

Strategic Plan Update for 2010 - 2012

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01. Purpose

This document represents a rolling update of the Malta Communications Authority's (MCA's) strategic direction for the period 2010 – 2012 and thereby factors in developments that have a forward looking impact on the Authority's strategic direction established to date.

02. Contextual Background

The Malta Communications Authority (MCA), during 2009, consolidated the new aspects of its role and mandate without any significant drawbacks. It fulfilled its new role of promoter of the Information Society in Malta, while maintaining the necessary momentum in its 'traditional' areas of operation, that is, regulation of the Electronic Communications, Postal and e-commerce environments.

Within the electronic communications sector, a number of market developments took place in 2009. The keynotes were the advent of a third mobile operator, and the deployment of two undersea international links. The year was also characterised by the cessation of operations by a number of service providers. Most retail services are now provided by infrastructure based undertakings.

Overall, most markets remain populated by more than one undertaking. This is not, however, to be construed as meaning that all such markets in Malta are likely to be effectively competitive and therefore beyond the requirement for 'ex-ante' regulation. Nonetheless, for the first time, 'ex ante' regulation was rolled back from a number of markets during 2009, on the basis of fresh findings from a second round of market analyses under the post-accession regulatory framework.

Despite heightened competitive pressures, problems with Quality of Service provision subsist, also as a result of increased user expectations. Among others the MCA has had to propose the introduction of legislation to promote additional redundancy in international connectivity, and thereafter enforce – not without difficulty – compliance with its provisions. Ironically these measures had to be put into place roughly at the same time as the deployment of the fourth undersea cable. It is augured that thanks to the infrastructural and regulatory improvements, users will enjoy a seamless experience in international connectivity.

In general, quality levels of several other services delivered, occasionally left to be desired. The MCA has had to intervene at the macro as well as at the micro level. Unfortunately, when it comes to regulatory intervention in matters of service quality, a solution is frequently rather more complex than one would imagine, given the dynamics involved. As a result, acceptable parameters relative to quality of service in areas such as broadband first need to be defined before any ulterior measure can be taken. There are also legal limits to which the MCA can currently introduce such quality of service measures. These limits have to be widened to the extent possible.

Retail prices (translated also in value-for-money improvements) were overall stable or on a downward trajectory during 2009, where competitive dynamics were observable. In terms of innovation, the major operators continued to enhance their mobile service offerings to the public. As such, mobile broadband continued to increase in popularity with end users, notionally as a complement to existing fixed broadband solutions. Bundled service offerings were also increasingly favoured by end-users, with quad-play operators exerting their influence in this field.

Next Generation Access (NGA) network deployment at a European level is nearing physical deployment (or has started) in several jurisdictions. It is seen to represent, as the name implies, a generational leap in the type of service offerings delivered to consumers. The trend in Malta looks to be rather similar, with operators declaredly positioning themselves for deployment. The MCA has embarked on the drafting of an umbrella policy and strategy and has identified a series of enabling tasks, several of which already form part of the standard

schedule of works. Other tasks, however, will be undertaken with the specific aim of facilitating the deployment of NGA in Malta.

Meanwhile, the allocation and assignment of spectrum based on a realistic technology and service neutral approach, coupled with MCA's central role in licensing, management, enforcement and international co-ordination, continue to occupy a leading role in the Authority's strategic plan.

Broadcasting remains another spectrum-based pillar in the MCA's strategic outlook. The thrusts identified and embarked upon in 2009 will come together in 2010, thanks to a number of key deliverables. Notable among these are:

- Participation in the Digital Switch-Over (DSO) of TV broadcasting meeting General Interest Objectives by the end of 2010
- The articulation of a Policy and Strategy relative to the Digital Dividend
- The finalisation of the reviewed 'umbrella' Digital Broadcasting policy
- International frequency co-ordination

International frequency co-ordination remains a key element as regards the Digital Dividend and the 'umbrella' digital broadcasting policy. Malta will continue to insist with bordering states on its right to maximise the use of available spectrum.

