

MALTA

A UNIQUE

PROPOSITION

FOR

BUSINESSES

RELIANT ON

TELECOMS





MALTA - A UNIQUE PROPOSITION FOR
BUSINESSES RELIANT ON TELECOMS.

AN EU STATE ON THE DOORSTEP
OF SOUTHERN EUROPE AND NORTH
AFRICA, WITH ENGLISH AS AN OFFICIAL
LANGUAGE, MALTA IS EXCEPTIONALLY
POSITIONED TO HOST GLOBAL
OPERATIONS SERVICING THE EU AND THE
EURO-MED REGION. ITS WELL-TRAINED,
MOTIVATED WORKFORCE, ITS POOL OF
HIGHLY TRAINED ICT PROFESSIONALS,
WORLD-CLASS ICT INFRASTRUCTURE
AND STRATEGIC LOCATION OFFER A
UNIQUE PROPOSITION.

A TELECOMS AND eCOMMERCE SNAPSHOT

HEADLINE FIGURES

Broadband penetration	30% ranking Malta 9th in the EU and 14th globally according to OECD rankings
Fixed telephony penetration	57%
Mobile telephony penetration	124%
Number of nationwide fixed networks	4 (1 Advanced FTTC, ADSL2+/VDSL2; 1 Cable Docsis 3; 2 WiMax)
Minimum mandated connection speed on a nationwide basis	4 Mbps
Highest commercial offering available on a nationwide basis	100 Mbps
Number of nationwide mobile networks	5 (3 UMTS networks, 2 GSM networks)
Number of nationwide TV transmission networks	3 (1 cable, 2 DTTV)
Number of nationwide electronic communications service providers	3 all vertically integrated; 2 of which offer quad-play bundles, the third offers triple play bundles
eGovernment	Ranked 1st - Most sophisticated eGovernment services in the EU

LIGHTWEIGHT PRO-INVESTMENT TELECOMS AND eCOMMERCE LICENSING REGIME

- Only general authorisations required to start providing telecoms services – 5 day turnaround.
- No licensing or notification requirement for eCommerce services.
- Fast turnaround for spectrum licences in bands where supply exceeds demand.

A Unique Test and Trial Opportunity

Malta's size, geographic location and population density mean that it is an ideal location to act as a test-bed for new services. It is a microcosm that offers the potential for testing applications, such as city management and intelligent transport systems, or technologies, such as IPv6, on a nationwide basis with limited investment.

Furthermore, the Malta Communications Authority (MCA) operates a test and trial licensing scheme in support of innovative spectrum uses which aims to exploit Malta's unique potential as a test-bed. There are two types of licences available, one that covers technology tests and the other covering service trials involving third parties or the public.

Both licensing regimes apply only nominal fees.

Guidelines providing further information to parties interested in applying for test and/or trial licences, are available on:

<http://www.mca.org.mt>

Fibre to the home (FTTH)

Notwithstanding the satisfactory level of roll-out of next generation networks across the Maltese archipelago, the Government of Malta is firmly committed to securing fibre connectivity to every home. A study on possible options for the deployment of FTTH has just been concluded.

The Government of Malta will shortly be issuing a request for expressions of interest to potential investors in this field.

International Connectivity

Malta is currently connected through 4 submarine cables. Whilst this capacity is adequate to cater for the short-to-medium term needs of the country, Malta is working towards incentivising new connections, particularly ones offering route diversification from the current deployments or establishing a hub in Malta.

Any East-West submarine cable passing through Malta or branching to Malta will be strongly supported by the Government of Malta.

An ideal base for Global Network Operations or Cloud Data Centres

Malta, with its central location in the Mediterranean acting as a bridge between Europe and North Africa, its English speaking credentials, its renowned, well-trained and motivated workforce, in particular its strong base of ICT professionals and its world-class ICT infrastructure, is establishing itself as a preferred base for global network operations centres or cloud data centres.

Satellite Uplink Centres

Malta is seeking to establish itself as a location for the establishment of satellite uplink centres. It operates a light-touch licensing regime, which does away with individual licenses where technically feasible, coupled with an attractive fee structure.

Mobile Broadband

Malta is currently served by three nationwide UMTS networks as well as two nationwide GSM networks. Following a re-assignment process carried out in 2011, all three operators have rights of use for spectrum in the 900 MHz, 1800 MHz and 2100 MHz bands. Licences in the 900 MHz and 1800 MHz bands allow the deployment of GSM, UMTS, LTE and WiMax.

