



MALTA COMMUNICATIONS AUTHORITY

Annual Plan 2023

MCA Reference: MCA/O/23/4823

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1 Introduction

This document sets out the Malta Communications Authority's (MCA) Annual Plan for 2023. It sets out the priority work-streams and related individual tasks that the MCA will be conducting during 2023. The Annual Plan is reflective of the MCA's strategy update covering the period 2023 - 2025.

1.1 Mission Statement and Strategic Objectives

The mission on 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 Framework

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;
- the regulation of postal services as determined by the Postal Services Act, Cap 254;

- ensuring compliance with the Electronic Commerce Act, Cap 426;¹ and for
- improving the accessibility of the websites and mobile applications of public sector bodies².

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

- Regulation (EU) 910/2014 on electronic identification and trust services for electronic transactions in the Internal Market (referred to as the 'eIDAS Regulation') in relation to the supervision of trust service providers established in Malta³.
- Regulation (EU) 2015/2120 laying down measures concerning open internet access (referred to as the 'Open Internet Regulation').
- 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').
- Regulation (EU) 2018/644 on cross-border parcel delivery services.
- Regulation (EU) 2019/1150 on promoting fairness and transparency for business users of online intermediation services⁴ [referred to as 'Platform to Business (P2B) Regulation'].
- Regulation (EU) 2022/612 on roaming on public mobile communications networks within the European Union.
- Regulation (EU) 2022/2065 on a single market for digital services⁵ (referred to as the 'Digital Services Act').

¹ The MCA is required to ensure the proper functioning of the electronic commerce sector as provided for by the Electronic Commerce Act which follows Directive (EU) 2000/31/EC on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market ('Directive on electronic commerce').

² Accessibility of the Websites and Mobile Applications of Public Sector Bodies Regulations, S.L. 418.03.

³ The MCA assumes the role of a Supervisory Authority responsible to supervise trust service providers established in Malta as reflected in the Electronic Commerce Act.

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

⁵ In 2021 Government designated the MCA as the Digital Services Coordinator (DSC) responsible for all matters relating to the supervision of the Digital Services Act (DSA). This comprises of the overall management of the DSA within Malta and the role of rapporteur to the EU. The DSA entered into force on the 16 November 2022.

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;
- regularly monitors the achievement of its objectives and work programme, identifies any shortfalls and takes the necessary steps to remedy them; and
- provides input to the Authority's Board on the progress achieved in the delivery its work programme.

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 2023. The objectives of the work programme are aligned with the MCA's Strategy Update 2023 - 2025. The work programme presents continuity in a number of legislative and regulatory initiatives that are well-under way, 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 over the coming years.

2 Programme of Work and Priorities

What follows is an overview of the MCA's programme of work for 2023 that will contribute towards the achievement of the identified strategic objectives.

2.1 Strategic Objectives - Projects and Ongoing tasks

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. 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 mobile electronic communications networks. The MCA will continue to focus its work on promoting and safeguarding competition and creating a favourable climate for increased investment in very high-capacity networks (VHCNs). The MCA will also continue working with industry to ensure that Malta's vital electronic communications networks and services are safe, secure, and resilient.⁶

Safeguarding a competitive environment via SMP framework

The MCA promotes competition, investment and consumer choice in electronic communications markets via 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 markets⁷ and assesses whether 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. Where SMP regulation is necessary, the MCA focuses on the imposition of obligations that encourages both infrastructure and service-based competition. However, the MCA's regulatory approach seeks to facilitate opportunities that

⁶ Strategic Objective 3: Maintaining open, safe and secure electronic communications.

⁷ 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].

enable greater infrastructure-based competition, as this ultimately enables the development of more effective and sustainable competition and greater levels of investment in electronic communications networks and services.

In 2022 the MCA finalised its review of the market for wholesale dedicated capacity (referred to as 'Market 2/2020'). This market is relevant for business use requiring a higher quality connectivity. The findings of the analysis, including the proposed regulatory approach, was published for consultation in 2022. In line with recent market developments, the wholesale market concerning the provision of dedicated capacity in Malta is effectively competitive and no longer necessitates *ex-ante* regulatory intervention. The MCA plans to publish its decision by the end of 2022.

In 2022 significant progress was made in the redrafting of the market analysis for the wholesale broadband access market following the forced withdrawal of the relevant analysis in 2020, owing to emergent market developments. Early in 2023, the MCA will consult on the findings of the analysis of the wholesale broadband access market. The result of the analysis of this market, and the regulatory approach, will shape the competition scenario for the provision of broadband services in Malta, for the coming years. The MCA will determine whether to continue to intervene to oblige access between operators, as has been the case until now, or if the time has come for the competitive environment to work without any regulatory intervention.

Facilitating sharing of physical infrastructure for the roll-out of VHCNs

Outside the SMP framework, the MCA has a role in facilitating the sharing of physical infrastructure 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. 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 and urban disruption. The MCA will continue to facilitate the deployment of very high-capacity fixed line and wireless broadband networks by providing the necessary support and guidance to sector players and other institutional players. The MCA will continue to work with other competent authorities to further facilitate the deployment of very high-capacity networks. Among others, 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. The Utilities Committee will also serve as a catalyst towards the establishment and maintenance of a joined-up approach to passive infrastructure deployment.

Managing information as the means to promote competition

The MCA will continue to collect data from the electronic communications networks and service providers and publish bi-annual market reviews, quarterly market data and retail price movements. The MCA will continue to 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.

The data collected from the providers of electronic communications networks and 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. 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 published the findings of a consumer perception survey pertaining to the fixed broadband market and published the findings of a business perception survey across all electronic communications markets. The MCA also published the findings of a study that assessed the overall value and quality of service level satisfaction amongst users of electronic communications services. In 2023 the MCA will publish the findings of consumer perception surveys pertaining to the mobile telephony, fixed telephony and broadcasting markets. The MCA will also commence a new round of a business perception survey across all the electronic communications markets.

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 physical 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 national radio spectrum and numbering resources facilitate competition, enhances connectivity and promotes efficient investment.

The MCA will continue to manage Malta's numbering plan, including attaching conditions for the rights of use of numbers. The MCA ensures that there is always an adequate supply of numbers to support the demands of existing and new customers and service providers. Any new conditions of use that support competition and innovation need to ensure that consumers remain protected against number misuse. The MCA contributes by allocating numbers to service providers for new [e.g., Machine to Machine (M2M) / Internet of Things (IoT) and other non-interpersonal communications technologies] and existing services, and by monitoring their utilisation to ensure efficient use of numbers. The MCA will continue to ensure that all end-users who so request can retain their number(s) independently of the undertaking providing the service. In November 2022 the MCA published its Decision on review of the number portability framework, in line with the provisions reflected in the European Electronic Communications Code (EECC) and transposed in national law⁸.

