



Malta Communications Authority Annual Plan 2013

18th January 2013 – MCA/13/0/1465

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1. Introduction

This document represents the Malta Communications Authority's (MCA) Annual Plan for 2013. It focuses on the priority work-streams and related individual tasks that the MCA intends to undertake during 2013.

The Annual Plan is based on an understanding of the MCA's mandate, mission and strategic objectives as well as on an assessment of ongoing and envisaged trends in the sectors that the MCA regulates, namely, electronic communications, postal services and e-commerce - at both national and international levels. The Annual Plan also deals with other responsibilities of the MCA including the management of the radio spectrum and telephone numbering resources.

In recent years the MCA's mandate has been broadened with additional responsibilities, having to do with the promotion and facilitation of the uptake of Information Communications Technologies (ICTs) amongst citizens and businesses in order to create a networked Information Society (IS).

The Annual Plan is reflective of the MCA's Strategic Plan Update covering the period 2013 - 2015. The Strategic Plan Update, amongst other things, establishes the mission statement and the priority work-streams for 2013 under the identified strategic objectives.¹

1.1 Mission Statement

The mission of the MCA is:

'To regulate the electronic communications, e-commerce and postal sectors for sustainable competition, customer choice and value for money; and

To facilitate the development of an environment that is conducive to investment, innovation and continued social and economic growth.'

1.2 Strategic Objectives

For the MCA to achieve its mission over the next three (3) years, the following are the identified strategic objectives emerging from the MCA's Strategic Plan Update.

Electronic Communications	
T1	Regulating for lasting competition in the electronic communications sector
T2	Ensuring that electronic communications undertakings provide a transparent, value for money service to users whilst adhering to incumbent social obligations
T3	Contributing to the development and implementation of electronic communications regulatory policy at an international level
T4	Facilitating innovation and investment in ICTs
e-Commerce	

¹ Refer to MCA's Strategic Plan Update 2013 - 2015 which represents the MCA's strategic direction and factors in the market developments that are seen to have an impact on the MCA's strategic direction over the coming three years:

<http://www.mca.org.mt/consumer/reports/strategic-plan-update-2013-2015>

E1	Facilitating e-commerce uptake and the use of electronic signatures
Postal Services	
P1	Regulating a liberalised postal services environment that ensures ease of entry to new undertakings and sustainable competition
P2	Ensuring that postal undertakings provide a transparent, value for money service to users whilst adhering to incumbent social obligations
P3	Contributing to the development and implementation of postal regulatory policy at an international level
Information Society	
IS1	Achieving widespread e-literacy, digital inclusion and the use of ICTs as a tool to improve quality of life for all citizens, in particular, disadvantaged groups
IS2	Encouraging the use of e-Business models by local enterprises as a means to improve competitiveness

1.3 Legal Frameworks

The MCA's mission, mandate and functions derive from the Malta Communications Authority Act (Cap 418). The MCA is the national regulatory authority (NRA) responsible for:

- the regulation of electronic communications networks and services, radio communications equipment and the management and use of the radio frequency spectrum and telephone numbers as defined in the Electronic Communications (Regulation) Act (Cap 399);
- the regulation of postal services as determined by the Postal Services Act (Cap 254); and for
- ensuring compliance with the Electronic Commerce Act (Cap 426).

1.4 Accountability Framework

The MCA carries out its functions within a matrix of responsibilities and relationships, both within Malta and across the EU.

The MCA is accountable to the Minister responsible for Communications, for the preparation and presentation of its business plan for approval, following consultation by the responsible Minister with the Minister responsible for Finance, every year.

The MCA also presents its Annual Report to the Minister responsible for Communications and the Minister responsible for Finance on its operations for the preceding year.

The MCA is also held to account by the sectors it regulates and by the public / consumers on whose behalf it regulates. The MCA, on a yearly basis, publishes its Strategic Plan Update and Annual Plan, following approval by the Minister responsible for Communications, and its Annual Report on its website.

1.5 Consultation and Communication

The MCA is committed to ongoing consultation with a broad range of stakeholders when developing policy and regulatory initiatives. The major stakeholders include citizens, consumers, industry, government, the EU, interest groups and other regulatory

authorities. The maintenance of reasonable open, effective and timely communications with all stakeholders is therefore a key element of the MCA's operations.

1.6 Measuring Performance

The MCA carefully monitors and reviews its performance and progress towards the achievement of its objectives through:

- performance management;
- the publication of an Annual Report; and
- feedback sought from stakeholders.

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

- formally and informally, ascertains stakeholders' perceptions of the regulator;
- carries out bi-annual market reviews providing an overview of the trends in the sectors regulated by the MCA;²
- conducts performance measurement and monitoring in line with the key performance indicators identified in the MCA's Strategic Plan Update; and
- monitors the achievement of the MCA's objectives and work programme, identifies any shortfalls and takes the necessary steps to remedy them.

² Refer to <http://www.mca.org.mt/document-type/market-reviews>

2. Work Programme and Priorities

What follows is an overview of the MCA's priority work-streams (including the MCA's major ongoing work areas) to be carried out during the Annual Plan period and that will contribute to the achievement of the identified strategic objectives.

2.1 Electronic Communications

2.1.1 Strategic Objective T1

Regulating for lasting competition in the electronic communications sector.

A Regulatory Environment for Next-Generation Access Networks

The move to Next Generation Access (NGA) broadband networks across an increasing proportion of the national territory, presents opportunities for both business and domestic users in terms of new applications and services, with resultant socio-economic benefits.

The MCA will continue to facilitate the rollout of NGA broadband networks in line with its strategic framework for the regulation of NGA networks.³ The MCA will focus its work on developing regulatory approaches and practices which sustain competition without dampening incentives for investment in new high-speed broadband networks.

The MCA will ensure sufficient wholesale access to NGA broadband networks in line with any remedies imposed, pursuant to Significant Market Power (SMP), in the network infrastructure market. This may include, amongst others, the obligation to provide alternative operators with 'virtual' access to fibre infrastructure (referred to as virtual unbundled local access - VULA).

In line with its responsibilities with respect to symmetric regulation of co-location of electronic communications infrastructure, the MCA intends to put in place a procedure whereby authorised undertakings may request to share the physical network infrastructure of operators enjoying rights of way where duplication of infrastructure is economically inefficient or physically impracticable.

The MCA will assess whether there is the need to put in place a framework for the sharing of electronic communications wiring inside buildings with the objective of facilitating the deployment of NGA broadband networks. In addition, the MCA will explore possible issues which may come to the fore with regard to exclusivity agreements between the developers of multi-dwelling units (also referred to as gated communities) and electronic communications service providers.

Regulation to Support Effective Competition – Market Analysis

In line with the EU recommendation on relevant markets,⁴ the MCA, like all other European NRAs, must review a pre-determined set of sector electronic communications

³ Refer to the MCA's Strategy for the for the regulation of next generation access networks published on the 3rd of May 2011:

http://www.mca.org.mt/sites/default/files/articles/NGA_Reg_Strat_2011_0.pdf

⁴ Refer to Commission Recommendation on relevant product and service markets within the electronic communications sector susceptible to ex-ante regulation (17th December 2007):

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:344:0065:0069:EN:PDF>

markets and decide, based on facts and evidence, whether or not they are, or are likely to become effectively competitive. If not, appropriate regulatory remedies must be imposed.

NRAs may mandate an equivalent provision of service for wholesale access seekers, thus allowing other operators to use wholesale inputs from the dominant operator's network to create and sell retail services. This requires the MCA to review the level of competition to determine, in the case of a finding of SMP, whether mandated access is justified, and if so, at what price. The MCA must regularly review those decisions - typically every three years as prescribed by the EU regulatory framework. If the MCA concludes that regulation is no longer justified, it must remove the retail or wholesale regulation.