Broadband QoS

The MCA is implementing an initiative whereby internet service providers will be required to measure and publish key broadband quality of service parameters such as service availability; upload and down load speeds; latency and packet loss. The published information will ensure transparency for consumers by providing comparable and up-to-date information on the quality of service of broadband offerings on the market. The publication of this data will also provide the impetus for improved quality of service in this critical market. In addition, the proposed decision will also establish the acceptable minimum level of service in terms of broadband when compared to the marketed broadband speeds, thereby ensuring that consumers get what they are paying for.

Initially, this initiative will focus on fixed broadband networks, however it is envisaged that at a second stage, the Authority will consider the possibility of broadening the scope of this exercise to include mobile broadband networks.

Research and Development

Over the past few years the Government of Malta has increased its efforts to spur research and development in Malta. To this effect, Malta Enterprise offers a number of incentive schemes to promote R&D initiatives by private enterprises.

Small & Medium Enterprises (SMEs)

The majority of businesses in Malta are SMEs. It is therefore imperative for local network operators to tailor their services to the needs of these enterprises. Operators are consequently keen to adopt solutions that enable them to provide real value to SMEs and hence, ensure customer satisfaction and retention.

eCommerce Light Touch Regulatory Regime

The provision of online services is regulated under the eCommerce Act. The rules are consistent with the overall European regime for electronic commerce. The regulations are very lightweight and impose no licensing or notification requirement. The related obligations are intended to ensure that consumers can conduct online purchases with the appropriate level of comfort.

Prospective EU directive on a European common sales law

It is anticipated that the optional Common European Sales Law will shortly be adopted. The law renders the establishment of eCommerce-based undertakings in Europe more attractive, as it will do away with the need to tailor offerings to individual EU markets because of the different consumer laws applicable in each EU jurisdiction.

Once the new law is adopted, traders will be able to offer their products on the basis of the Common European Sales law, allowing consumers to opt for a simple European contract with a high level of protection.

The new EU law will therefore facilitate trade by offering a single set of rules for cross-border contracts in all 27 EU countries.

eCommerce Trust mark

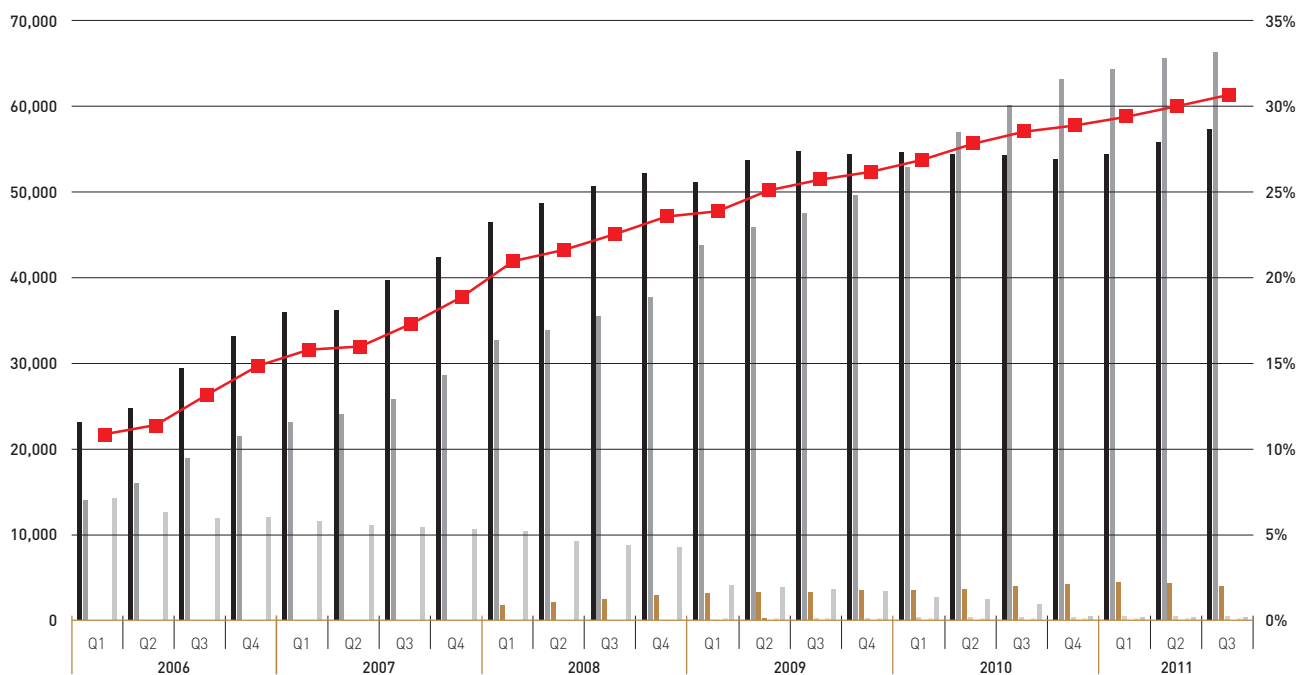
The national trust mark for eCommerce service providers is operated by the Malta Communications Authority. It includes a comprehensive code of practice that covers the key obligations incumbent upon eCommerce service providers which emanate from the eCommerce Act, the Data Protection Act and the Distance Selling Regulations. This ensures that service providers who are awarded the trust mark are not only compliant with national law but also with EU law, rendering their services more attractive to an EU-wide consumer base.

