting measures will facilitate future actions that the MCA may need to take in case of operators who are not compliant with the legal requirements. The MCA plans to publish for consultation the review of the minimum security and integrity requirements and reporting obligations in the first half of 2022.

The MCA also intends to set up a national emergency telecommunications plan that sets out a strategy to ensure communications availability during the disaster mitigation, preparedness, response, and recovery phases, by promoting coordination across all levels of government, between public and private organizations, and within communities at risk.

Analysing net neutrality practices

The MCA will continue to closely monitor and ensure compliance by the operators with net neutrality principles, taking utmost account of BEREC¹¹ guidelines, in order to safeguard equal and non-

⁹ The European Union Agency for Cybersecurity (ENISA).

¹⁰ EU toolbox on 5G cybersecurity and the secure 5G deployment.

¹¹ The Body of European Regulators for Electronic Communications (BEREC).

discriminatory treatment of traffic in the provision of internet access services and related end-user rights. The MCA will continue to publish its annual report regarding its monitoring and findings. In 2022 the MCA will contribute to BEREC's work to update the net neutrality guidelines to take into consideration the Court of Justice of the EU (CJEU) ruling that zero-rating¹² tariff options are generally incompatible with EU rules on net neutrality.

Monitoring security, safety and integrity of public fixed and mobile networks

The MCA ensures that operators take appropriate measures to ensure the integrity and security of their networks and services in line with the established technical guidelines issued by ENISA. The MCA also ensures that incidents on network failures above a certain threshold are reported to the MCA. The MCA will continue to follow up any incidents of concern in order to understand their cause, the appropriateness of the operator's response, and the steps that have been taken to minimise the risk of recurrence. On an annual basis the MCA reports any severe incidents to ENISA together with the action taken.

The MCA will continue to work closely with the Ministry for Home Affairs, National Security and Local Enforcement (MHAS), the Critical Information Infrastructure Protection (CIIP) Unit within the Critical Infrastructure Protection Directorate (CIPD), the Office of the Information and Data Protection Commission (IDPC), Malta Security Services (MSS) and the police on matters related to cyber-security. The MCA will also continue to provide advice to Government on the review of the EU Directive on security of networks and information systems (referred to as the NIS2 Directive) regarding security aspects related to the sectors regulated by the MCA.

The MCA will continue its routine monitoring of electronic magnetic field (EMF) emissions with a view to ensuring that levels of electromagnetic radiation do not exceed the levels established by the International Commission of non-Ionising Radiation Protection (ICNIRP), which are also endorsed by the World Health Organisation (WHO). In addition, the MCA will maintain ongoing liaison with the department responsible for environmental health on EMF related issues and will continue with its EMF auditing programme.

Participating in the EU and global Internet Governance Fora

The EU and global Internet Governance fora serve to bring people together from various stakeholder groups as equals, in discussions on public policy issues relating to the Internet. In 2022 the MCA will continue to contribute to the EU and global Internet Governance fora dealing with matters relating to: data governance; safety, security, stability and resilience; and digital inclusion.

¹² Zero-rating is a commercial practice which allows customers who subscribe to an internet access service to access certain online content (music, video, gaming etc.), or a certain type of service (e.g., email or browsing) for free or without this usage counting towards their data allowance.

Mapping broadband services as an information tool relative to broadband network capabilities

The MCA will continue with the exercise leading to the mapping of information on the available fixed and mobile electronic communications networks and services across Malta. Such a platform is intended to, among others, enable consumers to be in a position to check coverage and availability of fixed and wireless broadband infrastructures, information on the operators, service and technology availability, available bandwidths and quality of public electronic communications networks and services. The mapping of broadband networks will also assist the MCA in ensuring that both physical and spectrum related infrastructure is effective, robust, resilient and future-proof. This initiative is also intended to implement the obligations emerging from the EECC on the mapping of the reach of electronic communications networks capable of delivering broadband services. The broadband mapping project is planned to be completed in 2023.

Priority Programme of Works 2022 - Strategic Objective 3	
Project / Activity	Planned Output
Cyber-security of 5G Networks	<ul style="list-style-type: none"> - Implementation of respective security instruments as identified within the EU 5G Cyber-Security Toolbox. - Carry out a 5G risk assessment - Continuous analysis of the respective security measures as adopted in Malta
Network security and integrity guidelines	<ul style="list-style-type: none"> - Public consultation on the minimum security and integrity requirements - Response to consultation / Decision - Implementation of incident reporting platform - Security audit of the public electronic communications networks and service providers to assess measures taken to comply with obligations (2023)
Notification requirements related to security and integrity of networks	<ul style="list-style-type: none"> - Monitor operator reports on integrity and security incidents - Report on severe incidents to ENISA and the action taken
Net Neutrality - Compliance and Reporting	<ul style="list-style-type: none"> - Monitoring of the product offers by internet access service providers - Annual report on the MCA's activities

Priority Programme of Works 2022 - Strategic Objective 3

Project / Activity	Planned Output
Internet Governance Fora	<ul style="list-style-type: none"> - Participation and contribution to the EU and global Internet Governance Fora
Mapping - Broadband Infrastructure and Services	<ul style="list-style-type: none"> - Identification of a mapping solution - Project scoping and proof of concept - Data collection processes and procedures - Implementation of proof of concept - Implementation of the broadband mapping solution (2023)
EMF emissions - monitoring compliance	<ul style="list-style-type: none"> - Audit of EMF measurements (fixed monitoring and drive testing) - Publication of results - Information and education campaigns

Strategic Objective 4 - Maximising the potential of radio spectrum

Overview

The MCA is responsible for ensuring the efficient use of the radio spectrum identified in the National Radio Frequency Plan. This includes planning for future spectrum requirements, such as for mobile broadband, fixed wireless access and wireless backhaul. Efficient use of the radio spectrum resource is a key factor in terms of delivery of electronic communications services, competition, choice and widespread availability. It also serves as a key tool in ensuring lasting efficiency, quality, safety and environmental awareness in electronic communications service delivery. The MCA ensures that sufficient radio spectrum is made available for new wireless technologies in order to facilitate the deployment of new and innovative services and to address the rapidly evolving demand for wireless connectivity. The MCA also monitors spectrum usage in Malta, including the enforcement of authorisation conditions.