⁸ Directive (EU) 2018/1972 establishing the European Electronic Communications Code (EECC) was transposed into national law on the 1 October 2021.

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 2023 - Strategic Objective 1	
Project / Activity	Planned Output
Wholesale local access provided at a fixed location (Market 1/2020) - Market review and analysis	<ul style="list-style-type: none"> - Public consultation - Notification 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 in the rollout of VHCNs	<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
Consumer Perception Surveys (Mobile Telephony, Fixed Telephony, Fixed Broadband, Broadcasting)	<ul style="list-style-type: none"> - Publication of survey findings for the Fixed Broadband market (2022) - Analysis of survey findings and publication of Mobile Telephony, Fixed Telephony and TV Broadcasting markets
Business Perception Survey (Mobile Telephony, Fixed Telephony, Business connectivity, Broadband)	<ul style="list-style-type: none"> - Review and update business perception survey and commence fieldwork - Analysis of survey findings and publication (2024)
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 (July - December 2022 / January - June 2023) - 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

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 also ensures that end-users have easy access to the information they need and can shop around with confidence, switch easily, and are treated fairly.

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

In the first half of 2023 the MCA will publish its decision on the measurement and publication of quality of service (QoS) related information across all publicly available electronic communications services. Providers of internet access services and of publicly available interpersonal communications services will be required to publish comprehensive, comparable, reliable, user-friendly and up-to-date information for end-users on the quality of their services. The information will ensure that people and businesses have the right information to make informed decisions about the electronic communications services best for them. The MCA will make the QoS measurements available via its online service comparison portal, *Telecosts*. In 2023 the MCA intends to 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.

Enhancing the MCA's compliance monitoring vis-à-vis consumer protection

Beyond being aware of the service that they 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 2022 the MCA consulted on the review of the existing decisions regarding end-user rights and relating to consumer contracts (such a switching procedures, contract duration and termination), providing further protection to consumers in line with the principles and obligations set out in the EECC and transposed in national law. The MCA plans to publish its updated decision regarding end-user rights in the first quarter of 2023.

Ensuring universal access to communications services

Early in 2023 the MCA will publish its decision on the redefinition of the universal service obligations (USOs) pertaining to electronic communications services. This decision will include a number of updates to the current USOs including the provision of adequate voice communications services at a fixed location, the provision of reduced tariff options and specific measures for vulnerable users. The MCA's 2021 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 will continue to apply.

Providers responsible for the provision of all or part of the USOs may submit a claim for compensation in relation to any unfair burden they claim to have suffered, as a result of providing a USO. The MCA evaluates the information submitted to determine whether an unfair burden really exists. In 2023 the MCA will assess GO's claim for funding the net-cost incurred in the provision of the USO for the years 2018 and 2019.

Improving consumer access to information

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 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 into national law. The Authority 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). The MCA will continue to monitor new obligations placed on industry, emerging from the EECC, including those related to contract summary information and best tariff advice. The MCA will also ensure that consumers are provided with pre-contractual information relating to contract duration, any switching charges, compensation and refund arrangements for delay or abuse of switching, information on how to switch, and details of any early termination fees.

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 new EU Roaming Regulation entered into force on the 1 July 2022. It extends "Roam-like-at-home" until 2032. The new rules bring about significant benefits for EU businesses and citizens, who will enjoy a better roaming experience, with the same quality of mobile service abroad as they have at home. The new rules also improve access to emergency

communications across the EU and guarantee clear information about services that may be subject to extra charges. The MCA will continue to monitor compliance with the roaming rules including through consumer complaints and engage with stakeholders if compliance concerns arise, and where appropriate take enforcement action.

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 also continue to ensure that consumers have effective redress mechanisms, including access to timely query and complaints handling processes. The MCA will continue to handle and resolve complaints it receives from customers of service providers. The MCA publishes a biannual report on the complaints and enquiries received together with information on enforcement actions and related monitoring activities undertaken by the MCA. The MCA carries out various mystery shopping exercises to identify areas of concern and undertakes the necessary regulatory action to address such issues.

Priority Programme of Works 2023 - 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 (2022) - Implementation of QoS framework (<i>monitoring publication of QoS measurements, QoS comparative information via Telecosts.com portal</i>)
QoS Oversight (Mobile Services)	<ul style="list-style-type: none"> - Public consultation - Report on consultation / Decision
Review of subscribers' contract related decisions	<ul style="list-style-type: none"> - Public consultation (2022) - Report on consultation / Decision
Updating 2021 interim Decision on USOs	<ul style="list-style-type: none"> - Public consultation (2022) - 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 years 2018 and 2019 - Public consultation - Decision on GO's funding claim and source of funding
Roaming management and monitoring	<ul style="list-style-type: none"> - Ongoing monitoring to ensure that operators are abiding with the new provisions which came into force in July 2022 - Compilation of Malta's statistics regarding roaming

Priority Programme of Works 2023 - Strategic Objective 2	
Project / Activity	Planned Output
	<ul style="list-style-type: none"> - Provision of feedback to any reports/public consultations issued by BEREC and the European Commission
Management of the Service Comparison Portal - <i>Telecosts</i>	<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 availability of the Service Comparison Portal - <i>Telecosts</i>
Compliance, enforcement, and investigations	<ul style="list-style-type: none"> - Biannual report on the complaints and enquires received by the MCA and information on enforcement actions and related monitoring activities

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

Overview

As reliance on electronic communications networks and services continues to grow, it has become critical for end-users to have a reasonable level of assurance as to the continuity and security of the electronic communications networks and services being provided, regardless of the underlying network technologies. Strong, safe and secure networks that are resilient to outages and cyberattacks are essential to this. Reliable network connections are also crucial for delivering the high quality of service we expect from electronic communications services. While the MCA recognises that *'force majeure'* events can and will happen, resulting in an unavoidable temporary loss of service, it is essential that all reasonable precautions and processes are in place to ensure continuity of supply. It is therefore essential that adequate precautions and investments are made to ensure continuity and availability of electronic communications networks, and the services and applications provided over these networks. The MCA will continue working with industry to ensure that Malta's vital electronic communications networks and services are open, safe, secure and resilient.