SECTOR GROWTH

The Maltese telecoms sector has demonstrated resilience in the face of a global economic crisis and continues to show positive growth on a year on year basis.

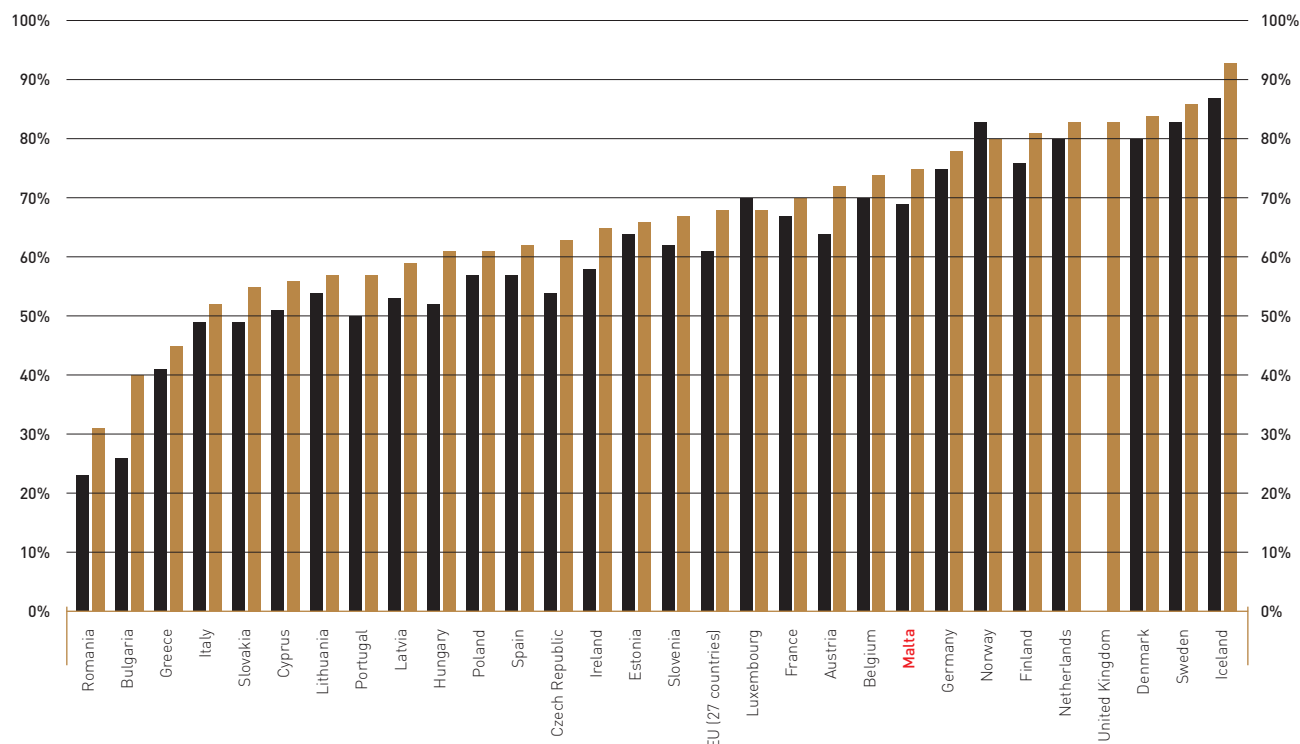
BROADBAND PENETRATION