Readying of additional spectrum for 5G use

In 2021 the MCA finalised the regulatory framework for the deployment of next generation 5G wireless networks in the 700 MHz, 3.4 - 3.8 GHz and the 24.25 - 27.5 GHz (also referred to as 26 GHz) radio spectrum bands. This has led to three operators (Melita, Epic and GO) having a licence for the rights of use of radio spectrum in the 3.4 - 3.8 GHz band. The market has so far not expressed interest for the provision of wireless broadband services in the 700 MHz band and the 26 GHz band. Nonetheless, radio spectrum in the 700 MHz band has been licensed for the purpose of carrying out 5G trials.

With the rollout of 5G services and an increasing availability and take-up of 5G enabled devices, the capabilities of 5G networks are likely to advance further over coming years. 5G technology has the potential to enhance delivery of current wireless broadband applications, such as mobile broadband and fixed wireless access (FWA), and to open possibilities for new applications and use cases, such as private networks. In 2022 the MCA will further develop the licensing framework of the 26 GHz band, and other relevant bands allocated for 5G, to facilitate their use for new applications and use cases.

In 2022 the MCA will lay down the reassignment framework for the rights of use of the 2.1 GHz band currently assigned to Epic, GO and Melita for the provision of 3G mobile services, which will expire in August 2022. The MCA will take into consideration that the 2.1 GHz band must be made available for 5G by not later than the end of 2025. In laying down the reassignment framework for the 2.1 GHz band the MCA will also take into consideration the current licences for the 900 MHz and 1800 MHz bands which will expire in 2026. The MCA will seek to understand the strategies of mobile network operators regarding the future of 2G and 3G in favour of newer and more efficient technologies which also have better green credentials. The MCA will also seek to understand the operators' plans for the deployment of new 4G and 5G voice communications services. In addition, the MCA will continue to

work with the European Commission to make the 900 MHz and 1800 MHz bands available for the deployment of 5G technologies.

Reassignment of spectrum for Digital Audio Broadcasting

The right of use for radio spectrum granted to Digi B Network Limited for the establishment and operation of a terrestrial digital audio broadcasting (T-DAB) network will expire in March 2022. In 2021 the MCA consulted on the reassignment framework for the rights of use spectrum for T-DAB services. The MCA will finalise the reassignment framework early in 2022 in order to ensure the continued provision of T-DAB services across Malta after the licence expiry date.

Ensuring efficient and effective use of spectrum and associated radiocommunications equipment

In 2022 the MCA will continue to enhance the radiocommunications equipment licensing regime and will examine the scope for applying further general authorisations where appropriate. The MCA will finalise a review of the licensing regime for PMSE (Programme-making and special events) service links and for Private Mobile Radio (PMR) services to ensure the efficient use of spectrum. The MCA will also finalise a review of the current licensing regime for fixed links (specifically in the case of fixed links using spectrum above 40 GHz) in order to promote the utilisation of extremely high frequency bands and at the same time facilitate base-station backhauling for the deployment of 5G networks. The MCA will also explore the possibility of implementing a digitised system for the licensing of radiocommunications equipment.

Managing effectively the spectrum compliance framework

The increasing demand for radio spectrum leads to a corresponding increase in the risk of interference. The MCA will continue to monitor the radio spectrum and take all necessary action to prevent harmful interference and to mitigate it when it occurs. Over the course of the last two years the MCA carried out a major upgrade of its radio spectrum monitoring facilities to be in a better position to plan for future assignment of radio spectrum as well as for monitoring all kinds of emissions. In 2022 the MCA will continue to enhance the effectiveness of its radio spectrum monitoring system.

Reviewing the Satellite filing system

The MCA is responsible for the management of scarce resources used by space systems and for the provision of satellite communications services. The MCA will continue to encourage satellite operators to register space resources with the ITU through Malta in line with the satellite filing framework. In 2022 the MCA will finalise a review of the satellite filing framework. In addition, the MCA will embark on an exercise to ensure that new satellite resources (i.e., radio spectrum and satellite slots) are duly registered in Malta's name under the International Telecommunication Union (ITU) Regulations.

Priority Programme of Works 2022 - Strategic Objective 4

Project / Activity	Planned Output
Reassignment of the rights of use of spectrum - 2.1 GHz band	<ul style="list-style-type: none"> - Consultation on the reassignment framework for the 2.1 GHz radio spectrum band - Response to consultation / Decision on the spectrum reassignment framework
Licensing framework for the 26 GHz band for private networks	<ul style="list-style-type: none"> - Public consultation on the licensing framework for the 26GHz band for private networks - Response to consultation / Decision on the licensing framework for private networks - Promote the licensing regime for the rights of use of spectrum in the 26 GHz band (2023)
Review of 900 MHz, 1800 MHz radio spectrum bands to enable 5G technologies	<ul style="list-style-type: none"> - Contribute to discussions at the EU's Radio Spectrum Committee (RSCOM) on the adoption of legal acts amending the harmonised technical framework for the 900 MHz and 1800 MHz bands - Consult on the proposed revisions to the various national instruments concerning the harmonised 900 MHz and 1800 MHz bands - Consultation with the holder of the rights of use of spectrum
Reassignment of the rights of use of spectrum for T-DAB services	<ul style="list-style-type: none"> - Public consultation (Q3/2021) - Response to Consultation / Decision - Spectrum assignment process and award of rights of use of radio spectrum - Ongoing monitoring of coverage obligations
Review of licensing framework operating above 40 GHz	<ul style="list-style-type: none"> - Public consultation - Response to Consultation / Decision on licensing framework for radio links operating above 40 GHz
Review satellite filing system	<ul style="list-style-type: none"> - Review of the procedures concerning satellite filing procedures - Publish satellite filing procedures on MCA's website

2.2 Digital Services

Strategic Objective 5 - Supervising the provision of relevant digital services

Overview

The MCA is responsible for supervising the provision of relevant digital services. The regulation of digital services is addressed through a mix of regulatory oversight and stakeholder awareness. The MCA also targets web accessibility as a means of digital inclusion.