Oversight of net neutrality practices

The MCA is responsible for monitoring and ensuring compliance with the net neutrality rules and providing guidance on how broadband and mobile providers should follow them. The principle of net neutrality is that internet users - not their broadband or mobile provider - have control over what they do online. Net neutrality has played a critical role in allowing people to access the content and services they want, and content and app owners to reach customers online. In 2022 the MCA updated its net neutrality guidelines to take into consideration the Court of Justice of the EU (CJEU) ruling that zero-rating⁹ tariff options are generally incompatible with EU rules on net neutrality. Providers of Internet Access Services (IAS) were informed that zero-rating practices that do not treat traffic equally are not compatible with the Open Internet Regulation and are therefore no longer permissible. The MCA will continue ensure compliance by the operators with net neutrality principles, taking utmost account of BEREC¹⁰ guidelines, in order to safeguard equal and non-discriminatory treatment of traffic in the provision of internet access services and related end-user rights. The MCA will publish its annual report regarding its monitoring and findings. In 2023 the MCA will review the traffic management practices by the respective IAS providers. The MCA will assess how the IAS providers share information about any traffic management policies which are deployed on their

⁹ 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.

¹⁰ The Body of European Regulators for Electronic Communications (BEREC).

networks, and whether the traffic management practices in question comply with the requirements of the Open Internet Regulation.

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

Providers of publicly available electronic communications networks and services are required to manage the integrity and security of their networks and services. They are also required to take appropriate measures to manage risks to the security of such network or services. Such a risk-based approach should lead operators to prevent, resist, mitigate and recover from threats to security and resilience of networks and services they provide. The MCA has the powers to establish the minimum-security requirements which electronic communications networks and service providers would need to follow, in order to ensure that the security objectives and obligations set at law are met.

By the end of 2022, the MCA will finalise a review of the minimum security and integrity requirements and reporting obligations of the public electronic communications network and service providers in line with the provisions of the EECC and 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 consult on the minimum-security guidelines and reporting obligations early in 2023. A final decision on operator measures to safeguard the integrity and security of their networks and services, coupled with the implementation process is planned for the first half of 2023. In addition, the MCA will continue to work with the European Commission and ENISA¹¹ to implement mitigating measures to address 5G cybersecurity risks. In view of the 5G network deployments in Malta the MCA will, following full deployment of the three 5G networks, embark on a 5G risk assessment identifying any associated risks and mitigation measures accordingly.

The MCA will continue to ensure that operators take appropriate measures to ensure that the integrity and security of their networks and services are in line with the established technical guidelines issued by ENISA. The Authority also ensures that incidents on network failures above a certain threshold are reported to it. The MCA follows 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 Authority also works closely with the Ministry for Home Affairs, Security, Reforms and Equality (MHSR), 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 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

¹¹ The European Union Agency for Cybersecurity (ENISA).

International Commission of non-Ionising Radiation Protection (ICNIRP), which are also endorsed by the World Health Organisation (WHO) and the European Commission. 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. The MCA regularly publishes a report on the nationwide EMF measurements emanating from all radio transmitting apparatus operating during the interval of the measurement activity, including transmissions from mobile base stations, radio and TV broadcast, private mobile radio (PMR) and radars, amongst other sources. In 2023 the MCA will consolidate the EMF oversight via further investment in equipment and ongoing updating of its methodology. In addition, the MCA will implement an automated data analysis and reporting tool.

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 each fixed and mobile broadband network and related services across Malta and Gozo (including forecast coverage). Such a platform is intended to, among others, enable consumers to be able to check operator 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. This initiative is also intended to implement the obligations emerging from the EEC on the mapping of the reach of electronic communications networks capable of delivering broadband services. Internally, these maps will help inform MCA's activities such as the market analyses and assessment of the provision of USOs. The procurement of a mapping platform is planned to be completed by the end of 2022, with implementation of the broadband mapping project to commence in 2023. The geographical survey of the coverage of electronic communications networks capable of broadband services, should eventually go beyond the primary objectives mentioned above and help identify bottlenecks at the infrastructure level. 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, whilst not directly related to the availability of passive physical infrastructure, represents another step in establishing facts on the ground and in subsequent iterations would also be useful in the provision of field information to the Single Information Point (SIP), which function is owned by Transport Malta (TM). It will therefore form a useful expandable platform to the benefit of all operators and other stakeholders.

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. Increasing pressure on the stability of the internet as an open, free, global, interoperable, reliable and secure internet, may necessitate more active participation and contribution in the coming years. 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. The MCA will also continue to provide policy advice to Government on matters related to Internet Governance. In

particular, the MCA represents Malta in the High-Level Group on Internet Governance (HLIG) which is an expert group comprising of experts from EU Member States with a view to ensure coordination at European level and share expertise on internet governance related issues. The MCA also represents Malta on the ICANN¹² Governmental Advisory Committee (GAC) which constitutes the voice of Governments and Intergovernmental Organizations (IGOs) in ICANN's multistakeholder structure.

Priority Programme of Works 2023 - Strategic Objective 3	
Project / Activity	Planned Output
Network security and integrity guidelines	<ul style="list-style-type: none"> - Public consultation on the minimum security and integrity requirements and reporting obligations - Response to consultation / Decision
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
Cyber-security of 5G Networks	<ul style="list-style-type: none"> - Continuous analysis of the respective 5G security measures as adopted in Malta - Conduct a 5G risk assessment (2024)
Net Neutrality - Compliance and Reporting	<ul style="list-style-type: none"> - Monitoring of the product offers by providers of IASs - Annual report on the MCA's activities - Public consultation on traffic management policies - Response to consultation / Decision
Mapping of broadband Infrastructure and services	<ul style="list-style-type: none"> - Procurement of a broadband mapping software solution (2022) - Data collection processes and procedures - Implementation of proof of concept - Implementation of the broadband mapping solution
Internet Governance Fora	<ul style="list-style-type: none"> - Participation and contribution to the EU and global Internet Governance Fora
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

¹² Internet Corporation for Assigned Names and Numbers.

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.¹³ The MCA manages Malta's spectrum with the objective to drive efficiency and support innovation, ensuring that this essential and finite resource is used effectively. 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. The MCA ensures that sufficient radio spectrum is made available for new wireless technologies 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 the three main operators (Epic, GO and Melita) acquiring 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.

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 the coming years. 5G technology has the potential to enhance delivery of current wireless broadband applications, such as mobile broadband and ultra-high speed fixed wireless access (FWA), and to open possibilities for new applications and use cases, such as private networks. 5G is also a technology which enables connectivity between wireless devices. This should support the expected growth in the number of wireless devices such as M2M communications and the IoTs. In 2023 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.