The review of the new EU Regulatory Framework went through a hiatus in 2009, following a last-minute lack of consensus among Member States. This setback is set to be rectified by the end of 2009, meaning that transposition into local legislation should take place by mid 2010. The MCA will be taking the opportunity to include other legal provisions intended to strengthen the regulatory role of the Authority in a number of areas, especially where consumer benefits are at stake. This is particularly the case with quality of service issues.

Pending a Government decision relative to the assignment of concurrent jurisdiction in 'ex post' competition issues with respect to the sectors it regulates, the MCA will continue striving to collaborate with the Competition Office in order to ensure, to the extent that it can, a coherent regulatory approach for the sectors under its purview.

In the e-Commerce area the oversight to the provision of certification services is set to become a key task for the MCA in 2010.

Postal Service regulation has now been established on a sound footing and is largely in operational mode. The next step is full liberalisation with all the implications that this brings with it. Although this will take place at the end of 2012, steps will need to be taken as of now, in preparation for this new scenario, as well as to deal with those areas that have already been liberalised.

As with electronic communications services, the consolidation of network integrity and quality of service will be a continued MCA objective with regard to postal services regulation.

Initiatives set at the promotion of the Information Society in Malta are now a mainstay of the MCA's programme and will remain such for the foreseeable future.

The international dimension continues, inevitably, to be central to all areas of the MCA's mission and mandate, mainly as a consequence of Malta's membership in the EU as well as globalisation in general. This state of affairs necessitates that Malta increasingly keeps abreast of such developments, and participates in

international fora where decisions affecting its socio-economic well-being are increasingly being taken.

03. Environmental Considerations

The contextual environment underlying the Strategic Plan period 2010 - 2012 provided in Section 02 translates into the following key features:

- The existence of two or more operational networks and services in most electronic communications markets implies a continuous review of existing 'ex ante' regulation;
- At the same time there remains the need to ensure that networks and services are adequately safeguarded via the necessary security and resiliency measures, in order to ensure continued high-quality services to the public;
- An increased focus on matters to do with consumer protection, including close collaboration with the Consumer and Competition Division, on related issues is called for as competition drives the number and variety of offerings up, leading to increased complexity for consumers.
- The evolution of electronic communications access networks towards more versatile 'next generation' networks that is now coming to fruition, brings forth two key requirements: namely that Malta needs to continue to be abreast of technology developments and that meanwhile there needs to be a guarantee that the key elements for a competitive environment will continue to subsist in the new scenario.
- It is the intention, in line with EU guidelines wherever practicable, for flexible and efficient utilisation of radio spectrum and the gradual introduction of spectrum trading, within an overall context of sustainability;
- The upgrading of the legislative and regulatory framework will continue to be substantial, driven by EU-led initiatives as well as observed local manifestations. The planned delivery by Government of Electronic Signature Certification Services, based on qualified certificates will necessitate the development of the necessary framework and structures for the MCA to fulfil its supervisory function in this regard.
- There is the need to start lining up as of now for the gradual opening up of the Postal Market in 2013, and to consolidate quality of service delivery in the meantime;
- The now established role of the MCA as the champion for the uptake of ICT in all facets of Maltese society and the economy will continue along established lines;

04. Mission and Underlying Principles

The MCA's mission statement for 2009 is reiterated hereunder:

- **To regulate the electronic communications, e commerce and postal sectors with a view to achieving sustainable competition, enabling 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.**

In carrying out its mission the MCA is committed to performing in a manner that is transparent, proportionate, non-discriminatory and objective. The MCA's mission statement implies a number of principles, which the Authority needs to hold central to all the activities that it carries out. The updated list may be seen below:

- The realisation of a range of communication services of high quality and competitive prices is best achieved through the development of fair and sustainable competition.
- In the absence of competition, regulation will seek to simulate the effects of competition.
- Regulation will cater for the interests of consumers but will also take into account the exigencies of service providers.
- Regulation will tend towards technological neutrality and be sufficiently flexible such as to facilitate change and innovation.
- The Authority's decisions will be reasonably transparent and accessible to all and sundry in order to facilitate decisions by market players, policy makers and other stakeholders.
- Network security and resiliency, as well as other less critical quality of service aspects will be a service-delivery requirement for market players in all MCA-regulated sectors.
- The MCA's activity should serve to overall contribute to Malta's transition to a knowledge society and economy and the maximisation of social and economic welfare.
- Individual citizens and businesses will be encouraged to embrace ICT as a key enabler.
- The MCA will contribute, at an international level, to the discussion on the development of the regulatory framework relative to the sectors within its remit and, in so doing, ensure Malta's interests are adequately represented in such fora.
- The MCA will, on an ongoing basis, measure its outputs and assess the effectiveness of the outcomes of its activities.