Setting up capacity for Digital Services Act (DSA), Platform to Business (P2B) Regulations and the relevant parts of the Consumer Protection Cooperation (CPC) Regulation

In 2021 the MCA was given the mandate to administer the provisions of the Platform to Business (P2B) Regulation and the EU Digital Services Act (DSA).

The P2B Regulation sets the rules aimed at creating a fair, transparent and predictable business environment for smaller businesses and traders on online platforms. In line with the Online Intermediation Services for Business Users (Enforcement Measures) Regulations, a business user can seek redress before the Civil Court if there is non-compliance by the provider of an online intermediation service with certain obligations onerous on any such provider as stated in the P2B Regulation. A designated organisation, association or public body can also apply to the Civil Court to stop or prohibit non-compliance with certain provisions of the P2B Regulation by a provider of an online intermediation service or a provider of an online search engine. In 2021 the MCA set-up the necessary internal requirements to be in a position effectively carry out its tasks in relation to the P2B Regulation.

The DSA builds on the rules of the e-Commerce Directive and aims to create a safer and trusted online environment. The DSA, once adopted, will put in place a framework of layered responsibilities targeted at different types of services (i.e., intermediary services, hosting services, online platform services, and very large online platforms services) and a set of harmonised EU-wide asymmetric obligations to ensure transparency, accountability and regulatory oversight of the EU online space. At the same time, it will equally protect all users in the EU, with regards to safety from illegal goods, content or services, and also to their fundamental rights. In June 2021 Government designated the MCA as the Digital Services Coordinator (DSC) for the DSA which comprises the overall management of the DSA within the member state and in relation to other competent authorities that will play a part in the enforcement of the DSA when it comes into force. As the DSC the MCA will also coordinate with other DSCs in other member states and act as the sole liaison with the European Commission in relation to enforcement and advise on the application of the DSA. The DSA is currently being debated by the Council and European Parliament and is expected to be adopted and come into force in 2022. In 2022 the MCA will set-up the necessary internal requirements to be in a position to effectively carry out its tasks in relation to the DSA, once it is adopted and comes into force.

In 2021 the Malta Communications Authority Act was amended to widen the MCA's enforcement powers in line the relevant parts of the CPC Regulation. As a result, the MCA has new powers to address unlawful practices and identify rogue traders. In 2022 the MCA will outline the procedures that it will use to effectively implement its responsibilities under the relevant parts of the CPC Regulation.

Organising stakeholder fora, commissioning of surveys of public usage and perceptions of eCommerce, implementing targeted information campaigns.

In 2021 the MCA finalised its new eCommerce Strategy in collaboration with other institutional players. The new strategy, envisaged to be published in the first half of 2022, will outline the framework for the development of eCommerce in Malta over the coming years. The strategy will strengthen both the supply and demand sides of eCommerce.

The MCA will continue to focus its work on awareness raising by ensuring that Malta-located information society service providers are aware of their obligations arising out of the Electronic Commerce Act and that consumers are aware of their rights and avenues of redress. The MCA will also continue to facilitate the uptake of eCommerce by local enterprises. In particular, the MCA will continue to:

- provide online guides aimed at businesses that sell goods and/or services online and those that intend to set up their own online business;
- enhance trust in eCommerce and digital services, including by providing a high level of consumer protection and transparency of digital services;
- provide information to users of eCommerce services of their rights and the pitfalls in online ordering that they should be looking out for;
- assess the adoption of eCommerce by local businesses and consumers via the findings of eCommerce business and consumer surveys;
- carry-out educational programmes, via the [eBiznify](#) initiative,¹³ to encourage local enterprise to engage in eCommerce and undergo digital transformation;
- collaborate with other entities such as Tech.mt and eSkills Foundation to ensure a wider reach for information sessions and training programmes relating to digital transformation;
- hold the eCommerce forum to keep interested parties informed of regulatory and technical developments; and

¹³ The training programmes offered through the eBiznify eLearning platform specialise in eCommerce and include both accredited and non-accredited courses which help individuals improve their knowledge and competencies in digital business.

- participate and contribute to fora targeting the uptake of eCommerce amongst SMEs.

Maintaining regulatory oversight on existing regulated activities

The MCA will continue to maintain regulatory oversight on the activities of the local information society service providers to ensure that locally established websites adhere to the essential requirements of the Electronic Commerce Act, relating mostly to ensuring that the local information society service providers display specific information to facilitate consumer redress.

The MCA will continue to supervise qualified trust service providers to ensure that the services they provide meet the requirements of the eIDAS Regulation.¹⁴ In addition, the MCA will continue to develop the eIDAS Regulatory regime to facilitate any type of electronic transactions between citizens, companies, and public administrations. The MCA will also encourage the deployment and use of innovative trust services in Malta. The MCA will continue to participate in the Forum of European Supervisory Authorities for Electronic Signatures (FESA) which comprises of regulatory bodies from all EU countries. The FESA discusses, amongst others, best practices for trusted list management and conformity assessment methods.

The MCA will continue to monitor the Geo-blocking Regulation on addressing unjustified online sales discrimination based on customers' nationality, place of residence or place of establishment within the internal market. In addition, the MCA will continue to monitor adherence to the Cross-border Portability Regulation of online content services.

Website and mobile applications accessibility continued implementation

All public sector websites need to conform to the European Web Accessibility Directive, transposed under the Accessibility of the Websites and Mobile Applications of Public Sector Bodies Regulations, S.L. 418.03. The Directive ensures that all public sector organisations' websites and mobile apps are accessible, using existing accessibility standards.