The MCA will follow the discussion on the mmWave bands above 26 GHz, leading up to implementation of the relevant European legal acts. It is envisaged that legal acts harmonising these bands across the EU will be adopted during 2023. These legal acts will require EU Member States to designate and make available this radio spectrum for wireless broadband electronic communications services. The 3.8 - 4.2 GHz (also referred to as '4 GHz') band is another band that is earmarked for deployment of terrestrial wireless broadband systems providing local-area network

¹³ The MCA regularly reviews the National Frequency Plan (NFP) to reflect changes to the allocation of spectrum taking into account European and International regulations.

connectivity in support of innovation and digital industrial transformation. The relevant technical studies at EU and CEPT¹⁴ level are still underway, and the MCA will participate and follow the discussion until formalization of the band expected in around 2024.

In 2022 the MCA extended the rights of use of the 2 GHz band (1920-1980 MHz / 2110-2170 MHz and 1900-1920 MHz) assigned to Epic, GO and Melita for the provision of mobile services, for a further three years, in order to ensure continuity of such services in the band. Early in 2023, the MCA will finalise a review of the current licences for the 900 MHz / 1800 MHz bands in line with the principle of technology neutrality and the principle of service neutrality.

The rights of use of radio spectrum in the 900 MHz / 1800 MHz bands will expire in August 2026. The rights of use of radio spectrum in the 2 GHz band will expire in August 2025. The expiry of the above-mentioned licences provides an opportunity to hold a multi-band spectrum assignment process and in so doing enhance the efficiency on how these radio spectrum bands may be used. In 2023 the MCA will commence with establishing an assignment framework for these radio spectrum bands, ideal for providing next generation wireless services. In 2024 the MCA will consult on the proposed spectrum assignment mechanism for the 900 MHz, 1800 MHz and the 2 GHz bands.

[Rationalising mobile spectrum usage for efficiency and environmental purposes](#)

As newer fixed and wireless electronic communications networks get rolled out, other older electronic communications networks and technologies diminish in their use and importance in the sector, leading to migration and eventual retirement. The advent of 5G means that the concurrent running of multiple mobile networks by each mobile operator (2G, 3G, 4G and now 5G networks), raises questions of efficiency, manageability and environmental implications. 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 - VoLTE (Voice over Long-Term Evolution) and VoNR (also referred to as Voice over 5G or Vo5G) - and 5G standalone (SA) networks.

The MCA intends to engage with the operators concerned on the eventual migration of services over 2G and 3G networks to newer and more efficient technologies with a view to eventual switch-off of legacy networks. The MCA notes that while the migration from legacy networks is ultimately the responsibility of the operators, this will require extensive consultation and planning in order to ensure an efficiently managed transition and that competition and end-users (including vulnerable end-users) are protected at all stages of the process.

¹⁴ European Conference of Postal and Telecommunications Administrations

Reassignment of spectrum for Digital Audio Broadcasting

In 2022, 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 was extended from March 2022 until March 2023. In the first quarter of 2023 the MCA will finalise the assignment of the rights of use of radio spectrum for the continued provision of T-DAB services across Malta, after the licence expiry date. A call for expressions of interest for spectrum for a T-DAB network resulted in only one interested operator, that is, the longstanding private T-DAB network operator.

Ensuring efficient and effective use of spectrum and associated radiocommunications equipment

In 2023 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, Private Mobile Radio (PMR) services and for aeronautical radio services. 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.

In 2023 the MCA will embark on an initiative to digitise the radiocommunications equipment licences. The digitisation of the radiocommunications equipment licences will provide a better online process for stakeholders and enable the MCA to provide a more efficient licensing service. In 2023 the MCA intends to finalise the tender award for the procurement of the relevant computerized system, with implementation commencing in 2024.

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 past 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 2023 the MCA will continue to enhance the effectiveness of its radio spectrum monitoring system.

Management of scarce resources used by space systems and for the provision of satellite communications services

The MCA is responsible for the management of scarce resources used by space systems and for the provision of satellite communications services. The MCA also authorises non-geostationary (GSO) satellite system providers providing broadband connectivity. 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 2023 the MCA intends to 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 2023 - Strategic Objective 4	
Project / Activity	Planned Output
Review of 900 / 1800 MHz radio spectrum bands to enable 5G technologies	<ul style="list-style-type: none"> - Consultation on revisions to the various national instruments concerning the harmonised 900 / 1800 MHz bands - Response to consultation and publication of Decision - Update current radio spectrum licences / Issuance of new rights of use of spectrum
Licensing framework for various wireless broadband spectrum bands.	<ul style="list-style-type: none"> - Prepare the draft elements of the national spectrum management framework governing the 900 MHz, 1800 MHz and 2 GHz bands - Seek Government's approval on a new license fee structure for the 900 MHz, 1800 MHz and the 2 GHz bands - Consultation on the assignment framework (2024)
Facilitating mobile technology migration towards VoLTE and 5G Standalone (SA)	<ul style="list-style-type: none"> - Engage in discussions with all stakeholders involved to adopt the roadmap, eventually leading towards its successful implementation
Reassignment of the rights of use of spectrum for T-DAB services	<ul style="list-style-type: none"> - Spectrum assignment process and award of rights of use of radio spectrum - Ongoing monitoring of coverage obligations
Review of licensing framework for radio spectrum bands operating above 40 GHz	<ul style="list-style-type: none"> - Public consultation - Response to Consultation / Decision
Digitisation of radiocommunications licences	<ul style="list-style-type: none"> - Publication of call for tenders - Adjudication process for the call for tenders - Hold discussions with the successful tenderer - Implementation of computerised system - Digitisation of radiocommunications licences (2024)

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. With new mandates in the regulation of digital services the MCA's activity on this front will increase significantly over the coming years.

Setting up the necessary capacity for Digital Services Act (DSA) and Platform to Business (P2B) Regulations

Digital Services Act (DSA)¹⁵ - The DSA entered into force on the 16 November 2022 and will in the main apply from the 17 February 2024.¹⁶ The DSA builds on the rules of the eCommerce Directive and aims to create a safer and trusted online environment. The DSA puts 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 2021 Government designated the MCA as the Digital Services Coordinator (DSC)¹⁷ for the DSA which comprises the overall management of the DSA within Malta and in relation to other competent authorities that will play a part in the enforcement of the DSA. The DSC will also coordinate with other DSCs in other EU Member States and acts as the sole liaison with the European Commission in relation to enforcement and advise on the application of the DSA. In 2022 the MCA commenced with the work on the set-up of the necessary internal organisational requirements and the establishment of working processes and relationships with fellow Maltese Institutional players and other stakeholders to be in a position to effectively carry out its tasks in relation to the DSA. In 2023 the MCA will assist Government in making the necessary adjustments to Maltese legal provisions in order to render effective the necessary executive requirements. To ensure cooperation between the EU Member States, the DSA envisages the establishment of a European Board for Digital Services with representations of the DSCs. It will support the EU Member States and the European Commission with analysis, reports and recommendations, facilitate joint investigations by DSCs, and play an important role in enforcement when it comes to very large online platforms. The MCA, as the

¹⁵ https://ec.europa.eu/commission/presscorner/detail/en/IP_22_6906

¹⁶ The following provisions apply from 16 November 2022: (i) transparency reporting obligations of online platforms; (ii) delegated and implementing acts; (iii) designation by the European Commission of Very Large Online Providers (VLOPs) and Very Large Online Search Engines (VLOSEs); (iv) supervisory fees; and (v) certain enforcement obligations. Once designated, relevant obligations will apply to VLOPs/VLOSEs from four months after their designation.