05. Validation of Strategic Objectives

The MCA's Strategic Objectives for the period covered by this Plan update are stated below:

Electronic Communications

- T1 - Regulating an electronic communications environment that is capable of sustaining competition among existing providers whilst ensuring ease of entry to new undertakings.
- 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 ongoing discussion, at an international level, on the consistent development of the electronic communications regulatory framework and related issues.
- T4 - Facilitating innovation in the provision of broadband and other services, via ongoing research and the continued development of the policy and regulatory environment.

e-Commerce

- E1 - Facilitating e-commerce uptake and the use of electronic signatures, via the ongoing development of the legal, institutional and regulatory frameworks, and related public awareness-raising.

Postal Services

- P1 - Attaining, within envisaged timeframes, 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 ongoing discussion, at an international level, on the consistent implementation and ongoing development of the postal regulatory framework and related issues.

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.

The MCA's projects and ongoing tasks will all be targeted to address the above strategic objectives.

06. Strategic Objectives

What follows is a high level rendering of activities envisaged under each Strategic Objective. These activities have been split into two sub-categories, namely those that are confirmed as the established direction under last year's Strategic Plan Update 2007 – 2009 and those that represent new strategic thrusts essentially as a result of unfolding developments.

These new strategic thrusts represent the 2010 Plan update.

Strategic Objective T1

Regulating an electronic communications environment that is capable of sustaining competition among existing providers while ensuring ease of entry to new undertakings.

Outlook

It is envisaged that activities set at achieving this objectives will consist largely of established tasks that are now of an ongoing nature in the Authority's programme of works.

The facilitation of Next Generation Access is one strand that will be given due attention throughout all MCA activities that can have a bearing on this development.

In striving to achieve this Strategic Objective the MCA will undertake a number of established tasks, foremost among which are the tasks dwelt upon briefly below.

Established Tasks

Ensuring that barriers to entry remain low

Market Analyses

The MCA will, in the course of 2010, continue with the 2nd wave of market analyses which are set to review a number of decisions taken, together with the applied remedies, in the so called 'first wave' market analyses.

A number of market analyses carried out during 2009 found for a competitive environment and the relevant remedies were removed. It is possible that other SMP designations will be reversed in the course of 2010.

The analysis of markets 4 (LLU) and 5 (Wholesale Broadband Access) will be carried out also in the context of their implications on next generation access.

The MCA will continue to monitor the sector for possible bottlenecks resulting in new sources of market power.

Remedies

The MCA will continue to ensure that rights to access and interconnection will, within the boundaries delineated by regulation, be available to all service providers and that the MCA will have the necessary enforcement tools to ensure access, where this is deemed necessary, as well as interconnection. The MCA's direction will also be guided by the relevant EU Recommendation on the matter.

The potential barriers to entry posed by an NGA environment will also be reviewed.

Developing the Potential of Frequency Spectrum

Frequency Spectrum continues to be an essential component for the development of infrastructure based competition in Malta. Meeting market demand for spectrum by issuing available spectrum to the market, in the context of a strategic direction, remains high on the MCA agenda. The application of technology neutrality, within reasonable limits, in spectrum assignment is another way of promoting competition and innovation. Re-assignment of spectrum will be another challenge to face during the period in question.

Legal Review

The MCA will continue reviewing existing laws and regulations with a view to ensuring that they provide scope for optimal regulation.

One notable exercise will be the adoption and transposition of the new EU regulatory framework into Maltese legislation.

New Thrusts

Next Generation Access

The MCA will be co-ordinating a series of activities with NGA as the main focus. These include established tasks indicated above as well as other targeted projects such as the review of rights of way or building regulations.

In its role of policy adviser to Government the MCA will address the identification of the infrastructural requirements and other elements that Government needs to address in its promotion of NGAN deployment.