In 2022, the MCA will continue with the implementation of the Web Accessibility initiative by improving the accessibility of public sector websites and mobile applications. The MCA will continue to work with the Foundation for Information Technology Accessibility (FITA) to ensure that public sector's electronic platforms, including mobile applications, are fully accessible and inclusive for people with disabilities as well as other disadvantaged segments of society. The MCA will continue to raise awareness on the accessibility requirements, their benefits to users and to owners of websites and mobile applications and give feedback in the case of any failure by public sector bodies to comply with the requirements at law.

¹⁴ The 'eIDAS Regulation' creates an European internal market for electronic trust services (eTS) - namely electronic signatures, electronic seals, time stamping, electronic delivery service and website authentication - by ensuring that they will work across borders and have the same legal status as traditional paper-based processes.

The MCA will follow the progress of the transposition of the European Accessibility Directive [(EU) 2019/882]¹⁵ given the synergies that lie with the MCA's already established role of responsible authority for accessibility to public sector websites and mobile apps. The Ministry for Inclusion, Social Wellbeing and Voluntary Organisations (MIWV) is responsible to transpose this Directive into national law. The MCA will assess the potential requirements of the relevant portions of the European Accessibility Directive relative to the sectors under the MCA's purview, in case these are devolved to the MCA.

Priority Programme of Works 2022 - Strategic Objective 5	
Project / Activity	Planned Output
Updating the eCommerce Strategy	<ul style="list-style-type: none"> - Publication of eCommerce Strategy
eCommerce monitoring of essential requirements	<ul style="list-style-type: none"> - Ongoing monitoring of local eCommerce websites
Digital Services Act - Setup	<ul style="list-style-type: none"> - Setting up of internal processes and procedures to effectively carry out its tasks as the DSC - Awareness campaign
Platform to Business Regulation - Setup	<ul style="list-style-type: none"> - Setting up of internal processes and procedures to effectively carry out its tasks in relation to the P2B Regulation (Q4/2021) - Awareness campaign
eBiznify and eBiznify Lite Initiative	<ul style="list-style-type: none"> - Ongoing educational programmes / training in digital transformation
eIDAS Regulation - Promotion and Monitoring	<ul style="list-style-type: none"> - Monitoring and supervision of qualified trust service providers in line with the eIDAS Regulation - Contribute and participate in FESA meetings
Web Accessibility Directive – Monitoring	<ul style="list-style-type: none"> - Monitoring of public sector websites and mobile apps with the support of FITA - Reporting on the outcome of the monitoring activity - Awareness in relation to digital accessibility by the general public

¹⁵ By 28th June 2022 EU Member States are required to adopt and publish the laws, regulations, and administrative provisions necessary to comply with this Directive. They shall apply those measures from 28 June 2025.

2.3 Postal Services

Strategic Objective 6 - Safeguarding sustainable competition in the postal sector.

Overview

The MCA safeguards sustainable competition in the provision of postal services, subject to ensuring the availability of an universal postal service. The MCA uses appropriate regulatory intervention in case of actual or potential competition problems. The Covid-19 pandemic has confirmed and reinforced the importance of post as an essential service. At the same time, it has sped up the pace for digital transformation and accelerated the trend of increased digital communication and the growth in online shopping. The decreasing demand for letters creates challenges for the postal sector and the continued need to drive for efficient delivery of fewer letters. The increasing demand for parcels creates opportunities and challenges for the postal sector for the efficient and environmentally sustainable delivery of more parcels. Postal service providers need to be flexible and innovative to adapt to the ongoing declines in postal letter volumes or to take advantage of any new opportunities that may arise in the changing postal sector, noting the greater competitive dynamics in the delivery of packets and parcels.

Continuing enhancements to the MaltaPost economic control model

MaltaPost's regulatory accounts are critical information for the MCA to be able to assess how the universal postal service is performing financially, for assessing universal postal services' prices for compliance with tariff requirements of the Postal Services Act, and other regulatory requirements. MaltaPost's regulatory accounts also contribute to the MCA's cost modelling work of MaltaPost's postal network. The MCA will continue to enhance its economic control model used to monitor tariffs and price change requests raised by MaltaPost. In assessing any claims for changes in tariffs the MCA considers whether the universal postal service is provided at prices which relate to cost and give incentives for efficient universal service provision. Given the changes in the postal market, in 2022 the MCA will initiate a study to review the universal service rate of return which was last established in 2012. The rate of return provides an indication of the financial sustainability of the universal postal service.

Analysing competition dynamics in specific postal markets

The MCA will continue to monitor the application of the *ex-ante* remedies (such as the approval of tariffs) imposed on MaltaPost in those postal service markets where it has SMP, the aim being to ensure that market review decisions remain relevant and that remedies reflect any changes in the markets. MaltaPost no longer holds SMP in the market for domestic parcel mail, given the strong indirect competitive constraints posed by express postal operators on the pricing behaviour of MaltaPost in a deregulated environment. The pandemic also resulted in an increase in local parcel delivery and the onset of new operators focused on the local market. In 2022 the MCA will finalise a review of the postal markets to assess whether MaltaPost holds SMP in any of the relevant markets falling within the scope of the universal postal service.

Managing the postal compliance framework

The MCA will continue to ensure compliance of both licensed operators providing services within the scope of the universal postal service and operators subject to a general authorisation providing only services that fall outside the scope of the universal postal service. The MCA will ensure that operators that offer services that fall within the scope of the universal postal service are appropriately licensed to carry out such activities. This is particularly important for safeguarding the provision of the universal postal service.

Monitoring performance via collection and analysis of data

The MCA will continue to collect relevant, accurate and timely information on the postal market in an efficient and effective manner and include this in published biannual market reviews. The ongoing availability of information about the postal market and its developments is essential for the MCA to perform its regulatory duties and safeguard sustainable competition.