The MCA will continue to monitor the application of the imposed *ex-ante* remedies resulting from the analysis of the relevant markets carried out during the past years. In addition, the MCA will continue to review and monitor the relevant retail and wholesale markets, the aim being to ensure that market review decisions remain relevant and that remedies reflect any changes in the markets since the previous review.

From a forward-looking perspective, the MCA will participate in the relevant working group of the Body of European Regulators for Electronic Communications (BEREC) that will be addressing the review of the current EU recommendation on relevant markets.

Regulation to Support Effective Competition - Fixed and Mobile Termination Rates

In line with the MCA's Interconnection Strategy,⁵ in 2012, the MCA implemented a Bottom-Up Cost Model (BUCM) for fixed networks. The MCA will this year finalise the implementation of the BUCM for mobile networks. These cost models, amongst other things, enable the MCA to set fixed and mobile termination rates⁶ based on the costs incurred by an efficient operator.

Regulation to Support Effective Competition - International Roaming

The European roaming regulations set retail price caps and retail transparency measures that apply to mobile telephony subscribers in a particular country when travelling in other EU countries. They also set wholesale price caps and other access requirements that apply between different mobile service providers.

Further changes in roaming will take place during the coming years. The biggest changes relate to the decoupling of roaming packages from domestic packages. The decoupling will take place in less than two years time, but this year mobile virtual networks that do not have their own physical infrastructure would also be able to buy connectivity from their larger competitors at capped wholesale rates. The idea is to create more competition in the mobile market in the short term. The implementation by operators and the impact on competition and finally end-users will be subject to ongoing monitoring. In addition, the MCA will also contribute to the work carried out by the BEREC on assessing progress towards the implementation of the decoupling packages.

Further changes in international roaming retail prices caps for data and reduced rates for SMS and voice calls are also foreseen in the coming years. To ensure that all consumers

⁵ Refer to MCA's short to medium term Interconnection Strategy for the local electronic communications sector: <http://www.mca.org.mt/article/interconnection-pricing-strategy-electronic-communications-sector-decision-may-2010>

⁶ The fees that both fixed and mobile operators charge other networks (fixed and mobile) to terminate calls to their own customers.

benefit from the protection that these measures afford, their implementation by operators will be subject to continuous monitoring.

Efficient Management and Use of Radio Spectrum

The MCA is responsible for ensuring the optimal use of the electro-magnetic spectrum identified in the national radio frequency plan.⁷ The radio spectrum is used to support a wide range of applications and electronic communications services such as radio and television broadcasting, mobile telephony, emergency services communications and wireless broadband. All of these activities are reliant on appropriate and reliable access to radio spectrum and it is therefore essential that this resource is managed effectively and efficiently.

Radio spectrum needs to be provided in sufficient quantities on a technology and service neutral basis, to facilitate the rollout of competitive, high-quality wireless services. The MCA is committed to responding to market needs by managing spectrum usage rights in an open, transparent and non-discriminatory fashion.

The MCA will continue to coordinate spectrum in the 470-790 MHz frequency band with neighbouring countries for broadcasting services. In addition, the MCA will coordinate spectrum to facilitate the effective provision of mobile services in the 790-862 MHz frequency band, with a view to maximising the digital dividend for Malta.⁸ This will depend on the collaboration of neighbouring states in the international coordination of frequencies. The long standing issue with Italy is still not settled and Malta will need to continue insisting on the proper use by Italy of spectrum in accordance with the International Telecommunication Union (ITU) policies and regulations. The MCA will continue to hold discussions with the ITU, the Radio Spectrum Policy Group (RSPG),⁹ and hold bilateral meetings with Italy in order to resolve current frequency interference and coordination issues.

Furthermore, the MCA will continue to make available additional unassigned spectrum to enable new and innovative services subject to expressions of interest from the market. In making spectrum available for wireless services, the MCA will continue to apply the principles of technology and service neutrality.

The MCA will update its current strategic framework for the management of radio spectrum¹⁰ to reflect changes in markets, technology and demand for radio spectrum for different applications.

Efficient Management and Use of Numbers

The MCA is responsible for the efficient management of Malta's telephone numbering plan.¹¹ Numbering is a key enabler of electronic communications services and the need

⁷ Refer to the national radio frequency plan:

<http://www.mca.org.mt/national-frequency-plan>

⁸ The 'digital dividend' refers to the part of the radio frequency spectrum freed up following the switch from analogue to digital. Analogue switch-off in Malta took place on the 31st October 2011. In Europe, the digital dividend was defined as the 800 MHz band (790-862 MHz – Channel 61 - 69).

⁹ In the second quarter of 2012 the MCA requested assistance from the RSPG in finding a solution for harmful interference issues in the broadcasting bands with Italy. This is in line with the RSPG opinion on the process for EU assistance in bilateral negotiations with third countries and between EU countries.

¹⁰ <http://www.mca.org.mt/service-providers/reports/strategic-framework-management-radio-spectrum-2007-2010>

¹¹ Refer to Malta's telephone numbering plan:

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

to preserve this finite national resource must be balanced against the need to ensure an adequate supply of numbers to support the demands of new and existing customers and service providers.

The management of the numbering plan involves:

- Allocating telephone numbers and short codes to service providers and specific customers (where appropriate) for new and existing services and ensuring that these numbers are promptly provisioned on all national and international networks.
- Monitoring number utilisation and implementing number changes when and where required.
- Ensuring that numbers are used in accordance with their conditions of use as specified in National Numbering Conventions.
- Developing numbering policies that foster both competition and innovation, whilst also ensuring consumers remain protected and informed.
- Providing new number ranges when justified by need and/or because that would most effectively drive significant and worthwhile innovations.

The European Commission has in recent years taken a more proactive role in implementing a framework for European wide harmonised numbering ranges such as 112 for emergency services and 116 for services of social value. As part of its numbering plan management function, the MCA works closely with the European Commission and other Member States to ensure that appropriate harmonisation measures are implemented at a national level.

Priority Programme of Works 2013 – Strategic Objective T1

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of Strategic Objective T1.

Priority Programme of Works 2013 - Strategic Objective T1 (Electronic Communications)	
Project / Activity	Planned Output
A Regulatory Environment for Next-Generation Access Networks	
Co-location regulatory framework - A framework for the imposition of symmetrical regulatory obligations related to co-location, sharing of network elements and associated facilities	Public Consultation Report on Consultation Recommendations to Government on proposed amendments to legislation
A framework for the sharing of in-building electronic communications wiring	Public Consultation Report on Consultation Development of technical guidelines Recommendations to Government on proposed amendments to legislation
Exclusivity agreements between the developers of multi-dwelling units and electronic communications providers	Development of a Policy / Issue paper Recommendations to Government on proposed amendments to legislation
VULA for fibre networks (subject to a finding of SMP)	Assessment / Determination of pricing and technical parameters Technical consultation with SMP operator
Review of Wholesale Leased Lines and Ethernet Prices / Terms and Conditions	Public Consultation Report on Consultation / Decision
Regulation to Support Effective Competition - Market Analysis	
Wholesale Network Infrastructure Access (including unbundled access) Market	Report on Consultation / Decision
Review of Wholesale Broadband Access Market	Report on Consultation / Decision
Review of Wholesale Fixed Termination Market	Public Consultation on the market analysis Consideration of responses to consultation Notification of draft decision to the European Commission Report on Consultation / Decision
Review of Wholesale Mobile Termination Rates Market	Public Consultation on the market analysis Consideration of responses to consultation Notification of draft decision to the European Commission Report on Consultation / Decision
Review of Wholesale Fixed Call Origination Market	Public Consultation on the market analysis Consideration of responses to consultation Notification of draft decision to the European Commission Report on Consultation / Decision
Regulation to Support Effective Competition – Cost Models / Termination Rates	
Mobile Bottom Up Cost Model	Development of mobile BUCM Public Consultation Report on Consultation / Decision
Review of operator Fixed Interconnection Rates	Public Consultation Notification to the European Commission Report on Consultation / Decision
Review of operator Mobile Termination Rates	Public Consultation

Priority Programme of Works 2013 - Strategic Objective T1 (Electronic Communications)

Project / Activity	Planned Output
	Notification to the European Commission Report on Consultation / Decision
<i>Efficient Management and Use of the Radio Spectrum</i>	
Strategic Review of Radio Spectrum Management	Review of current strategic framework Public Consultation Report on Consultation / Publication of strategic framework
Review of the 800 MHz radio frequency band	Framework for the rights of use of the 800 MHz frequency band for non-broadcasting services

2.1.2 Strategic Objective T2

Ensuring that electronic communications undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.

