

PRESS RELEASE

The Malta Communications Authority (MCA) is consulting on the provision of universal electronic communications services.

The MCA has published two separate consultation documents, one addressing the current set of universal electronic communications services, and the other specifically relates to the availability of an adequate broadband Internet access service as a universal service.

The concept of universal service needs to evolve to reflect advances in technology, market developments and changes in user demand. One of the proposed developments being consulted upon regards public payphones. The MCA has taken into consideration the declining trends of payphone usage and the increase in proliferation of mobile devices during the past years. The MCA continues to monitor the usage of such payphones by the general public on an ongoing basis and it transpires that traffic has continued on its downward trend. Most payphones, besides operating at a considerable loss, are hardly being used by the general public, and at times are not used at all. Furthermore, various Local Councils continue to make requests for the removal of such payphones due to embellishment of the areas and inappropriate use. To this effect, while the provision of public payphones as a USO appears to have become commercially obsolete, the MCA believes that some stakeholders may wish to keep the service active in case of public facilities as a last resort. These may include for instance hospitals, corrective facilities etc. Nonetheless, protection afforded to certain phone booths representative of historical eras is to remain unaffected.

The consultation is also proposing revisions in the obligation to provide a comprehensive choice of pre-payment services to enable consumers control their expenditure. The MCA is proposing to update this universal service given that currently in the market there are available prepaid mobile plans that are comparable to fixed prepaid services. Other current USOs, including those related to reduced fixed-telephony tariff options and “Telecare” type of service, have remained unchanged.

Access to an available adequate broadband Internet access service, including the underlying connection, at a fixed location, is now also included within the scope of the universal service by the new European regulatory framework, referred to as the European Electronic Communications Code (EECC). In view of the transposition of the EECC the MCA is consulting on the minimum functional characteristics of adequate broadband Internet access service, including the underlying connection, at a fixed location. The consultation document also outlines the MCA’s proposed approach in ensuring that an adequate broadband Internet access service is available to the premises of an end-user, following a reasonable request.

The consultation period for both consultation documents is open until 8th October 2020. The MCA welcomes any comments from all interested parties.

Additional Legal Background

In accordance with the current legislation, when necessary the MCA may designate one or more undertakings with obligations to provide each identified universal service to end-users in the Maltese islands independently of geographical location and, in the light of specific national conditions, at an affordable price.

A new legal framework established by Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code (EECC)¹ includes provisions relating to the Universal Service Obligations (USOs). The MCA decided as an interim measure, to initiate the updating of the current USOs which were last revised in 2015, also taking into consideration, where practicable/possible, the new provisions set in the above mentioned EECC. In line with the provision of the EECC the MCA is also consulting on what is considered to be an adequate broadband internet access service for Malta.

The current set of universal services includes various services, amongst which the provision of a fixed telephone line and functional internet access, comprehensive electronic directory, public payphones, and measures for vulnerable users. It also includes alternative consumer tariff options to ensure that those on low incomes or with special needs are not prevented from accessing fixed line telephony. A prepaid fixed telephony service is also identified as an aid for end-users to control their expenditure.

Undertakings designated to provide USOs have the legal right to make a claim for any unfair costs involved in providing a universal service and to be funded from public funds and/or by means of a sharing mechanism. It is therefore imperative that the principles of objectivity, transparency, non-discrimination and proportionality are respected when establishing which of the current universal services should be retained or not.

Link to Consultation documents:

Review of Universal Service Obligations on Electronic Communication Services, Consultation and Proposed Decision

<https://www.mca.org.mt/consultations-decisions/review-universal-service-obligations-electronic-communication-services>

Broadband as a Universal Service: Ensuring the availability of an adequate broadband internet access service, including the underlying connection, at a fixed location

<https://www.mca.org.mt/consultations-decisions/broadband-universal-service-ensuring-availability-adequate-broadband>

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L1972&from=EN>