This activity is supplemented by periodic public and business perception surveys. The results of these surveys serve as an additional source of information in support of regulatory decisions, as well as an indication of the extent to which the postal sector is meeting the reasonable needs of users in light of changes in the market, in particular the growth in online shopping and continued decline in the traditional letters markets. In 2022 the MCA will publish the findings of household and business perception surveys of the postal sector carried out in 2021.

Priority Programme of Works 2022 - Strategic Objective 6	
Project / Activity	Planned Output
Market review of Postal Markets falling within the scope of the universal postal service	<ul style="list-style-type: none"> - Public consultation - Response to consultation / Decision
Price control model to ensure sustainability of the universal postal service	<ul style="list-style-type: none"> - Simulate MaltaPost's separated accounts on MCA's price control model - Generate hypothetical future-looking scenarios - Improvements as necessary to the price control model - Monitor any price changes requests proposed by MaltaPost (as necessary)
Regulatory financial reporting by MaltaPost	<ul style="list-style-type: none"> - Ensure MaltaPost's compliance with the regulatory financial reporting requirements - Review MaltaPost's regulatory accounts and update MCA's price control model

Priority Programme of Works 2022 - Strategic Objective 6

Project / Activity	Planned Output
	<ul style="list-style-type: none"> - Communicate and follow-up points of the annual review with MaltaPost as required - Monitoring of MaltaPost's financial performance regarding the universal postal service
Compliance, enforcement, and investigations	<ul style="list-style-type: none"> - Monitoring and enforcement of operators licensed to provide services within and outside the scope of the universal postal service - Monitoring and enforcement of operators subject to a general authorisation providing only services outside the scope of the universal postal service
Postal consumer perception surveys <i>(households, businesses, bulk mailers)</i>	<ul style="list-style-type: none"> - Analysis of survey findings - Publication of survey findings
Informing stakeholders on key data and trends in the postal sector	<ul style="list-style-type: none"> - Publication of bi-annual market review report <i>(July - December 2021 / January - June 2022)</i> - Publication of quarterly data report sheets

Strategic Objective 7 - Ensuring that postal undertakings provide a transparent, quality service to users in line with incumbent social obligations

Overview

The MCA ensures that postal undertakings provide transparent and high-quality postal services to users. In particular, the MCA ensures a high level of protection for postal service users in their dealings with postal service providers. The strategic intention is that postal service users can choose and use postal services with confidence. The MCA also seeks to ensure that there is a universal postal service that meets the reasonable needs of postal service users. A universal postal service ensures the provision of postal services to all people in Malta, at an affordable price and to a sufficient level of quality.

Determining the ongoing feasibility of existing universal postal service obligations

The MCA's primary objective is to ensure the future of the universal postal service in the light of continuing change in the sector. The universal postal service is facing challenges as a result of long-standing trends being catalysed by the unforeseen COVID-19 pandemic. A global crisis in logistics and transport facilities has also led to increases in costs of cross-border delivery of postal items and lead times. To date, MaltaPost has relied on increase in prices to mitigate the lost revenue from letters. Increasing parcel volumes and decreasing letter volumes are not unique to Malta. Similar trends have occurred in other developed economies. Postal service providers have responded by reconfiguring their networks and operations to accommodate parcel delivery and improving efficiencies to offset falling revenue from declining postal letter volumes. Inevitably, in an increasingly competitive environment in the distribution of parcels and in the face of changing mail dynamics necessitates corrective action in the size and extent of the relative USO. A comprehensive stocktake of the USO is therefore required to continue to ensure a sustainable universal postal service of high quality that meets the reasonable needs of users of postal services and reflects users' present-day needs. The work will provide the MCA with additional insights into the likely future sustainability of the universal postal service and any changes to the USO that may be required. The European Commission has also considered the need for a change to the requirements of the universal postal service in its report on the application of the Postal Services Directive (PSD) published on the 8th November 2021.¹⁶

Managing the compliance framework, with focus on quality-of-service provision

The MCA will continue to ensure the postal service users know: the postal services they are buying; how to raise a complaint if problems arise; and the steps that can be taken if the complaint remains unresolved. The MCA will continue to keep the public informed of postal market developments and postal trends that are taking place within the postal sector. The MCA will continue to empower postal service users by providing information regarding the provision of postal services in Malta. The MCA will also continue to monitor compliance by the Universal Service Provider (USP) and other service

¹⁶ https://ec.europa.eu/growth/sectors/postal-services_en

providers in relation to protecting the integrity and security of mail, complaints handling procedures and compensation schemes, as well as quality of service.

Quality of service standards for the provision of the universal postal service, particularly in relation to single piece and bulk letter mail, are necessary to ensure that postal service users receive the appropriate service for which they have paid. The MCA monitors compliance with the quality-of-service standards and publishes a report on the results of the monitoring exercise. The MCA will continue to engage with MaltaPost on its quality-of-service performance. Where the MCA is of the opinion that the universal postal service provider has not met the quality-of-service standards it may give a direction to the universal service provider to take corrective action.

Ongoing management of the EU regulation on cross-border parcel delivery

The EU Regulation on cross-border parcel delivery services aims to: improve price transparency and regulatory oversight; and ensure that citizens and small businesses have access to reasonably priced cross-border parcel delivery services. The MCA will continue to gather information from parcel (including small packets) delivery service providers about their services and the public list of tariffs applicable for single-piece postal items. Information on the services and public tariffs of all EU Member States are published by the European Commission on a dedicated website. The MCA will continue to assess whether MaltaPost's cross-border single-piece parcel tariffs subject to the universal service obligation are reasonable and pass that assessment to the European Commission. In November 2021 the European Commission published a report on the application and implementation of this Regulation. The report notes that the Cross-Border Parcel Regulation has broadly achieved its key objectives to increase the level of transparency of certain single-piece tariffs and enhance regulatory oversight for the part of the parcel delivery market falling under its scope. The report also notes that several initiatives could be pursued by the European Commission and the respective EU member states to further improve tariff transparency and regulatory oversight.