Informing, Empowering and Protecting Consumers

As competition intensifies, consumers must be appropriately informed, empowered and protected. The MCA needs to ensure that consumer rights with respect to operator contracts, switching between providers and provision of information are protected.

(a) Operator Contracts

The MCA will continue to review the contractual obligations of all operators providing a connection to the public communications network and/or publicly available electronic communications services to ensure that they are providing their subscribers with clear and comprehensive contracts in line with applicable legislation.¹²

All undertakings providing a connection to a public communications network and/or publicly available electronic communications services are to provide their subscribers with a contract that specifies in a clear and comprehensive manner, amongst other things, information on the minimum service quality levels, as well as on compensation and refunds available to consumers in cases where these levels are not met, and clear information on the qualifying criteria for promotional offers and on the termination of a service.

The MCA will carry out an exercise to ensure that operators have appropriate reimbursement and/or compensation mechanisms in place that would apply should an operator not meet the committed service quality levels or other terms and conditions outlined in the contract for reasons not attributable to the subscriber. The MCA will also review the contractual obligations of public electronic communications providers in relation to cases when a provider ceases to provide services.

(b) Ease of Switching Between Providers

The ability of consumers to switch between service providers is the basis of a competitive market place and a safeguard of consumer welfare. The MCA plays an important role in removing any barriers to switching that may exist in the market, in order that consumers can enjoy the full benefits of competition.

Information plays a key role in enabling consumers to make the most of competitive markets. If consumers are not fully informed about the services available to them, they may make incorrect decisions and be reluctant to switch. The MCA will continue to work to support consumers by making available information the market does not provide effectively but helps them make informed decisions and choices.

In addition to information obstacles, consumers may also face contractual barriers to switching; this is where contractual terms may affect consumers' ability to switch in the market. This may be the case where terms give rise to early termination charges. Over the recent years the MCA has successfully tackled various issues with current switching processes, including broadband migrations and fixed/mobile number portability. However, with an increasing move towards the sale of products in bundles, it is

¹² For example, in relation to the maximum initial duration of a contract signed by a consumer with an operator which must not be longer than 24 months. Operators must also offer consumers the possibility of agreeing to a contract with a maximum duration of 12 months.

becoming increasingly important for the MCA to continue to ensure that processes do not inhibit consumers' ability to switch in a world of bundled product offerings as well as for single communications services.

In order to address this, the MCA will review current switching and service termination processes and the extent to which they promote good consumer and competition outcomes. The aim of the review will be to develop a strategic approach to switching and to ensure that there are no unreasonable barriers, constraints and disruptions to switching and service termination, and that consumers are aware of their rights.

(c) Consumer Information

The MCA will continue to focus its work on making consumers better informed of the products and services available on the market. A significant challenge for consumers is to analyse and quantify the differences between seemingly similar products and pricing plans. The MCA recognises that consumers may not have the required information or knowledge to fully understand and compare the specifications and functions of electronic communications products on offer and the value for money they present. This is made all the more difficult as service providers continue to innovate and bundle products together to attract consumers. Such products, while valued by consumers, tend to complicate their decision-making.

The MCA will, via its on-line price comparison portal, www.telecosts.com, ensure transparency by providing consumers with the necessary tools to ensure that they are aware of the alternative suppliers and services, so that they can easily compare information on prices, features and quality.

(d) Ongoing Consumer Related Work

In addition, the MCA will continue to work to:

- Further streamline its complaints handling and dispute resolution functions.
- Continuously update and enhance the information available to citizens and consumers via, amongst other things, the MCA website, such as:
 - the choices as an electronic communications consumer with respect to products and services, prices and switching;
 - the specific rights and entitlements of consumers of electronic communications in relation to aspects such as universal service, billing, tariff transparency, international voice and data roaming rates, contract terms as well as conditions for service termination, complaints handling, directory information services, access to emergency services and number portability;
 - information explaining the benefits and uses of new and innovative technologies;
 - information at each stage of the purchasing process including: choosing a provider, choosing a service plan, managing use of the service plan, and deciding whether and when to switch an existing provider or plan for all communications services; and
 - information to assist customers to verify charges on their bill in order to protect consumers from 'bill shock' and unexpected charges along with other billing related issues such as online billing.

- Ensure that consumers are protected from a range of potential nuisances and that they are aware of their rights by:
 - addressing the problem of mis-selling through codes of practice;
 - protecting vulnerable consumers in relation to Premium Rate Services, thus ensuring that the consumer is confident and safe in using those services;
 - disseminating information through a number of channels including, consumer guides, the MCA’s website and marketing campaigns; and by
 - ensuring information is accessible, appropriate to need, accurate and timely.
- Inform consumers via end-user surveys and research on the consumer attitudes to and use of communications technologies.
- Collect relevant, accurate and timely information on the electronic communications market in an efficient and effective manner and publish bi-annual market reviews.

Monitoring of Service Quality

The MCA reviews quality of service (QoS) provision principles and policies on an ongoing basis, in light of technology evolution and a multiple operator environment. To the extent necessary the MCA will enforce and monitor QoS standards and measures particularly in those areas where market forces may fall short of producing desired results. The MCA will, where necessary, continue to provide information to the public relative to the performance of undertakings.

The MCA will implement a mechanism to measure the QoS offered by broadband service providers. These measures are intended to prevent significant disparities between end-users’ expectations of broadband performance and their actual experience. The objective of such an initiative is to help reduce the gap between the bandwidth offered in the contractual terms and the actual speeds experienced by the user when connecting to the network and using the service.

Net Neutrality

Net Neutrality is a concept related to the objective of an open internet which can be broadly defined as: “promoting the ability of end-users to access and distribute information or run applications and services of their choice”.¹³

Within a two-sided market, the end-user’s ability to access innovative services and applications may be affected by barriers imposed at any point between the content provider and the end-user. A BEREC report describes a framework for QoS in relation to net neutrality, elaborating on quality related concepts and quality evaluation methods that pursue the objectives of the European universal service directive. A further detailed study developed by BEREC expands on these issues in the form of guidelines.

The European Commission will this year issue a Recommendation on Network Neutrality, addressing traffic management, transparency, switching, IP interconnection, etc. The MCA will, via BEREC, contribute to such a Recommendation, providing its input during the drafting stage as well as submitting an opinion on the draft Recommendation.

¹³ As described by BEREC in its report entitled “A framework for Quality of Services in the scope of Net Neutrality” dated 8 December 2011.

The MCA will embark on the development of a policy on Net Neutrality, taking into consideration the BEREC guidelines and the European Commission Recommendation, in order to be in a position to address any issues, should they arise.

Keeping the Radio Spectrum Free of Interference

The MCA monitors the radio spectrum and takes action to prevent harmful interference and unauthorised use of spectrum. Increasing demand for, and use of, radio spectrum leads to a corresponding increase in the risk of interference. The MCA will continue to take action to prevent interference and to mitigate it when it occurs.

As already mentioned in the document, the successful international co-ordination of UHF spectrum with Italy remains a significant issue on the agenda. A satisfactory resolution of this issue, which is affecting GO's TV transmissions, should not only re-establish interference free TV transmissions but also trigger off the necessary migration of TV from the 800 MHz band, thus clearing it for mobile broadband use.