Key Performance Indicators

The MCA will continue to monitor progress relative to the attainment of this objective via a series of key performance indicators. Thanks also to the benefit of past experience the indicators that are deemed to be best suited for an assessment of progress with regard to the attainment of this strategic objective, are the following:

Strategic Objective T1 – Key Performance Indicators

- Movements in number and variety of market players, as well as relative market shares.
- Price movements
- Availability of updated interconnection agreements, Reference Interconnection Offers and cost orientated charges where these are required.
- New service offerings
- Overall sector volume and financial indicators

Strategic Objective T2

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

Outlook

As already observed in previous editions of this Strategic Plan, the MCA believes that competition of itself does not fully cater for quality of service improvements and an element of symmetric regulation is necessary in order to cater for shortfalls in this area.

Events during 2009 have demonstrated that this assessment is correct. It is also observed that the amount of resources that the MCA has had to dedicate to resolving quality of service delivery issues has been in excess of what was envisaged.

The MCA intends to step up its activity, as far as its legal mandate allows, in order to ensure that the quality of service offerings matches service provider claims and users' expectations.

MCA tasks set at achieving this Objective also have to do with ensuring that undertakings abide by their wider social obligations. These include the provision services of a general interest, universal service obligations, network integrity, interference-free radio transmissions and electromagnetic emissions that are in line with established international health standards.

The MCA is already involved in all the tasks that are identified as necessary for the achievement of this Objective. The period covered by this Plan presents, by and large, a continuation of the work carried out so far.

Established Tasks

The following are the established tasks that the MCA will undertake during the plan period in fulfillment of this Strategic Objective:

- Continuing to increase capacity to deal with consumer enquiries, complaints and disputes.
- Ensuring transparency in tariffs and other commercial conditions of service to end clients.
- Ensuring that the industry operates in full compliance with national consumer protection legislation, where necessary, through collaboration with the Consumer and Competition Division.
- Establishing sustainable universal service provision in the new regulatory environment.
- Providing clear and comprehensive consumer information.
- Piloting the Digital Switch-Over in broadcasting.
- Monitoring electromagnetic emissions with a view to ensuring that levels of electromagnetic radiation are in conformity with ICNIRP guidelines.

- Ensuring network integrity in electronic communications.
- Programming and carrying out ongoing market surveillance of user equipment in accordance with the R&TTE regulations.
- Monitoring frequency spectrum on an ongoing basis, with a view to minimising harmful interference.
- Reviewing the extant Quality of Service (QoS) policy direction, in light of changing technologies and a multiple operator environment, and thereafter seeing to its implementation, including in relation to consumer complaints handling, and provision of timely and adequate information to consumers in line with the requirements of electronic communications framework.
- Proposing legislation to Government that will give more powers to the MCA in such matters, if this is deemed as necessary for the public benefit.

New Thrusts

Whilst one cannot state that MCA intervention in consumer related issues is a new thrust, the increased emphasis with which this is envisaged to take place may be seen as placing renewed focus on the way that this objective is achieved.

Key Performance Indicators

The MCA will continue to monitor progress with respect to the attainment of this objective via a series of key performance indicators:

Strategic Objective T2 – Key Performance Indicators

- Publicly available information relative to existing QoS parameters
- Quality of Service Improvements by undertakings
- Stakeholders’ perceptions of the overall quality of services provided
- Stakeholders’ perceptions of the regulator
- % of complaints placed with MCA dealt with satisfactorily
- No. of ongoing inspections/site visits (interference, radiation, market surveillance etc.) and outcomes.

Strategic Objective T3

Contributing to the ongoing discussion, at an international level, on the consistent implementation and ongoing development of the electronic communications regulatory framework and related issues.

Outlook

The MCA, despite the limitations deriving from its size, is in a position to contribute to the shaping of the international regulatory scenario and pursue Malta's interests in so doing. Thus the MCA strives to make a meaningful presence in the various committees and workgroups that operate under the aegis of the EU, the IRG and ERG, the CEPT and other relevant international organisations, whilst at the same time drawing valuable knowledge and expertise from them.

The MCA provides substantial advisory input to Government on all matters relating to the sectors for which it is responsible.

There are no perceived changes to strategic direction in the forthcoming plan period.