¹⁷ EU Member States are required to designate the DSC by the 17th February 2024.

designated DSC for Malta, will participate in the European Board for Digital Services once it is established.

Platform to Business (P2B) Regulation - In 2021 the MCA was given the mandate to administer the provisions of the Platform to Business (P2B) Regulation. The P2B Regulation was transposed into Maltese legislation under the Online Intermediation Services for Business Users (Enforcement Measures) Regulations, 2021. The P2B Regulation sets out transparency and fairness obligations for certain digital platforms, namely online intermediation services (e.g., online marketplaces, app stores, price comparison tools) and online search engines. The P2B Regulation obliges platforms to introduce, in their terms and conditions, transparency and fairness requirements in relation to their business users. 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 articles of the P2B Regulation by a provider of an online intermediation service or a provider of an online search engine. In 2022 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 MCA will continue to raise awareness amongst online providers and business users on requirements regarding terms and conditions, suspension or termination of services to business users, ranking of search results, and the setting up of internal complaint-handling systems by online providers.

Organising stakeholder fora, commissioning of surveys of public usage and perceptions of eCommerce, implementing targeted information campaigns on various digital services

The MCA will continue to raise awareness on digital services and 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;
- carry-out educational programmes, via the [eBiznify](#) initiative,¹⁸ to encourage local enterprise to engage in eCommerce and undergo digital transformation;

¹⁸ 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.

- assess the adoption of digital services by local businesses and consumers via the findings of business and consumer surveys;
- raise awareness, in collaboration with other interested stakeholders, on digital services such as accessibility of Public Sector websites and mobile applications, in order to maximise usage;
- hold the Digital Services Forum in order to develop a stakeholder ecosystem and ensure a sound digital services policy on an ongoing basis; and
- contribute to fora targeting the uptake of eCommerce amongst SMEs.

Maintaining regulatory oversight on relevant activities

The MCA will continue to maintain regulatory oversight on the activities of the local information society service providers in order 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. In 2023 the MCA will finalise a review its current system of market monitoring with a view to widening the scope of such oversight, thereby increasing certainty to online buyers. Instilling more security in eCommerce transactions will also be addressed via a joint initiative with the Malta Digital Innovation Authority (MDIA) in order to assist eCommerce operators in improving their security posture.

The eIDAS Regulation sets out rules for electronic identification and creates a European internal market for electronic trust services. The MCA is assigned the role of Supervisory Body to oversee providers of trust services established in Malta. The MCA ensures that qualified trust service providers, and the qualified trust services that they provide, meet the requirements laid down in the Regulation. The MCA also takes action, if necessary, in relation to non-qualified trust service providers established in Malta when informed that those non-qualified trust service providers or the trust services they provide allegedly do not meet the requirements laid down in the Regulation. The MCA also encourages the deployment and use of innovative trust services in Malta.

The MCA will continue to participate in the Forum of European Supervisory Authorities (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. In 2022 the FESA tackled the ongoing review of the eIDAS Regulation, focusing on proposed changes to trust services and new areas that are being proposed, such as mandatory eID notification and the European Digital Wallet.

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. The MCA will continue to monitor adherence to the Cross-border Portability Regulation of online content services. Cross-border portability enables consumers to fully use their portable online content services (films, sports events, music services, e-books, video games etc) travelling within the EU in the same way they access them at home.

Monitoring public websites and mobile applications accessibility

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 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 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 also raise awareness on the benefits of using digital services, such as the accessibility of public sector websites and mobile applications. This is in order to improve the knowledge, and therefore the use, of these electronic platforms.

The MCA participates in the Web Accessibility Directive Expert Group (WADEX). WADEX is a European Commission expert group set up to support the implementation of the Web Accessibility Directive, and to exchange best practices amongst website and mobile apps accessibility experts across the EU. The WADEX discusses, amongst others, the various Web Accessibility monitoring tools and technologies available on the market and the processes that are being adopted to perform the monitoring and reporting process emanating from the Web Accessibility Directive.

The European Accessibility Act (EAA) which came into force in June 2019 and was transposed under the Accessibility Measures (European Accessibility Act) Regulations, S.L. 627.03. The Regulations will come into force in June 2025 and will cover a range of products and services in the Technology, Media and Telecom (TMT) sector. It is possible that, given the synergies that lie with the MCA's already established role of responsible authority for accessibility to public sector websites and mobile apps, a memorandum of understanding (MoU) will be established between the Commission for the Rights of Persons with Disabilities (CRPD) and the MCA for technical expertise in areas relating to accessibility of electronic communications and information society services.

Priority Programme of Works 2023 - Strategic Objective 5	
Project / Activity	Planned Output
Digital Services Act - Setup	<ul style="list-style-type: none"> - Setting up of internal processes and procedures to effectively carry out the tasks as the DSC - Awareness campaign
Platform to Business Regulation - Implementation	<ul style="list-style-type: none"> - Ongoing implementation and monitoring - Awareness campaign
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

Priority Programme of Works 2023 - Strategic Objective 5	
Project / Activity	Planned Output
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 campaign in relation to digital accessibility by the public
Digital Services Insights	<ul style="list-style-type: none"> - Survey to better understand the digital services supply side in Malta - Meetings with stakeholders and design of survey - Analysis of findings and reporting - Publication of findings
eBiznify and eBiznify Lite Initiative	<ul style="list-style-type: none"> - Ongoing educational programmes / training in digital transformation
eCommerce monitoring of essential requirements	<ul style="list-style-type: none"> - Ongoing monitoring of local eCommerce websites

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 a universal postal service. The MCA uses appropriate regulatory intervention, in the universal postal service area, in case of actual or potential competition problems.