The MCA will continue with its ongoing programming and execution of market surveillance to ensure that technical equipment and devices meet standards and requirements set out in national and EU legislation and that non-compliant equipment is removed from the market.

The MCA will also continue to collaborate with other institutional stakeholders to develop a national plan for telecommunications infrastructures / towers.

Monitoring Electronic Magnetic Field Emissions

The MCA will continue its routine monitoring of electronic magnetic field emissions (EMF) with a view to ensuring that levels of electromagnetic radiation are in conformity with standards approved by the Maltese health authorities.

Licensing Access to the Radio Communications Equipment / Co-ordination

The MCA manages the licensing of radio communications equipment. Where necessary the MCA makes frequency assignments and also co-ordinates the use of radio spectrum internationally. The MCA will continue to enhance the radio communications equipment licensing regime and will examine the scope for applying further general authorisations where appropriate.

Ensuring Equivalence in Access and Choice for Disabled End-users

Consumers with disabilities should be in a position to access or choose from the range of electronic communication services available to all consumers. The MCA will monitor access and choice to electronic communication services for consumers with disabilities vis-à-vis all consumers and will propose measures deemed necessary to ensure equal access and choice.

The MCA will finalise a review on how accessibility services are currently provided, conduct a high-level analysis of the costs and benefits associated with different accessibility services and produce a report to facilitate consideration of the issues at national level.

Continued Availability of the Universal Service

A competitive market, in which all the key players have a purely commercial remit will serve the needs of most consumers, but there is a danger that some may be left behind. Access to electronic communication services is now such an essential part of life that,

without it, citizens run the risk of social exclusion. The European Regulatory Framework therefore recognises the importance of ensuring that a basic service – ‘the Universal Service’ - is provided to all consumers at an affordable price.

GO Plc is currently designated by the MCA as the Universal Service Provider (USP) for the provision of a publicly available telephone network at a fixed location, capable of supporting voice, facsimile and data communications at broadband data rates;¹⁴ payphones, directory enquiry services, on-line telephone directory and services for users with disabilities. The USP is required to deliver a quality service to its customers. The MCA sets quality of service (QoS) requirements on GO Plc with respect to its universal service obligation (USO). The performance of GO Plc’s USO is monitored and reported upon on a yearly basis.¹⁵

The Malta Information Technology Agency (MITA) is authorised as a provider for the provision of publicly available telephone directories and intends to provide a printed telephone directory which is expected to be published and distributed in 2013.

Regulators have an important role to play in defining the universal service, to ensure that it keeps being relevant to the needs of consumers, in designating the USPs, where required, and in ensuring quality of service. As technology develops and consumer needs evolve, policymakers must consider appropriate measures to ensure that the services provided continue to be aligned to consumer’s needs and in step with the market. The MCA will this year carry out a review of the universal services and related obligations, taking into consideration the changing needs of users.

Financing the Universal Service

If an undertaking has suffered an unfair burden as a result of providing all or part of the universal service it may submit a written request for funding to the MCA. When the MCA is determining whether an undertaking has suffered an unfair burden it shall evaluate the calculation of the net costs of the universal service in line with legislation. Net cost refers to the efficiently incurred costs arising from the provision of the service which the USP is unable to cover with the proceeds from the service, as against the cost of operating without the USO - taking into consideration the intangible benefits resulting from the provision of the service. The MCA will this year finalise a study to determine whether the universal service represents a net cost and an unfair financial burden on GO Plc.

Network Security and Resiliency

The need for network security and resilience is increasingly a priority and the MCA will work with consumers and service providers to ensure continued QoS and that the security and redundancy are maintained at the necessary levels to ensure continuity of services provided over these networks.

The MCA will publish guidelines on the security measures that providers of public electronic communications networks must take to ensure the security and integrity of these networks. The MCA will base its guidelines on the technical guidelines issued by the European Network and Information Security Agency (ENISA).¹⁶

¹⁴ Currently at the choice of the end-user, the designated universal service provider is required to provide a broadband connection at a guaranteed access line speed of 4 Mbps (subject to certain conditions).

¹⁵ Refer to MCA’s Decision on the measurement of authorised operator quality of service performance: <http://www.mca.org.mt/infocentre/openarticle.asp?id=669&pref=1>.

¹⁶ At the end of 2011, ENISA published guidance to NRAs about the security measures that providers of public communications networks must take to ensure security and integrity of these networks.

Ensuring Compliance

The MCA will continue to deal effectively with operator non-compliance by carrying out mystery shopping, answering consumer queries and liaising with operators to achieve a resolution to consumer complaints. In addition, the MCA will continue to monitor compliance by service providers with requirements in relation to matters having to do with consumer rights.

Timely access to accurate and reliable information and data is vital to support the MCA's decisions. To this end, the MCA collects a wide range of data from electronic communication providers, using its statutory powers for this purpose where appropriate. The MCA depends upon the close cooperation of electronic communication providers in submitting accurate and timely responses to our data directions and request for information.

This activity is supplemented by public and business perception surveys as necessary in order to assess, amongst other things, the level of satisfaction with the services provided by electronic communication operators and the extent to which it is addressing customer needs. The results of these surveys will serve as an additional source of information for regulatory decisions, and to indicate how customers' needs are changing over time.

Priority Programme of Works 2013 – Strategic Objective T2

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of Strategic Objective T2.

Priority Programme of Works 2013 - Strategic Objective T2 (Electronic Communications)	
Project / Activity	Planned Output
Information, Empowering and Protecting Consumers	
Switching between operators and termination of services	Public Consultation Report on Consultation / Decision / Guidelines
Monitoring of contract obligations (e.g. 12 month contracts / termination fees)	Publish information related to this requirement Monitoring to ensure contracts are in line with these requirements
Consumer perception surveys	Fixed, mobile, broadband and broadcasting markets Publication of survey results
Monitoring of Service Quality	
Monitoring broadband quality of service	Response to Consultation / Decision Evaluation of QoS broadband data
QoS review of electronic communication markets	Public Consultation Report on Consultation / Decision
Network Security and Resiliency / Net Neutrality	
Security and network integrity	Publication of Guidelines
Development of a policy on Net Neutrality	Public Consultation Report on Consultation / Decision / Guidelines
Keeping the Radio Spectrum Free of Interference	
Electromagnetic Field (EMF) audit and monitoring	Ongoing EMF monitoring and publication of results
Frequency co-ordination of the digital dividend	Conclude frequency coordination and interference issues with neighbouring countries
Equivalence in access and choice for disabled end-users	
Equivalence in access and choice for disabled end-users	Review of current practices and identification of issues Public Consultation Report on Consultation / Decision / Guidelines
Continued Availability of the Universal Service	
Review of Universal Service Obligations	Public Consultation Response to Consultation / Decision
Financing the Universal Service	
Review of USP's claim for funding the USO	Assessment of request for funding the USO Decision
Ensuring Compliance	
Collection of relevant, accurate and timely information on the electronic communications markets	Inclusion in bi-annual reports
Compliance, enforcement and investigations	Ongoing monitoring and enforcement of authorised undertakings

2.1.3 Strategic Objective T3

Contributing to the development and implementation of electronic communications regulatory policy at an international level.

European / International Dimension

The MCA's role of adviser to Government on the European and international dimension of electronic communications policy and regulatory framework increasingly rises in profile as the European Commission on the one hand, and the BEREC on the other, move towards more harmonised measures in the field, across Member States.