Established Tasks

As indicated above, the MCA activities targeted towards the achievement of this Strategic Objective remain the same as those indicated last year. These activities are:

- Providing, on an ongoing basis, advice to Government on proposed EU legislative measures and other communications, as well as on any related issues and disputes arising.
- Participating in EU fora such as the Communications Committee, The Radio Spectrum Committee, the Radio Spectrum Policy Group and the European Regulators Group, as well as in other international fora such as CEPT, and the International Telecommunications Union. The MCA will continue striving to make a valid contribution to these fora.
- Participating in the Independent Regulators Group and its various sub-groups, with a view to contributing to the output of the workgroups, within limits posed by resource availability.
- Submitting accurate statistics and information to the EU and other international organisations on an ongoing basis.
- Collaboration on a one-to-one basis with peer regulators on a regular or one-off basis.

Key Performance Indicators

The MCA will continue to monitor progress towards the attainment of this objective.

Strategic Objective T3 – Key Performance Indicators

- The MCA will, on an ongoing basis, evaluate the effectiveness of participation in such international fora and the quality of its advice to Government on

international matters.

Strategic Objective T4

Facilitating innovation in the provision of broadband and other services, via ongoing research and the continued development of the policy and regulatory environment

Outlook

The MCA will continue to promote and implement regulatory policies that promote innovation as well as focus on the research and monitoring of technology developments.

Established Tasks

The MCA will continue to strive, to the extent possible, facilitate the rollout of innovative services. By way of key tasks the MCA will:

- Continue monitoring international technology developments and assess their implications vis-a-vis the Maltese context.
- Promote and facilitate, in collaboration with responsible entities and other stakeholders, the implementation of IPv6 and other such strategic solutions.
- Inform consumers of the various solutions on the market.

New Thrusts

The introduction of a formal assignment process relative to test and trial spectrum licences is envisaged for 2010.

Key Performance Indicators

The following are the envisaged key performance indicators relative to this strategic objective:

Strategic Objective T4 – Key Performance Indicators

- Change in broadband penetration in terms of subscriber numbers and % of population
- Number of broadband infrastructures and service providers and variety of technology platforms on which broadband services are offered
- New and innovative services, or improvements on existing services deployed or trialled on the market.
- Assessment of Malta's performance in this area vis-à-vis the Lisbon objectives

Strategic Objective E1

Facilitating e-commerce uptake and the use of electronic signatures, via the ongoing development of the legal, institutional and regulatory frameworks, and related public awareness-raising.

Outlook

The focus of the MCA's activities in this area will continue to be on ensuring adherence to the rules on the part of Information Society Service Providers so that public confidence in e-commerce can increase.

Established Tasks

The MCA will continue to focus on the implementation and running of the necessary sector monitoring mechanisms with a view to verifying compliance.

The raising of public awareness on users' rights vis-à-vis service providers remains a key task to the attainment of this Objective.

New Thrusts

The setting up of the necessary regulatory mechanisms relative to certification services providers is expected to represent a new area of operation for the MCA during 2010.

Key Performance Indicators

The following KPI's have been identified for measurement of progress with regard to the attainment of this strategic objective:

Strategic Objective E1 – Key Performance Indicators

- e-Commerce uptake figures
- Public awareness of the regulatory role of the MCA
- Public awareness of their rights with respect to e-commerce
- Service provider awareness of their legal obligations
- Public perception with regard to the security of e-commerce transactions
- Uptake of electronic signatures

Strategic Objective P1

Attaining, within envisaged timeframes, a liberalised postal services environment that ensures ease of entry to new undertakings and sustainable competition.

Outlook

Despite the postponement of full liberalisation to the end of 2012, the MCA will continue working on the setting up of the necessary regulatory provisions with respect to inter-operator relationships and resultant issues arising. Notable among these is the intention to set up an 'ex ante' regulatory environment along the lines of the electronic communications regulatory framework, with all the cascading effects that this exercise brings about.

Established Tasks

The MCA will continue creating the conditions for an environment that is conducive to the onset of competition within the limits imposed by the reserved area. These include the drawing up of an 'ex ante' regulatory framework, together with requisite tariff reviews on the basis of relevant costs and other work-streams intended to lower or remove barriers to entry.