- MELITA
- GO
- VODAFONE
- SKYNet
- SIS
- VANILLA TELECOMS
- OTHER ISPs
- % POPULATION



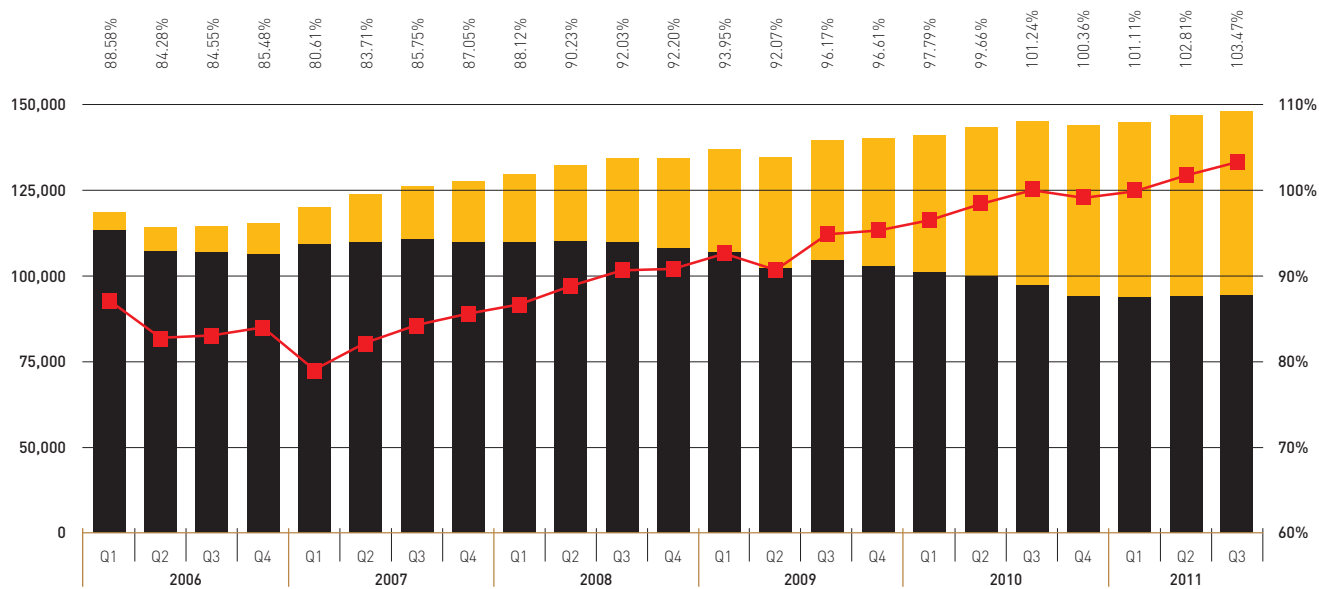
HOUSEHOLDS HAVING BROADBAND ACCESS TO THE INTERNET
AS % OF ALL HOUSEHOLDS

■ 2010
■ 2011