The MCA will continue to achieve this objective by means of the following key activities:

- The ongoing provision of advice to Government on proposed EU legislative measures, recommendations and other communications.
- The ongoing provision of advice to Government on the interpretation and application of any new directives, recommendations, guidelines, advice and regulatory best practice and other EU documents as well as any related issues and disputes arising.
- The ongoing submission of accurate statistics and information to the EU and other international organisations.
- Collaboration on a one-to-one basis with peer regulators on a regular or one-off basis.
- Active participation in EU organisations such as:
 - 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 implementation measures that ensure harmonised conditions across Europe for the availability and efficient use of radio spectrum;
 - the Radio Spectrum Policy Group (RSPG) which provides high-level strategic advice on spectrum policies to the European Commission; and
 - the Body of European Regulators for Electronic Communications (BEREC) which sets out Common Positions and statements of Best Practice to foster regulatory consistency and excellence across the EU.
- Active participation in other international fora such as the ITU, European Conference of Postal and Telecommunications Administrations (CEPT), the International Regulators' Group (IRG) and other related workgroups.
- Active participation in the Internet Corporation for Assigned Names and Numbers (ICANN) and in the Commission's High Level Internet Governance Group (HLIGG).
- Participation in the Global Submarine Cable Forum dealing with matters related to submarine cable networks.

- The MCA will actively engage in preparation for the next World Radio Conference taking place in 2015 (WRC-15).

Pan-European Initiatives

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

- the ongoing formulation of EU regulatory initiatives and guidance instruments, such as the periodic review of the overall EU framework for regulating electronic communication networks and services;
- the review of the recommendation on Relevant Products and Service Markets within the electronic communications sector susceptible to *ex-ante* regulation - anticipated to be adopted in the first quarter of 2014;
- European policy development in relation to Net Neutrality, to ensure that consumer choice is not impaired through diminishing quality of service;
- the implementation of the European Radio Spectrum Policy Programme - a five year policy programme for planning and harmonising the use of the EU's radio spectrum¹⁷ – such as in relation to the EU-wide radio spectrum inventory, the shared use of radio spectrum and the EU-wide approach to the digital dividend¹⁸;
- the Digital Agenda for Europe which underlines the importance of broadband deployment to promote social inclusion and competitiveness;¹⁹
- the Galileo initiative for a state-of-the-art global satellite navigation system, providing a highly accurate, guaranteed global positioning service under civilian control;
- the work related to better access to emergency services - '112' - by extending the access requirements from traditional telephony to new technologies;
- the common European-wide telephone services of social value via the harmonised numbering range beginning with '116'; and
- the drawing up of a consistent regulatory approach that reflects the new challenges raised by cloud computing (e.g. data protection, security, privacy and user rights).

¹⁷ RSPP Decision 243/2012/EU of 14 March 2012 sets the path for spectrum management in the EU.

¹⁸ Due to the exponential growth in mobile data traffic, driven by rapid uptake of smart phones and tablets, European operators and regulators alike are looking beneath the 800 MHz band (the 'digital dividend') for more mobile spectrum. A resolution was agreed at WRC-12 to co-allocate 694 – 790 MHz known as the 700 MHz band, to mobile and broadcasting in ITU Region 1. The technical detail, including band plans, are not due to be finalised until WRC-15. The MCA will participate in the relevant fora to inform and influence the MCA's policy in relation to the 700 MHz band.

¹⁹ The strategy, amongst others, aims to overcome the digital divide and achieve 100% broadband coverage for all European citizens by 2013. It also advocates the adoption of high-speed communications by 2020 and the rolling out of efficient, new generation networks.

Priority Programme of Works 2013 – Strategic Objective T3

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of [Strategic Objective T3](#).

Priority Programme of Works 2013 - Strategic Objective T3 (Electronic Communications)	
Project / Activity	Planned Output
European / International Dimension / Pan-European Initiatives	
EU and International policy and regulatory initiatives	Ongoing participation and contribution in the following fora and related working groups: BEREC, RSPG, RSCOM, COCOM, IRG, ENISA, CEPT, ITU, Galileo, ICANN and HLIGG

2.1.4 Strategic Objective T4

Facilitating innovation and investment in ICT.

Supporting Government's Broadband Policy Direction

The MCA will continue to support Government's policy direction in broadband deployment to promote social inclusion and competitiveness coupled with the adoption of high-speed communications and the rolling out of efficient NGA broadband networks.

The MCA will continue to support Government with its work in relation to the facilitation of nationwide NGA network (fibre-to-the-home) deployment in Malta. The MCA is tasked with assisting Government in the drawing up of a call for tenders for implementation of the project. The MCA is also tasked with assisting Government in seeking the necessary clearance from the European Commission in conformity with state aid rules. The MCA will also provide technical input from a regulatory perspective in line with EU practice.

New and Innovative Technologies and Services

The MCA sees radio spectrum as an asset which can drive competition and enable innovation. In order to encourage new and innovative technologies and services the MCA will, among other things, continue to promote the uptake of test and trial radio spectrum licences to encourage the development of innovative spectrum usage in a safe and technology-neutral environment.

The MCA will also support Government in a review of its policy on undersea cable operations in Maltese waters. The MCA will also carry out an assessment of Malta's preparedness for the migration to IPv6 and identify possibilities for attracting Galileo pilot projects to Malta.

The MCA will continue to monitor international technology developments and assess their implications vis-a-vis the Maltese regulatory context.

Making Spectrum Available to Enable New Services

The MCA will develop a strategy for the potential deployment of high-speed mobile broadband technologies, such as LTE and/or WiMAX technologies, in the assigned electronic communications radio spectrum bands and other currently unassigned radio spectrum bands.

Radio spectrum in the 3.4 GHz – 3.8 GHz frequency band and the 2.6 GHz frequency band is available to allow new and innovative mobile broadband services to develop - critical in enabling the development of platforms for the next generation of converged services and in creating opportunities for innovation.

Promoting Internet Governance

The MCA will continue to promote Internet Governance through the Malta Internet Governance Forum. The Malta Internet Governance Forum, chaired by the MCA, is a national multi-stakeholder forum where industry, government, academia and civil society meet to discuss key issues associated with the Internet. Its aim is to provide a local forum that engages interested stakeholders in debate on Internet Governance issues.

Study on Cloud Computing

Cloud computing relates to storing, processing and use of data on remotely located computers accessed over the Internet. This means that users can command almost unlimited computing power on demand, that they do not have to make major capital investments to fulfil their needs and that they can get to their data from anywhere with an internet connection. As part of its function to facilitate innovation and investments in ICTs, the MCA will carry out a study on the potential and regulatory implications of cloud computing in Malta.

Priority Programme of Works 2013 – Strategic Objective T4

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of [Strategic Objective T4](#).

Priority Programme of Works 2013 - Strategic Objective T4 (Electronic Communications)

Project / Activity	Planned Output
Government's Broadband Policy	
Assistance to Government's work on nationwide NGA network deployment in Malta	Tender procedure in EU Official Journal (dependent on endorsement of state aid requirements from the EU) Adjudication of Tender / Award Project Management
Strategic framework for the introduction of LTE	Public Consultation Report on Consultation Implementation of work-streams emerging from the strategic framework
A study on cloud computing	A study on the adoption and regulatory implications of cloud computing in Malta Presentation of findings and proposed direction to Government

2.2 e-Commerce

2.2.1 Strategic Objective E1

Facilitating e-Commerce uptake and the use of electronic signatures.

Public and Service Provider Awareness / Confidence

The MCA will continue to address a number of tasks in its ongoing thrust to facilitate the proliferation of e-Commerce activity. Such initiatives will include:

- Ensuring adequate awareness at a service provider level of obligations arising out of the e-Commerce Act.
- Ensuring that customers are aware of their rights and avenues of redress.
- Encouraging and facilitating the adoption of eShop and eInfo electronic trustmarks.²⁰
- Providing adequate and up-to-date information to service providers regarding requirements relative to the take up and pursuit of such services.
- Supporting the development of a voluntary accreditation scheme for Certificate Service Providers.
- Conducting surveys on e-Commerce take-up by business with a view to identify activity, perceptions and intentions that are influencing e-Commerce activity in Malta.

Monitoring Compliance

The MCA will continue to monitor e-Commerce service providers to ensure that they are in line with legislation. In addition the MCA will, as necessary, carry out e-signatures technical and security audits in line with the e-Commerce Act.