Priority Programme of Works 2022 - Strategic Objective 7	
Project / Activity	Planned Output
Ensuring the sustainability of the universal postal service / USO	<ul style="list-style-type: none"> - Establishing a way forward on the review of MaltaPost's USO
Implementing the EU Cross-border parcel Regulation	<ul style="list-style-type: none"> - Cross-border prices forwarded to the European Commission for publication - Assessment of cross-border parcel tariffs - Report to the European Commission - Review reports of other EU Member States
Monitoring QoS performance of the USO	<ul style="list-style-type: none"> - Monitoring of QoS performance (reliability and regularity of mail)

Priority Programme of Works 2022 - Strategic Objective 7

Project / Activity	Planned Output
	- Audit of QoS measurements
Monitoring of the USP's activities and other service providers	- Monitoring of mail integrity, postal service schemes, QoS and complaints handling

2.4 Policy Shaping

Strategic Objective 8 - Contributing to the ongoing development and implementation of sector policy

Overview

The MCA's strategic and business objectives are influenced by decisions made at national, European and international level. At a national level the MCA works with stakeholders so that it can be more effective in pursuing its objectives. Beyond the national level the MCA contributes and participates in various EU and other international fora to ensure that any future policies benefit Malta. The MCA also leverages its expertise in the sectors on which it has oversight in providing policy advice to Government.

Policy advice to Government

Review of the EU Broadband Cost Reduction Directive (BCRD) 2014/61 - In 2020 the European Commission launched an evaluation of the Broadband Cost Reduction Directive (Directive 2014/61/EU) with the aim of making it more effective. The review is intended to enable a quicker and more efficient rollout of very high-capacity networks, including fibre and 5G, ensure the rules are aligned with the EECC and explore potential environmental safeguards. The new legislative instrument is planned to be adopted in 2022. The MCA will provide technical and policy advice to Government on specific aspects of the review of the BCRD, as well as in the eventual transposition into Maltese Law.

Review of the EU eIDAS Regulation (European Digital Identity Regulation – EUid Regulation) - The proposed Regulation will amend the current eIDAS Regulation to improve its effectiveness, extend its benefits to the private sector and promote trusted digital identities for all Europeans. The proposed Regulation intends to expand the current list of trust services by adding three new qualified trust services: electronic archiving services, electronic ledgers, management of remote electronic signature and seal creation devices. The proposed Regulation will also require member states to issue a digital identity wallet under a notified digital identification (eID) scheme with common technical standards recognised across the EU. The MCA will provide technical and policy advice to Government on the review of the eIDAS Regulation, specifically in those areas dealing with trust services, as well as the drafting of national legislation where applicable.

Review of the EU Postal Services Directive (PSD) - In July 2020 the European Commission launched a public consultation on the evaluation of the PSD. The public consultation assessed the impact of the directive and better understand the needs of the postal sector, especially in the light of changes due to digitalisation and the growing e-commerce economy. The results of the public consultation have been factored into the European Commission's report on the application of the PSD published on the 8 November 2021. The application report assesses, in the first place, whether the PSD still fits the purpose for which it was adopted in 1997 and, second, whether new policy objectives might need to be considered in the future. The European Commission's report on the PSD suggests further

exploration of possible amendments to the regulatory framework but without spelling out specific changes or a timetable for the next steps. In 2022 the MCA will provide support and advise to Government during discussions on changes to the EU postal regulatory framework. The MCA will also contribute to the ERGP¹⁷ regarding any requests from the European Commission for technical assistance, support and advice in the process of reviewing the regulatory framework applicable to the postal sector.

The Digital Services Act package, which includes the review of the eCommerce Directive (DSA), as well as on the Digital Markets Act (DMA) - In 2020 the European Commission published a proposal on a Digital Services Act to update the current EU legal framework governing digital services. In parallel, the European Commission published a proposal for a regulation on contestable and fair markets in the digital sector, otherwise referred to as the Digital Markets Act (DMA)¹⁸. They form a single set of new rules applicable across the whole EU to create a safer and more open digital space. In June 2021 the MCA was entrusted by Government with the oversight of DSA, which is still 'under construction' at EU level. Government designated the MCA as the Digital Services Coordinator (DSC) for the DSA which comprises the overall management of the DSA within the member state and in relation to other competent authorities that will play a part in the enforcement of the DSA when it comes into force. The DSC also acts as the liaison with the European Commission in relation to enforcement and policy advice. The DMA mandate has not, as yet, been assigned to MCA or any other entity. It is, however, assumed that even if it does not lead it, the MCA will at some point be involved in the management of this regulation. In 2022 the MCA will continue to support Government in EU Council discussions relative to the DSA as well as in the eventual transposition into Maltese Law.

Space-related topics, notably Galileo and GovSatCom - Space policy falls under the responsibility of the Ministry for Equality, Research and Innovation. However, the MCA advises Government of matters relating to space communications. In 2022, the MCA will continue to support Government in space related topics, notably Galileo and in the European Commission's expert group on governmental satellite communications (GovSatCom) by participating in programme committee, evolution, and supervisory authority meetings. The MCA will continue to participate in the ENTRUSTED initiative. A research project dedicated to the development of secure satellite communications for governmental users launched in September 2020. The MCA will also continue to collaborate with the various national entities with competences in the space area and contribute to the taskforce responsible for formulating Malta's National Space Strategy.

Interacting at various EU-related and international fora

Active participation on EU and International fora will remain high, in view of the need to consistently put forward Malta's position, particularly in areas which are of relevance to the domestic environment. The MCA's international obligations entail active participation in the following EU organisations:

¹⁷ European Regulators Group for Postal Services (ERGP).

¹⁸ The proposed legislation lays down harmonised rules aimed at regulating the behaviour of digital platforms acting as gatekeepers between business users and their customers in the EU.