The extraordinary challenges caused by the Covid-19 pandemic confirmed and reinforced the importance of post as an essential service. At the same time, it accelerated the trend of increased digital communication and the rapid growth in online shopping, with resultant contrasting effects on the postal sector. The decreasing demand for letters creates challenges for the postal sector and the continued need to drive for efficient delivery of fewer letters. Although there has been a notable increase in domestic online shopping; the cumulative impact of Covid-19 induced transit restrictions, Brexit, EU VAT regime changes, and changes in inbound termination charges (the terminal dues) has resulted in difficulties for the continued progression of international parcel post; and has impacted the growth in online shopping from overseas retailers. Nevertheless, it is expected that an element of recovery in inbound eCommerce-related mail will take place, but any such recovery is not yet evident and confirmation of such an eventual trend can only be obtained after a period of time.

Postal service providers need to be flexible and innovative to adapt to the ongoing declines in postal letter volumes and changes in online shopping behaviours, 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, particularly in the inbound segment.

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, within the universal service area, 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. In 2023 the MCA will carry out a review of the postal markets to assess whether MaltaPost continues to hold SMP in any of the relevant markets falling within the universal postal service area.

Continuing enhancements to MaltaPost economic regulation 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 regulation model used to monitor tariffs and price change requests raised by MaltaPost. The MCA ensures accurate cost allocations between the universal postal services and other services so that the universal postal service is not cross-subsidising services outside the scope of the universal postal services. 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.

Managing the postal compliance framework

The MCA will continue to ensure compliance of both licensed operators providing services within the universal postal service area 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

Knowledge about developments in the postal sector is key to ensure that: it continues to benefit all users, both consumers and businesses; all understand the changes facing the sector; and that the MCA can properly perform its regulatory duties and obligations. 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. 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 published the findings of consumer perception surveys pertaining to the use of postal services by households and users of bulk mail services. In 2023 the MCA will commence a new round of household and business perception surveys of the postal sector.

Priority Programme of Works 2023 - Strategic Objective 6	
Project / Activity	Planned Output
Review of Postal Markets within the universal postal service area	<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 - Monitor any price changes requests proposed by MaltaPost (as necessary)

Priority Programme of Works 2023 - Strategic Objective 6	
Project / Activity	Planned Output
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 - 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 - Biannual report on the complaints and enquires received by the MCA and information on enforcement actions and related monitoring activities
Postal consumer perception surveys (Households, businesses, bulk mailers)	<ul style="list-style-type: none"> - Review of survey questions - Commence with fieldwork - Analysis of survey findings and publication - 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 (July - December 2022 / January - June 2023) - 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 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 to reflect users' present-day needs

The MCA's primary objective is to ensure the sustainability of the universal postal service in the face of changing mail dynamics. There is a changing demand dynamic, particularly in the mix of services (more packets and fewer letters). To date, MaltaPost has mainly relied on increase in prices to mitigate the lost revenue from fewer letters. Postal service providers are responding by reconfiguring their networks and operations to accommodate parcel delivery and improving efficiencies to offset falling revenue from declining letter volumes. The need for a review of the USO in order to continue to ensure a sustainable universal postal service of high quality that meets the reasonable needs of users of postal services has become more pressing. The parties involved, that is, MaltaPost as the designated Universal Service Provider (USP), the MCA and the Government need to find the necessary balance between quality of service, the extent of the USOs and the relevant operational costs involved, so as to ensure that the service is attuned to today's needs, is cost effective, and at the same time sustainable over the longer term. The USP has already embarked on a number of measures set at maximising efficiencies. Further adjustments, in agreement with the other mentioned parties should put the service back to the desired rates of return. This is the outcome that all parties are committed to, and the challenge now is to come to a convergent plan of action that achieves this. In 2023 the MCA will, together with other relevant stakeholders, identify required structural changes to the USOs in light of market changes and evolving user needs.

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 ensuring the availability of accurate and appropriate information. Postal service users must be adequately informed if they are to correctly select postal services that suit their needs. The MCA engages with postal service providers to help ensure that appropriate information is made

available to postal service users. To empower and inform users of the universal postal service, the MCA: (i) ensures that the terms and conditions for the universal postal services contain appropriate information to meet the reasonable needs of postal service users; and (ii) ensures that MaltaPost publishes its annual quality of service performance results of the universal postal service against the set performance targets.

The MCA will continue to monitor compliance by the USP and other service 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 (which focus on routing times and on the regularity and reliability of universal postal services) 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 USP has not met the quality-of-service standards it may give a direction to the USP 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 increase the level of transparency of certain single-piece tariffs and enhance regulatory oversight of the parcel delivery market; 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 website¹⁹. The MCA will continue to assess whether MaltaPost’s cross-border parcel tariffs are ‘unreasonably high’ and pass that assessment to the European Commission. The MCA publishes a non-confidential version of the assessment on its website.

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"> - Discussions with relevant stakeholders - Public consultation on the review of the USOs - Response to consultation / Decision

¹⁹ https://single-market-economy.ec.europa.eu/sectors/postal-services/parcel-delivery-eu/find-best-price-your-eu-parcel-delivery_en

Priority Programme of Works 2022 - Strategic Objective 7	
Project / Activity	Planned Output
Implementing the EU Cross-border parcel Regulation	<ul style="list-style-type: none"> - Cross-border parcel tariffs forwarded to the European Commission for publication - Assessment of cross-border parcel tariffs - Annual Report to the European Commission - Publication of non-confidential assessment report
Monitoring QoS performance of the USO	<ul style="list-style-type: none"> - Monitoring of QoS performance of the universal postal service (routing times and the reliability and regularity of mail) - Audit of QoS measurements - Ensure publication of QoS performance
Monitoring of the USP's activities and other service providers	<ul style="list-style-type: none"> - Monitoring of mail integrity, postal service schemes, QoS and complaints handling
Compliance, enforcement, and investigations	<ul style="list-style-type: none"> - Biannual report on the complaints and enquires received by the MCA and information on enforcement actions and related monitoring activities

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 Authority 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.

Provision of input to EU-driven policy proposals

Regulation on Digital Services Act (DSA)²⁰ - During 2022 the MCA provided input to Government on a host of policy matters, notably new EU-driven legislative initiatives as well as reviews of existing directives. Mention has already been made of the DSA, which is the most visible of the EU crop of new legislative proposals that the MCA has tackled in the last couple of years. Whilst work on the internal organisation and process flows in relation to the DSA is under way²¹, there is still an element of policy input to Government that is taking place, as transposition of the necessary provisions that give the MCA the necessary powers into national law, will spill over into the first half of 2023. The MCA will also be following the European Commission in the setting up of the necessary processes and procedures to make the DSA effective 'on the ground.'