Review of e-Signatures European Directive

The MCA will provide advice to Government on revisions to the EU Commission's eSignatures Directive aimed at updating the current legal framework for cross-border recognition and interoperability of secure eAuthentication systems.

Removing Barriers to Cross-border e-Commerce

Electronic commerce constitutes an important means to promote cross-border trade, improving the accessibility of Europe's population to more varied products, to more qualitative products, and exerting greater price competition in the on-line and off-line world. The MCA will contribute to the work being carried out by the EU to remove barriers that continue to block the free flow of online services across national borders.

²⁰ <http://eshop.mca.org.mt/>

Priority Programme of Works 2013 – Strategic Objective E1

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of [Strategic Objective E1](#).

Programme of Works 2013 – Strategic Objective E1 (e-Commerce)	
Project / Activity	Output
Public and Service Provider Awareness / Confidence	
Ensuring compliance with the e-Commerce Act	Ongoing monitoring and enforcement
Local Trustmark management (http://eshop.mca.org.mt/)	Management of e-Commerce Trust Mark Awareness campaigns Review of effectiveness
e-Commerce Survey	Business survey and publication of results
Review of e-Signatures European Directive	
Review of e-Signatures European Directive	Contribution to the review of the e-Signatures Directive
European Dimension	
e-Commerce Expert Group	Monitoring developments taking place within the EU Participation and contribution

2.3 Postal Services

2.3.1 Strategic Objective P1

Regulating a liberalised postal service environment that ensures ease of entry to new undertakings and sustainable competition.

Development of a Fully Competitive Environment within the Universal Service Area

The MCA's primary objective with regard to the regulation of the postal sector is to safeguard the provision of an efficient, affordable, high quality universal service together with the promotion of fair market conditions, conducive to effective competition between postal operators. A competitive and sustainable market is key to providing postal service users with the best available products and services at the best prices, and affording all postal service providers with opportunities to maintain and grow their businesses in a fully liberalised market environment.

In 2012 the MCA put in place a new postal regulatory and licensing framework that reflects a fully competitive environment coupled with safeguarding the provision of the universal service. In line with the new postal regulatory framework the MCA will carry out a first round of market reviews to analyse the level of competition in critical postal markets within the universal service area. The market reviews will allow the MCA to be in a position to identify where MaltaPost (or any other postal operator) has SMP. In the absence of effective competition, the MCA will classify one or more licensed postal operators as having SMP and impose regulatory remedies accordingly.

Regulation to Support Effective Competition – Application of Remedies

To the extent that a postal operator has SMP, in one or more postal services markets, specific *ex-ante* regulatory intervention is necessary to prevent anti-competitive practices and to safeguard the interests of users. *Ex-ante* regulatory intervention is necessary to ensure that postal operators having SMP provide postal services on terms and conditions, and at cost-oriented tariffs that are non-discriminatory and transparent.

MaltaPost's Universal Service Tariff Realignment Requirements

The MCA will finalise the tariff re-alignment requirements across the USP's service portfolio in order to, amongst other things, ensure the sustainability of the universal service. The postal regulatory framework requires that the tariffs for each of the services provided by the USP which form part of its universal service and where it still has a significant bearing in the market, must be, among other things, cost-oriented and give incentives for an efficient universal service provision.

Implementation of Planned Changes to Authorisation Framework

MaltaPost's licence will expire on the 30th April 2013. The MCA will therefore grant a new licence to MaltaPost upon the expiry of its current licence in line with the new licensing framework. The MCA will also revise the current licences of the operators providing services within the scope of the universal service to be in line with the new licensing framework.

The MCA will propose changes to the authorisation fee structure. The MCA intends to propose an authorisation fee structure that will be uniformly applicable to all postal operators providing services within the scope of the universal postal service, including designated USPs, in line with the principle of proportionality. The MCA intends to put in

place an authorisation fee structure that, as far practicable, is sufficient to meet the MCA's expenditure in carrying out its functions related to the postal sector.

The MCA will ensure that operators that start to offer services which fall within the scope of the universal postal service are appropriately licensed to carry out such activities. This is particularly important to safeguard the provision of the universal postal service in Malta.

Operators providing postal services that fall outside the scope of the universal service (such as express and courier service providers) are in the main only required to provide assurance as to their adherence to the essential requirements relating to mail integrity and complaint handling, as long as their services are manifestly shown to be outside of the scope of the universal postal service.

Priority Programme of Works 2013 – Strategic Objective P1

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of [Strategic Objective P1](#).

Programme of Works 2013 – Strategic Objective P1 (Postal)	
Project / Activity	Output
Regulation to Support Effective Competition	
Postal licensing framework	Renewal of MaltaPost’s Licence Amendments to operators’ licences
Review of postal authorisation fees	Review of authorisation fee structure Consultation / Report on Consultation Recommendations to Government
Review of postal services markets	Public Consultation on the market analysis Consideration of responses to consultation Report on Consultation / Decision
MaltaPost’s Tariff Realignment Requirements	
MaltaPost tariff control framework to ensure sustainability of universal service	Price control parameters / Review of MaltaPost’s price proposals Public Consultation Response to Consultation / Decision

2.3.2 Strategic Objective P2

Ensuring that postal undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.

Continued Availability of Universal Postal Services

The MCA will continue to ensure the availability of a universal postal service within, to, and from Malta at an affordable price for the benefit of all postal service users.

The MCA intends to review the cost-behaviour of MaltaPost's USOs, coupled with a review of the minimum set of universal postal services that MaltaPost is required to provide. The objective is to, where justified, ensure that the regulatory burden of the USO on MaltaPost, as the currently designated USP, is not excessive. However, for the universal postal services, it is essential that effective regulation is applied to ensure that those universal postal services are provided and are available. In this respect, the MCA will continue to monitor the USP's compliance with its regulatory obligations. The MCA takes appropriate enforcement action where necessary to correct non-compliance.

In relation to access to the universal postal service, the MCA will review its current decision on the minimum access points required to meet the postal service user's rights of access to the universal postal services. Access points for the provision of the universal service include: public letter-boxes, retail counters and the facilities provided to deposit bulk mail.

The MCA will also review the QoS standards and targets of the universal postal service (for both inland and cross-border mail) to be achieved by the USP to ensure that postal service users continue to get the appropriate first class service they are paying for.

Empowering Consumers

As in the case of the electronic communications sector, the MCA will continue to update its complaints handling mechanisms. The MCA will ensure that the public is kept informed of regulatory and market developments that are taking place within the postal sector. 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 bi-annual market reviews.

Ensuring Compliance

The MCA will continue to monitor compliance by the USP and other service providers with requirements in relation to protecting the integrity and security of mail, access to universal postal services, complaints handling and compensation schemes, as well as quality of service.

Timely access to accurate and reliable information and data is vital to support our decisions. To this end, the MCA collects a wide range of data from postal service providers. This is supplemented with public and business perception surveys as necessary in order to assess, among others, the level of satisfaction with the services provided by the postal operators and the extent to which it is addressing customer needs. The results of these surveys serve as an additional source of information for regulatory decisions, as well as an indication of how postal users needs are changing over time. The MCA depends upon the close cooperation of postal service providers as regards data requests and development.

Priority Programme of Works 2013 – Strategic Objective P2

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of [Strategic Objective P2](#).