- BEREC which ensures independent, consistent, high-quality application of the European regulatory framework for electronic communications markets for the benefit of Europe and its citizens.
- The Radio Spectrum Policy Group (RSPG) which provides high-level strategic advice on spectrum policies to the European Commission.
- The Communications Committee (COCOM), which assists the European Commission in carrying out its executive powers under the regulatory framework for electronic communications.
- The Radio Spectrum Committee (RSCOM), responsible for the development of implementing decisions with respect to technical measures that ensure harmonised conditions across Europe for the availability and efficient use of radio spectrum.
- The European Union Agency for Cybersecurity (ENISA) in relation to cybersecurity and network security regulation.
- ERGP responsible for advising and assisting the European Commission in consolidating the internal market for postal services and ensuring the consistent application of the European postal regulatory framework for postal services.
- The European Commission's Postal Directive Committee (PDC) which serves as a scrutiny body for the application of postal legislation and for the improvement of quality of service, notably the establishment of quality standards for intra-EU cross-border services.
- The Expert group on electronic commerce which advises the European Commission on issues relating to electronic commerce and related services.

The MCA will also continue to represent Malta in international fora:

- The International Telecommunication Union (ITU) regarding preparation for participation in the ITU Plenipotentiary Conferences and the ITU World Radiocommunication Conferences. The next plenipotentiary conference will be held in 2022 and the next WRC will be held in 2023.
- The European Conference of Postal and Telecommunications Administrations (CEPT), the International Regulators' Group (IRG) and other related workgroups.
- The European Committee for Postal Regulation (CERP).
- The Universal Postal Union (UPU). An extraordinary UPU congress will be held in 2023 and will focus on three key topics: opening of the UPU; the UPU budget; and terminal dues for tracking service and the possibility of self-declared rates for parcels.

The MCA will continue to actively contribute to pan-European initiatives in relation to:

- The harmonisation of additional spectrum for next generation of wireless broadband services (including 5G and future developments of 6G technologies).
- The DESI which provides a snapshot of the electronic communications markets in each Member State, from an investment, regulatory and market perspective.¹⁹
- The European Commission's vision and policy actions to turn Europe into a Gigabit Society by 2025.²⁰
- The European Commission's 5G Action plan in relation to the development and introduction of 5G wireless technologies in the EU.
- The European Commission's 2020 Recommendation on a common Union toolbox for reducing the cost of deploying very high-capacity networks and ensuring timely and investment-friendly access to 5G radio spectrum, to foster connectivity in support of economic recovery from the COVID-19 crisis in the EU. By the end of April 2022 each EU Member State is required report on the implementation of the Toolbox.
- The European Commission's vision for Europe's digital transformation by 2030. In September 2021 the European Commission proposed a 'Path to the Digital Decade' to achieve the digital transformation of society and the economy by 2030 – based on addressing the gaps in Europe's digital capacities, while directing common actions and large-scale investments to reap the benefits brought by digitalisation.²¹ It is based on four cardinal points – digital skills, digital infrastructure, digital business and digital public services. It sets, in particular, policy objectives on digital infrastructures convergent with European Green Deal goals.
- The drafting of Delegated Act on emergency communications to be adopted by the end of 2022 in line with the legal deadline provided for in the EECC.
- New initiatives which the European Commission plans to undertake in 2022 such as: a European Cyber Resilience Act; a Roadmap on security and defence technologies; a legislative proposal on building an EU space-based global secure communication system; a review of competition policy; and a proposal for a Council Recommendation on improving the provision of digital skills.

¹⁹ The DESI is built along 5 different dimensions, and one of them, the connectivity dimension, among others, builds upon the following indicators: fixed broadband coverage, 4G mobile broadband coverage and 5G mobile broadband readiness.

²⁰ By 2025, all main socio-economic drivers (i.e., schools, hospitals, transport hubs) should have gigabit connectivity, all urban areas and major terrestrial transport paths should be connected with uninterrupted 5G coverage, and all European households should have access to connectivity offering at least 100 Mbps upgradable to Gigabit speeds.

²¹ The proposal includes a structured, transparent and shared monitoring system based on the DESI to measure progress towards each of the 2030 targets, including KPIs. With regard to digital infrastructures, by 2030, 100% of households must have gigabit network coverage and 100% of populated areas must have 5G coverage.

- The ongoing submission of accurate statistics and information to the EU and other international organisations.

Priority Programme of Works 2022 - Strategic Objective 8	
Project / Activity	Planned Output
Review of the EU Broadband Cost Reduction Directive	<ul style="list-style-type: none"> - Technical and policy advice to Government
Review of the EU eIDAS Regulation	<ul style="list-style-type: none"> - Technical and policy advice to Government
Digital Services Act (DSA)	<ul style="list-style-type: none"> - Technical and policy advice to Government
Review of the EU Postal Services Directive	<ul style="list-style-type: none"> - Participating in the ERGP and European Commission discussion on a new Postal Services Directive - Technical and policy advice to Government
Space-related topics, notably Galileo and GovSatCom	<ul style="list-style-type: none"> - Attend meetings, dissemination information or review information received
EU and International policy and regulatory initiatives	<ul style="list-style-type: none"> - Ongoing participation and contribution in the following fora and related working groups: <i>BEREC, RSPG, RSCOM, COCOM, ENISA, ERGP, Postal Directive Committee, Expert group on electronic commerce, CEPT, ITU, CERP and the UPU</i> - Provision of statistical and other information to EU and international fora

2.6 Research and Development

Strategic Objective 9 - Conducting relevant research, exploring and developing emergent policy areas

Overview

The MCA remains committed to promoting and facilitating development in relevant communications and digital niches. The MCA also, on an ongoing basis, researches and explores emergent policy areas of relevance to its mandate. During the business plan period the MCA will focus its work primarily in the following areas: (1) supporting fixed and wireless broadband research and development; and (2) addressing the implications of the European Green Deal on relevant sectors and the MCA's regulatory mandate.