Review of the EU Broadband Cost Reduction Directive (BCRD) 2014/61²² - 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. A legislative proposal is expected to be published by the European Commission in the first quarter of 2023. The MCA will provide the necessary input to Government during the discussions on the draft legislative proposal, together with Transport Malta (TM) and other stakeholders.

Revised Directive on the Security of Network and Information Systems (NIS2)²³ - The proposed NIS2 Directive aims to tackle the limitations of the current NIS Directive, as well as respond to an advanced cybersecurity landscape. For this purpose, the NIS2 Directive updates the list of sectors and

²⁰ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32022R2065&qid=1666857835014>

²¹ Strategic Objective 5 - Supervising the provision of relevant digital services.

²² https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12463-High-speed-broadband-in-the-EU-review-of-rules_en

²³ www.europarl.europa.eu/legislative-train/theme-a-europe-fit-for-the-digital-age/file-review-of-the-nis-directive

activities subject to the cybersecurity obligations, provides remedies and sanctions to ensure the enforcement of those obligations and lays down mechanisms for an effective cooperation among the responsible authorities in each EU member state. The NIS2 Directive is planned to enter into force in January 2023. EU Member States will have twenty-one months to transpose the Directive into national law. The transposition of the NIS2 Directive falls under the responsibility of the Ministry for Home Affairs, Security, Reforms and Equality (MHSE). The MCA is following the proceedings involving the NIS2 Directive, insofar as it proposes the migration of security provisions for trust service providers found in the eIDAS Regulation and the security provisions found in the EECR. The tracking of the relevant migrated elements is with a view to address any possible changes that may affect the current workings of the MCA in relation to these policy areas.

Review of the EU eIDAS Regulation (European Digital Identity Regulation – EUid Regulation)²⁴ - The proposed EUid Regulation will amend the current eIDAS Regulation in order 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 signatures and seal creation devices. The proposed Regulation will also require EU 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 continue to 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. The EUid Regulation is expected to be approved early in 2023.

Review of the EU Postal Services Directive (PSD)²⁵ - The review of the PSD is an important EU exercise; however visible progress has been negligible and there are as yet no indications of developments unfolding in 2023. A number of EU Member States, Malta included, have exhorted the European Commission, through the European Council, to take up the review of the PSD as planned. The Council decision notes the changes that have taken place in the postal services market; asserts that the definition of the universal postal service needs to change to reflect changing user needs; and suggests that the PSD should be made future-proof and to reflect technological developments in the market. The MCA will be prepared to address the review of the PSD once it is launched by the European Commission. In the meantime, regulatory activities in relation to postal services will take place within the ambit of the existing PSD, while at the same time taking into account the envisaged direction of the eventual review, which the European Commission has already outlined. The MCA will also contribute to the ERGP²⁶ regarding any requests from the European

²⁴ www.europarl.europa.eu/legislative-train/theme-a-europe-fit-for-the-digital-age/file-eid

²⁵ https://ec.europa.eu/growth/sectors/postal-services_en

²⁶ European Regulators Group for Postal Services (ERGP).

Commission for technical assistance, support and advice in the process of reviewing the regulatory framework applicable to the postal sector.

European Data Act²⁷ - In February 2022, the European Commission published its Data Act which aims to remove barriers to access data for both consumers and businesses in a context where the volume of data generated by humans and machines is increasing exponentially. To that purpose, the draft law establishes common rules to govern the sharing of data generated by the use of connected products or related services (e.g., Internet-of-the-thing, industrial machines), to ensure fairness in data sharing contracts and to allow public sector bodies to use data held by enterprises where there is an exceptional need (e.g., public emergency). Furthermore, the Data act introduces new rules to facilitate switching between providers of cloud services and other data processing services and put in place safeguards against unlawful international data transfer by cloud service providers. The Data Act is currently in the triilogue stage, being debated in the EU Parliament and Council, and is likely to be adopted by the end of the first half of 2023. The MCA will continue to track developments and advise Government accordingly on matters relating to, among others, data processing services switching including the possible interplay with Article 106 (Provider switching and number portability) of the EECC.

EU Cyber Resilience Act (CRA)²⁸: On 15 September 2022, the European Commission published its proposal for a new Regulation which sets out cybersecurity related requirements for products with “digital elements”. The CRA introduces common cybersecurity rules for manufacturers, developers and distributors of products with digital elements, covering both hardware and software. The rules seek to ensure that: (i) connected products and software placed on the EU market are more secure; (ii) manufacturers remain responsible for cybersecurity throughout a product’s life cycle; and (iii) consumers are properly informed about the cybersecurity around the products that they buy and use. The MCA will follow the proposal and address any matter that may turn out to be relevant to the sectors within its regulatory remit.

Space-related topics - Space policy falls under the responsibility of the Ministry for Education, Sport, Youth, Research and Innovation (MEYR). The MCA advises Government of matters relating to space communications and contributes to the ‘Malta Space Taskforce’. In 2023, 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. In relation to GovSatCom, subject to direction, the MCA may take on a number of actions, among which recommending to Government the most efficient and effective set-up of a GALILEO Public Regulated Service (PRS) Authority at national level. The GALILEO PRS provides position and timing restricted to government-authorized users, for sensitive applications which require a high level of service continuity.

²⁷ <https://www.europarl.europa.eu/legislative-train/theme-a-europe-fit-for-the-digital-age/file-data-act>

²⁸ <https://digital-strategy.ec.europa.eu/en/library/cyber-resilience-act>

Interacting at various EU-related bodies and major non-EU bodies

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:

- 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 EECC places a requirement on BEREC for the submission of various opinions in relation to how several measures reflected in the ECCC, would be implemented in practice. A series of specific tasks have been assigned to BEREC, among which, the drafting of opinions to the European Commission expected to be delivered by BEREC in 2023, such as: the Review of the Intra-EU Communications Regulation; the Review of the Commission Implementing Regulation on the Fair Use Policy and Sustainability of the Roaming Regulation; the opinion on the functioning of BEREC and BEREC Office for the evaluation under Article 48 of the BEREC Regulation. As an active member of BEREC, the MCA actively participates in the making of these opinions.
- 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. ERGP's work programme will focus on revisiting the postal sector and its regulatory framework in the light of environmental sustainability and digitalization, promotion of a competitive single EU postal market in the context of rising eCommerce deliveries; the empowerment of end-users; and ensuring a user-oriented universal postal service.
- 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 last plenipotentiary conference was held in October 2022 and the next WRC will be held in 2023 (from the 20 November to the 15 December 2023). The WRC-23 will consider proposals on a number of radiocommunications matters having a worldwide character which will shape how specific radio spectrum will be used. A number of agenda items, such as those concerning wireless broadband services, the UHF band and transport services are of relevance to Malta.
- The Universal Postal Union (UPU). An extraordinary UPU congress will be held in 2023 (from the 1 to the 5 October 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 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 European Mediterranean Regulators Group (EMERG), which acts as a forum for regular discussions and exchanges of information on issues relating to electronic communications.