Programme of Works 2013 – Strategic Objective P2 (Postal)	
Project / Activity	Output
<i>Continued Availability of the Universal Service</i>	
Study on the cost behaviour of the USO	Identification of cost aspects of USO Engage with MaltaPost in technical discussions
Review of minimum set of universal postal services to be provided by the USP	Public Consultation Report on Consultation / Decision
Review of access points to universal postal services	Public Consultation Report on Consultation / Decision
Review of USPs quality of service obligations	Public Consultation Report on Consultation / Decision
Monitoring of USP’s activities	Ongoing monitoring – Mail integrity, postal service schemes, QoS, complaints handling
<i>Empowering Consumers / Ensuring Compliance</i>	
Collection of relevant, accurate and timely information on the postal markets	Inclusion in bi-annual reports
Compliance, enforcement and investigations	Ongoing monitoring and enforcement of authorised postal operators

2.3.3 Strategic Objective P3

Contributing to the development and implementation of Postal regulatory policy at an international level

European / International Dimension

The MCA will continue to achieve this objective by means of the following key activities:

- Ongoing provision of advice to government on proposed EU legislative measures and other communications.
- Ongoing provision of advice to the government on the interpretation and application of any new Directives, recommendations and other EU documents as well as any related issues and disputes arising.
- Active participation in the European Regulators Group for Postal Services (ERGP) responsible to advise and assist 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.
- Participation in the European Commission's Postal Directive Committee and the European Committee for Postal Regulation (CERP).
- Ongoing submission of accurate statistics and information to the EU and other international organisations.
- Collaboration on a one-to-one basis with peer regulators on a regular or one-off basis.
- Ongoing monitoring of the development of competition in the European postal markets.

Priority Programme of Works 2013 – Strategic Objective P3

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of [Strategic Objective P3](#).

Programme of Works 2013 - Strategic Objective P3 (Postal)	
Project / Activity	Output
European / International Dimension	
EU / International policy and regulatory initiatives	Ongoing participation and contribution in the following fora and related working groups: ERGP, Postal Directive Committee and CERP

2.4 Information Society

2.4.1 Strategic Objective IS1

Achieving widespread e-literacy, digital inclusion and the use of ICTs as a tool to improve quality of life for all citizens, in particular, disadvantaged groups.

Digital Inclusion

During 2013 the MCA will continue with the implementation of a number of strategic thrusts emerging from the MCA's Digital Inclusion Strategy 2012 - 2015 aimed at facilitating and supporting the development of a networked society.

(a) Inspiring Everyone to Get Online

- *Digital Heroes campaign* - The MCA will identify a number of ICT champions from different walks of life to become ambassadors of the networked society.
- *'eAgeing' roadshow campaign* - The MCA will rollout a roadshow touring elderly homes, day centres, local councils and parishes demonstrating how easily ICTs could be used for communication with family, friends and the community.
- *Get Online Week* - The MCA, together with other European countries, will celebrate the annual Get Online Week through the organisation of a week of activities with the purpose to attract newcomers to the Internet and its applications.

(b) Facilitating Access and Opportunity

- *Consolidating the CTLC network* - The MCA will continue, together with NGOs, local councils and other community organisations, to develop the existent Community Technology Learning Centre (CTLC) network, aimed to increase reach, widen the variety of services to users, ensure quality and consistency in service delivery.
- *Helping intermediaries go online* - The MCA will establish a scheme aimed at offering advice and technical support to NGO's to establish a presence on the Internet with a specific focus on creating more local content and online services.
- *Free Wi-Fi in public places* - The MCA will continue to provide free Wi-Fi access in public libraries and public spaces together with the local wireless broadband players.

(c) Building Digital Skills and Competencies for a Networked Society

- *ICTforAll Basics* - The MCA will together with the support of various organisations continue to develop training programmes intended as a first step for anyone wishing to join the Networked Society.
- *Information Sessions* - The MCA will develop and deliver a series of information sessions on various ICT-related topics.
- *Internet safety for minors* - In conjunction with key local stakeholders, the MCA will continue to participate in the EU Safer Internet Programme. This

will include a series of media campaigns, publications, school campaigns and information days targeting children, their parents/carers, and educators.

(d) ICT as a Social Equaliser

- *Supporting civil society initiatives* - The MCA will support a number of projects that capitalise on ICT as a social equaliser and that can be undertaken by civil society. The MCA will support these projects through its resources, expertise and, where warranted, through funding. The MCA will support projects in areas such as: disadvantaged children and/or teens; integration of migrants in society; overcoming unemployment; physical disability; drug rehabilitation; reintegration in society following crime detention and social integration, opportunity for individuals with mental illness and/or intellectual disability and technology assisted living.
- *Award for the best contribution to the community* - The MCA will establish a national annual award given to the NGO that has harnessed ICT and through which it has fulfilled its mission and left an impact on the community.

(e) Contributing to Better Policy

- *Monitoring and explaining the divide* - The MCA will continue to monitor ICT usage, adoption trends and competence levels of the Maltese population.
- *Participating in European Debate* - The MCA will continue to engage in debates on the subject, namely at the EU, ITU and other international fora.

Priority Programme of Works 2013 – Strategic Objective IS1

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of [Strategic Objective IS1](#).

Programme of Works 2013 – Strategic Objective IS1 (Information Society)	
Project / Activity	Output
Facilitating Access and Opportunity	
Community Technology Learning Centres (CTLCs)	Consolidating the CTLC network
Free Wi-Fi in public places	Ongoing monitoring of free Wi-Fi
Helping Intermediaries go on-line	Promotion and mentorship of intermediaries Information Sessions
Be Smart Online – Making responsible choices online by advising on relevant precautions to take	School road shows Participation in Safer Internet Day Public awareness (young people, parents and teachers)
Building Digital Skills and Competencies for a Networked Society	
ICT for All – bridging the digital divide	Ongoing training for adults in basic IT skills
Inspiring Everyone to Get Online	
e-Aging Well – mastering everyday technology	Mentoring accreditation framework / Training of mentors Promote and launch mentorship initiative
Digital Heroes campaign	Identification of 6 ICT champions Development of campaign Promote and launch initiative
ICT as a Social Equaliser	
Promoting ICT as a social equaliser	Promotion and launch of seminars
Supporting civil society initiatives	Meeting with NGOs to setup collaboration agreements Identification of target audience through NGOs and public entities Identification of appropriate projects Kick off projects
Award on best contribution to the community	Develop evaluation and award process Identification of eligible NGOs Launch award by opening nominations Committee for evaluation / conduct event

2.4.2 Strategic Objective IS2

Encouraging the use of e-Business models by local enterprises as a means to improve competitiveness.

e-Business

During 2013 the MCA will continue with the implementation of a number of strategic thrusts emerging from the MCA's e-Business Strategy 2012 - 2015 aimed at facilitating the emergence of a Networked Enterprise in Malta.

(a) Awareness and Motivation

- *eBiz Campaigns* - Jointly with industry representative bodies, the MCA will organise a series of education campaigns targeting vulnerable and mature sectors. The campaigns will focus on promoting and showcasing ICT applications in specific business contexts and giving the target audience an opportunity to understand and experience the benefits of ICT business integration.
- *eBiz Awards* - The MCA will hold annual eBiz awards with a view to showcasing and promoting the best 'ICT in business' solutions implemented in Malta.
- *Social media marketing seminars* - In collaboration with industry stakeholders, the MCA will organise a series of seminars on social media marketing and its impact on customer relationships.
- *Business executive campaign* - The MCA will run a campaign targeted at business leaders in the mature and advanced sectors. The campaign will showcase testimonials and best practices from foreign executives who have managed to transform business through ICT and entrepreneurial flair.

(b) Capacity Building

- *ICT skill audit kit for micro-enterprise* - Jointly with industry representation, the MCA will develop an ICT skill audit kit that enables small and micro enterprises to gauge their level of readiness for ICT take-up. The kit shall also serve as an instrument to identify skills gaps and training needs.
- *Training for vulnerable enterprises* - Jointly with industry representation, training providers and the CTLCs the MCA will identify, promote and facilitate training opportunities for enterprises in sectors considered vulnerable.

(c) E-Commerce for Local and Global Reach

- *Website advisory support* - The MCA will launch a support scheme to help the local tourism enterprises to establish and/or improve their web presence. The scheme is intended to increase the online visibility of Maltese tourism services, enhance the functionality and browsing experience of hospitality related sites, build e-skills digital marketing expertise amongst professionals working in the industry and encourage the industry to capitalise on ICTs. The scheme will include on-site advice on planning, development and promotion, as well as day-to-day operation and maintenance.