Supporting fixed and wireless broadband research and development

The MCA will continue to support fixed and wireless broadband research and development, through various modes, mainly via participation in the Broadband Competence Office (BCO), the 5GZorro and ENTRUSTED research initiatives, and in placing renewed emphasis on the need for deployment of IPv6. The MCA will also identify funding opportunities in areas of interest, such as 5G, Cybersecurity and IoTs.

The MCA will continue to make radio spectrum available to enable new and innovative wireless technologies and services (Strategic Objective 4: Maximising the potential of radio spectrum). In addition, having regard to future trends, including the increased demands for advanced mobile services, potential impacts of IoT and 5G, and new wireless opportunities associated with space communications, the MCA will continue to promote the use of spectrum for innovation, mainly via the uptake of test and trial licences.

The MCA will continue participating in an EU sponsored initiative under the heading of 5GZorro, which stands for Zero-touch security and trust for ubiquitous computing and connectivity in 5G networks. The project envisions a real-time spectrum market, supported by a Distributed Ledger Technology (DLT) infrastructure, whereby diverse business agents, including mobile network operators, venue owners, or private users, could trade in real-time spectrum rights bound to a given geographical area and time period.

IoT devices are heavily reliant upon robust and secure communication as the data collected by device sensors can include sensitive information. IPv6 enables more secure M2M communication and allows for the IoT to continue to expand. With the current exhaustion of IPv4 addresses, it is becoming crucial for the future of IP communications that a fast and efficient transition to IPv6 is achieved. The MCA will continue to encourage and monitor the roll-out of this future-proof protocol.

The MCA will also review its role in space communications, with a view to focusing on the more relevant satellite communications services, whilst still retaining an advisory role in space-related areas such as Galileo and Govsatcom.

Continue addressing the implications of the European Green Deal on relevant sectors and the MCA's regulatory mandate

Besides the ongoing digital transformation, climate change is another defining phenomenon of our time. Digitisation promises to bring major efficiency gains that will translate into major reductions of greenhouse gas emissions. At the same time, the digital sector's environmental footprint is increasing, with a growth in energy usage occurring. Hence, the environmental consequences of digital technologies require careful assessment of direct impacts, such as energy consumption and end-of-life disposal, and indirect impacts, e.g., change in consumption patterns and choices. This policy area is still considered as developmental and the MCA will continue to work in establishing a way forward together with its peers within BEREC, RSPG and ERGP until such time as it is in a position to articulate the relevant strategic direction. Environmental considerations, in line with the principles set in the European Green Deal, will be gradually dovetailed in the MCA's work programme.

The MCA will continue to analyse the sustainability the sectors it regulates, including how they affect the environment, how technologies can help other sectors reduce their carbon footprint. We will also consider what role the MCA could have in addressing sustainability issues.

Priority Programme of Works 2022 - Strategic Objective 9	
Project / Activity	Planned Output
Broadband Competence Office	- Develop further the Broadband Competence Office
Facilitating 5G trials in Malta	- Facilitate the deployment of 5G use cases in Malta
Addressing the implications of the European Green Deal on relevant sectors and the MCA's regulatory mandate	- Publication of Strategic Statement and Framework

2.7 Ensuring Quality and Continuity in Delivery

The MCA strives to be an active and dynamic organisation that is capable of responding to the rapidly changing environment and is positioned, in terms of expertise, robust analytics and up-to-date information, as well as resources, to address issues that affect our ability to fulfil our mission.

The MCA is committed to maintaining an efficient and effective strategic and business planning function, supported by the monitoring of actual performance against set targets. The MCA is also committed to ensuring that its employees possess the necessary expertise to contribute fully towards the achievement of its objectives.

The MCA will ensure that staff expertise remain current through ongoing investment in training and continuous learning in order to be able to optimally address its mission and mandate. As new responsibilities are assumed the MCA will dovetail these with its business in as seamless a manner as possible. The MCA's mission, strategic objectives, organisation structure, policies and procedures will be updated to reflect the new state of affairs.

Priority Programme of Works 2022 - Organisational	
Project / Activity	Planned Output
Annual report	<ul style="list-style-type: none"> - Publication of MCA's Annual Report 2021
Strategy Update and Business plan	<ul style="list-style-type: none"> - Publication of Strategic Update 2022 - 2024 - Publication of Annual Plan 2022 - Strategy Update 2023 - 2025 - Business and Financial Plan 2023 - 2025
Performance management and monitoring	<ul style="list-style-type: none"> - Quarterly performance management reviews
Processes and procedures	<ul style="list-style-type: none"> - Ongoing review of the MCA's business processes and procedures
Staff training	<ul style="list-style-type: none"> - Ongoing staff training in both soft and hard skills

2.8 Delivery of the Work Programme

The major outputs listed under each strategic objective represent the MCA's current best view of the priority work streams that will be undertaken during 2022. The MCA may have to adjust its plans due to unforeseen external developments (for example in light legislative and regulatory developments, appeals to the MCA's decisions, and disputes between operators). The MCA therefore retains flexibility within its work programme, to respond to changes and new issues arising during the course of the year. The MCA will update its plans every quarter and adjust its work programme when necessary to make sure it keeps pace with the rate of market change and any critical issues affecting citizens and consumers at any one time.

3. Financial Projections

The MCA's projected expenditure for 2022 is expected to be as shown in **Table 1** below:

Table 1: MCA's Expenditure Analysis 2022					
	Staff Costs (€)	Administrative Expenditure (€)	Operational Expenditure (€)	Projects Expenditure (€)	Total Expenditure (€)
Electronic Communications	2,020,147	450,648	582,244	458,558	3,511,597
Postal Services	215,080	30,032	33,527	74,600	353,239
Radio Spectrum Management / Monitoring ²²	207,344	47,600	246,361	154,068	655,373
Radiocommunications Equipment	161,903	31,746	11,648	-	205,297
Digital Services	259,098	40,980	40,366	201,371	541,815
Total Expenditure (€)	2,863,572	601,006	914,146	888,597	5,267,321

²² Expenditure related to the management and monitoring of the radio spectrum that do not effectively pertain to the rights of use by electronic communications operators.