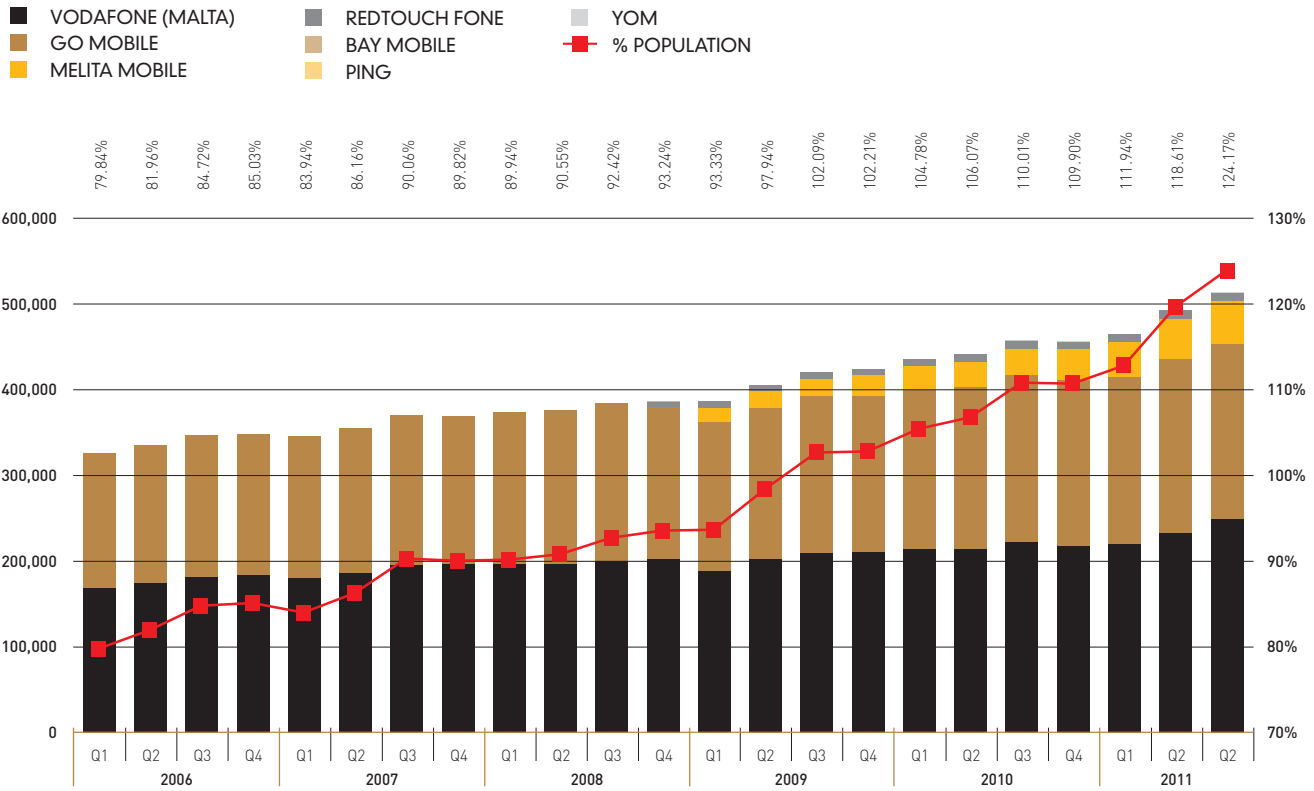


PAY TV PENETRATION

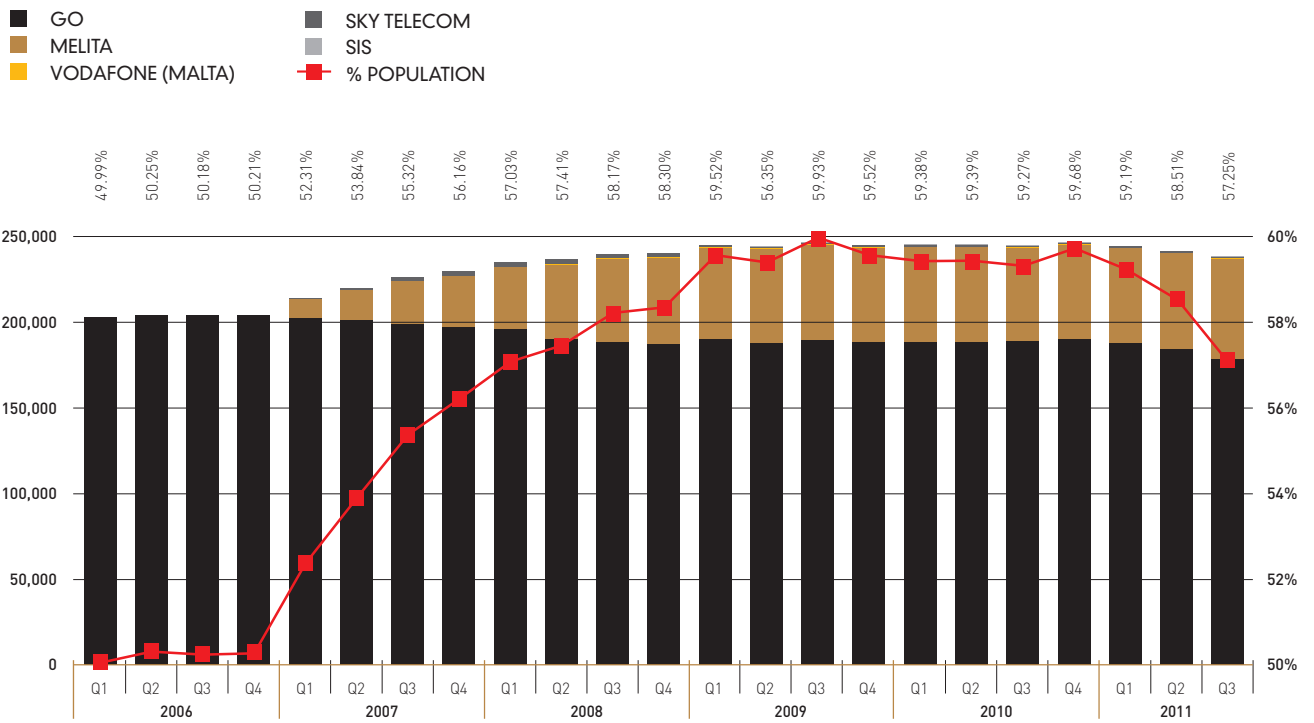
■ MELITA
■ GO
■ % HOUSEHOLDS



MOBILE TELEPHONY PENETRATION



FIXED TELEPHONY PENETRATION





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