(d) A Robust Business Environment for Growth

- *Sector specific round table* - Jointly with industry and key stakeholders and representatives, the MCA will chair a series of roundtable discussions on problems encountered by specific sectors with a view to identifying potential solutions.
- *Exploiting the potential of creative industries* - The MCA will ensure a communications infrastructure that allows the connectivity speeds and resilience required by creative industries. The MCA will explore the main trends of this industry with a view of identifying potential economic opportunities and making legal and regulatory recommendations.

Priority Programme of Works 2013 – Strategic Objective IS2

The table below contains a listing of the priority work streams for 2013 that will contribute to the achievement of Strategic Objective IS2.

Programme of Works 2013 – Strategic Objective IS2 (Information Society)	
Project / Activity	Output
Awareness and Motivation	
e-Business Executive Campaign	Identify target sectors and audience Identify speakers and case studies Organise and launch campaign
e-Business awards	Launch of 2013 awards Showcase of winning solutions
Capacity Building	
EPTIOME - Increase entrepreneurship of the micro enterprises through the use and integration of ICTs in business	Training / Seminar / Workshops Half day conference / workshop Wrapping up of project Assessment and reporting
Training for vulnerable enterprises	Promotional campaign Training programme
ICT skill audit kit for micro enterprises	Secure support from the industry for the initiative Agreement with representatives re contribution Pilot skill audit kit
E-Commerce For Local and Global Reach	
Web Check	Support scheme to help local tourism enterprises to establish and/or improve their web presence
A Robust Business Environment for Growth	
Exploiting the potential of creative industries	Study on current environment Regulatory recommendations Present report to competent entities and Government

2.5 Organisational

The MCA is committed to maintaining an efficient and effective strategic and business planning function, supported by the monitoring of actual performance against set targets.

In order to optimise its performance, the MCA is also committed to ensuring that its knowledge-workers possess the necessary expertise to contribute fully towards the achievement of its objectives. The MCA will ensure that their knowledge remains up-to-date through a programme of ongoing investment in training and continuous learning.

The MCA will continue to focus on the development of new e-services as well as the efficient utilisation of existing ones both internally to simplify interaction within MCA, as well as externally via online services to all its stakeholders.

The MCA's focus on enhancing individual and organisational performance will continue, along with ways to work smarter and minimise the cost of regulation, both internally and in our dealings with industry and other stakeholders.

Priority Programme of Works 2013 – Organisational

The table below contains a listing of the priority work streams for 2013 that will contribute to working effectively.

Programme of Works 2013 – Organisational	
Project / Activity	Output
Strategy and Business Planning	Publication of Annual Plan 2013 Development of MCA's Business Plan 2014 – 2016
Annual Report and Financial Statements	Publication of MCA's Annual Report 2012
Performance Management Review	Ongoing quarterly performance management reviews

2.6 Delivery of Work Programme - Dependencies

Delivering on all areas of the MCA's work programme is vital for the MCA to meet its statutory duties to citizens and consumers. The MCA will work to ensure that the priority work streams identified for 2013 are adequately resourced to ensure delivery of its planned objectives. Where additional resource requirements arise in the course of the year due to unexpected developments, these priority areas will take precedence over other areas of activity.

In those instances where it is feasible to do so, the MCA will continue to outsource requirements for services when this involves the need for specific expertise that is not available within the MCA or where it needs such services in the short-term. At the same time the MCA is committed to effectively managing contractors with a view to achieving the best possible results.

The planned priority work streams and outputs envisaged to be performed in 2013 are as 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 the MCA will be undertaking during 2013. These are presented to provide as much clarity as possible.

However, there are a number of factors that are beyond the MCA's control and which could impinge on the successful delivery of its work programme namely:

- external dependencies that may affect our timing;
- interdependencies between work-streams of work, that may entail knock-on effects in the event of delays; and
- external events that are difficult to predict and which the MCA is required to respond to.

The MCA's experience over the past years has shown that, while the MCA's strategic plan enables us to identify the key areas to address for the longer-term future, the complexity and fast-paced nature of changes and developments in the communications sector means that unexpected issues will inevitable arise. Therefore the MCA may have to adjust its plans in a variety of areas due to unplanned external developments.

The MCA intends to retain flexibility within the 2013 work programme, in order to allow it to respond to changes and new issues arising in the course of the year. The MCA will update its plans every quarter and make adjustments to its 2013 work programme, as 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. Financials

The MCA is committed to providing value for money services to its stakeholders. The MCA reviews its processes and systems on an ongoing basis in order to ensure that it continues to deliver on its objectives and provide an effective service. The MCA continuously strives to streamline its administration and optimise the cost of regulation whilst maintaining the highest possible standards of efficiency and effectiveness.

The MCA will ensure that it has adequate finances to meet its regulatory mandate and will make sure that it delivers the best possible service to its stakeholders. In so doing this the MCA will also ensure that it provides a full accounting of its activities as required by law.

3.1 Financing the MCA's Activity

Electronic Communications Sector

The regulation of the electronic communications sector is funded on self-financing basis via the levying of administrative fees collected from the sector players. These administrative charges are used solely to cover the administrative costs incurred in regulating the electronic communications sector and cannot be used to finance other activities of the MCA. In 2013 the recurrent cost for regulating the electronic communication sector is expected to be €3,319,215.

Postal Sector

The regulation of the postal sector is funded, in the main, via the levying of administrative charges collected from the sector players. As the current amount of administrative charges collected from the sector players does not cover the total administrative costs required to effectively regulate the postal sector, additional funds are catered for via the deduction of the necessary amounts from fees that are payable to Government. In 2013 the recurrent cost for regulating the postal sector is expected to be €341,786.

e-Commerce Sector

The regulation of the e-commerce sector is financed via the deduction of the necessary amounts from fees that are payable to Government. In 2013 the recurrent cost for regulating the e-Commerce sector is expected to be €104,182.

Management and Monitoring Radio Spectrum / Radio Communications Equipment

The activities related to the management and monitoring of radio spectrum, radio communications equipment and spectrum licences together with the market surveillance of radio communications equipment is financed via the deduction of the necessary amounts from fees collected on behalf of Government.

In 2013 the recurrent cost for the management and monitoring of the radio spectrum and market surveillance is expected to be €395,150. The recurrent cost for the management of licensing of radio communications equipment is expected to be €85,446.

Information Society

Activities carried out by the MCA in relation to the IS initiatives are financed by Government via a yearly Government subvention. In 2013 the activities related to dealing with the IS initiatives is estimated to amount to €550,000.²¹

Fibre-to-the-Home Initiative

The activities related to supporting Government with its work in relation to the FTTH initiative will be financed via the deduction of the necessary amounts from fees collected on behalf of Government. In 2013 this is expected to amount to €112,220.

3.2 MCA's Projected Expenditure

The MCA's expenditure (by activity) for 2013 is expected to be as shown in the table overleaf.

²¹ This excludes EU grants receivable to cover recurrent expenditure.

Forecast By Activity - 2013	Electronic Communications	Postal	e-Commerce	Spectrum Management	FTTH Initiative	Radio Communication Licences	Information Society	EU Funds	Total
	€	€	€	€	€	€	€	€	€
Expenditure (Forecast):									
Staff Costs	1,653,013	220,575	34,955	256,857	2,220	64,297	310,783	45,439	2,588,138
Administrative Expenditure	293,155	21,549	3,591	46,928		16,591	44,715		426,529
Operational Expenditure	508,785	28,868	14,336	88,972		1,960	15,050		657,972
Projects Related Expenditure	682,895	70,794	51,299	2,394	110,000	2,598	176,358	64,307	1,160,646
Depriciation Charge	181,366						3,094		184,460
Total Expenditure (Forecast)	3,319,215	341,786	104,182	395,150	112,220	85,446	550,000	109,746	5,017,745