The MCA will 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 Digital Economy and Society Index (DESI) which provides a snapshot of the electronic communications markets in each EU member state, from an investment, regulatory and market perspective.
- The EU 2030 Policy Programme: 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. It concerns the area of skills and infrastructure including connectivity, the digitalisation of businesses and online public services as well as the respect of EU's Digital rights and principles in achieving the general objectives. The EU

Decision on the ‘Path to the Digital Decade 2030 policy programme’ will enter into force at the start of 2023.²⁹

- A new European radio spectrum policy programme (referred to as ‘RSPP 2.0’) in the telecom sector planned for the third quarter of 2023.
- The ongoing submission of accurate statistics and information to the EU and other international organisations.

Priority Programme of Works 2023 - Strategic Objective 8	
Project / Activity	Planned Output
Digital Services Act (DSA)	<ul style="list-style-type: none"> - Advice to Government on the transposition of relevant articles and the monitoring and enforcement measures - Public consultation on draft laws - Response to consultation - Approval by Government of proposed draft laws
Review of the EU Broadband Cost Reduction Directive (BCRD)	<ul style="list-style-type: none"> - Technical and policy advice to Government (together with TM and other stakeholders)
Review of the EU Postal Services Directive (PSD)	<ul style="list-style-type: none"> - Follow any developments by the European Commission on a proposal for the review of the PSD - Participating in the ERGP and European Commission discussion on a new PSD - Technical and policy advice to Government as required
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, EMERG and the UPU</i> - Provision of statistical and other information to EU and international fora

²⁹ [EUR-Lex - 32022D2481 - EN - EUR-Lex \(europa.eu\)](https://eur-lex.europa.eu/eli/dir/2022/2481/oj)

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. The MCA will continue to 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 MCA will also identify funding opportunities in areas of interest, such as 5G and 6G, cybersecurity, IoTs and Over the Top (OTT) services.

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.

In support of innovative use of radio spectrum, the MCA operates a test and trial licensing framework for local and foreign entities wishing to carry out tests and trials of wireless systems on a non-commercial basis. Malta's geographic location and population density make it an ideal location for pilot studies on wireless technologies. The availability of high-demand spectrum bands and low license fee permits make it possible for interested parties to test and/or trial radio equipment or any type of wireless technology, on a nationwide basis with minimum investment.

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

Responding to climate change has become a key priority at both European and national level. There is also increasing awareness and attention being placed on the relationship between the communication sector and climate change. On one hand, the communications sector can be an enabler for decarbonisation, enabling greenhouse gas emission ('GHGE') reductions across sectors of the economy, from remote working to smart agriculture, among others. As part of the European Green Deal, the EU has set itself a binding target of reducing greenhouse gas emissions by 2030 and achieving climate neutrality by 2050. Given the breadth of initiatives that will be pursued to

assess and address the carbon footprint of the communications sector in the coming years, this is a key trend which the MCA needs to monitor.

Research on the status of sectors under the MCA’s sphere of responsibility, in relation to the European Green Deal, is set to continue in 2023 in a more tangible manner, following the necessary information gathering and interaction with the local operators, as well as with fellow Member States, notably through BEREC, RSPG and ERGP. Early in 2023 the MCA intends to issue its first public statement of what it views as the key issues and deliverables relative to the achievement of gradual carbon neutrality in the sectors that it regulates. Whilst the MCA does not so far carry a specific legal mandate on the regulation of emissions in these sectors, it is deemed that the necessity to act, at the least via the gathering and publication of information and good practice guidelines, is justification enough. The MCA sees itself playing a role even within its current responsibilities and will present its views in the forthcoming publication.

Beyond regulatory aspects, the electronic communications and digital services sectors have a role to play as a catalyst for energy savings in other economic sectors, thanks to smart solutions that the technology can produce. The MCA intends to identify its role in furthering the widespread use of such solutions. This potential is also borne out in the recent draft National Strategy for the Environment 2050, published by the Environment and Resources Authority (ERA) for consultation, which also refers to the beneficial environmental multiplier effect of electronic communications and digital solutions on other sectors.

The MCA will continue engaging with industry stakeholders to understand their approach to running their businesses sustainably, including how they affect the environment, and are affected by both environmental change and wider societal efforts to become more sustainable. It is to be remarked that from interactions with regulated operators, most operators are, of their own accord, taking tangible and extensive measures to control their emissions.

Priority Programme of Works 2023 - Strategic Objective 9	
Project / Activity	Planned Output
Facilitating 5G trials in Malta	<ul style="list-style-type: none"> - Facilitate the deployment of 5G use cases in Malta
Research on innovative wireless communication systems	<ul style="list-style-type: none"> - Follow developments taking place internationally in relation to 5G and 6G
Addressing the implications of the European Green Deal on relevant sectors and the MCA’s regulatory mandate	<ul style="list-style-type: none"> - Publish Statement on the contribution of the MCA and the communications sector towards the attainment of the European Green Deal targets. - Follow developments in EU Fora - BEREC, RSPG, ERGP - Continue to engage with local authorities and operators

2.2 Delivery of Work Programme

The MCA will work to ensure that the priority work streams identified for 2023 are adequately resourced in order to ensure delivery of its planned objectives. Where additional resource requirements arise during the course of the year due to unexpected developments, these priority areas will take precedence over other areas of activity.

The planned priority work streams and outputs envisaged to be performed during the course of the 2023 are shown under each of the above-mentioned strategic objectives. 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 2023. These are presented to provide as much clarity as possible. There are, however, a number of factors that are beyond the MCA's control which could impinge on the successful delivery of its work programme. 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 intends to retain flexibility within the 2023 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 make adjustments to 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 2023 is expected to be as shown in **Table 1** below:

Table 1: MCA's Expenditure Analysis - 2023					
	Staff Costs (€'000)	Administrative Expenditure (€'000)	Operational Expenditure (€'000)	Projects Expenditure (€'000)	Total Expenditure (€'000)
Electronic Communications	2,136	445	537	264	3,382
Other Government Assignments	37	10	143	1	191
Postal Services	189	26	28	45	288
Radio Spectrum Management ³⁰	185	52	253	125	615
Radiocommunications Equipment Licences	152	28	5	4	189
Digital Services	324	52	26	204	606
Total Expenditure (€)	3,023	613	992	643	5,271

³⁰ 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.



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