Key Performance Indicators

The following key performance indicators have been identified in the measurement of progress vis-à-vis this strategic objective:

Strategic Objective P1 – Key Performance Indicators

- Number of postal services providers in the various postal 'areas'
- Ease of entry to market
- Postal volume trends in the various 'areas' of the postal sector
- New service offerings
- Universal Service Provider making reasonable return on capital

Strategic Objective P2

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

Outlook

This objective is best achieved in a situation of open competition. In the absence of such a situation before the end of December 2012, regulation remains the most viable option to the attainment of this Objective.

Established Tasks

The MCA's activity will continue to be mainly concerned with sector activity monitoring and review, in order to ensure that the Universal Services Provider, as well as other operators, meet their regulatory obligations in providing value-for-money services.

The MCA will continue to update its complaints handling mechanisms in order to meet public requirements and expectations and maintain a handle on sector issues. The MCA will gather the necessary market intelligence and in turn ensure that the public is kept informed of regulatory and market developments that are taking place.

Key Performance Indicators

The following key performance indicators will be taken into account in an assessment as to the degree of success to which this strategic objective has been achieved.

Strategic Objective P2 – Key Performance Indicators

- Movement in postal prices
- QoS performance statistics in relation to set targets
- USP and MCA Complaints statistics
- Financial status of the USP

Strategic Objective P3

Contributing to the ongoing discussion, at an international level, on the consistent implementation and ongoing development of the Postal regulatory framework and related issues.

Outlook

As with other sectors the MCA is committed to keeping abreast of international developments in postal sector regulation, given also the international dimension of the postal service, at an EU level as well as on the wider international plane.

Established Tasks

The MCA will, during the Plan period, work towards achieving its Objective by:

- Providing, on an ongoing basis, advice to the Government on the interpretation and application of any new EU Directives, recommendations and other documents as well as on any related issues and disputes arising.
- Participating in EU fora as well as in other international organisations such as the CERP and the Universal Postal Union. The MCA will contribute to the shaping of policies and recommendations at international level.
- Submitting statistics and information to the EU and other international organisations, on an ongoing basis. The MCA will also be in a position to comment on the nature of EU sector information requirements and provide input as necessary.
- Collaborating on a one-to-one basis with peer regulators on a regular or one-off basis.

Key Performance Indicators

The MCA will continue to monitor progress with respect to the attainment of this objective via a series of key performance indicators:

Strategic Objective P3 – Key Performance Indicators

- The MCA will, on an ongoing basis, evaluate the effectiveness of participation in such international fora and the quality of its advice to Government on international matters.

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.

Outlook

During the Plan period the MCA will undertake various public initiatives set at promoting and supporting the widespread use of Information and communication throughout the various spheres of Maltese society. The relevant work programme constitutes a continuation of the programme established by the MITC when the function was housed within the Ministry.

Established Tasks

A series of initiatives have been identified with a view to promoting the widespread use of ICT. A widespread selection of beneficiaries in various social spheres has been targeted. Different sectors will be addressed via tailored activities, which range from assistance in the acquisition of hardware, software and connectivity, to ICT awareness programmes, to literacy initiatives.

Key Performance Indicators

The following performance indicators have been established as a measure of the progress of this initiative:

Strategic Objective IS1 – Key Performance Indicators

- Internet uptake figures
- Level of e-literacy
- Public perceptions on the benefits of ICT for domestic and business use.

Strategic Objective IS 2

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

Outlook

During the Plan period the MCA will work towards the proliferation of e-Commerce in Malta on the part of businesses and consumers.

Established Tasks

Envisaged activities will centre around awareness raising on the benefits of e-Commerce, and seeding e-Commerce activity in various sectors such as banking, business or mobile communications services.

Key Performance Indicators

The following performance indicators have been established as a measure of the progress of this initiative:

Strategic Objective IS 2 – Key Performance Indicators

- e-Commerce consumption uptake figures
- No. of Businesses using e-Commerce service delivery channels
- Public/Business perceptions on the benefits of e-Commerce

07. Ensuring Continued Regulatory Capacity

In order to ensure continuity in the execution of its mandate the MCA focuses on a number of fundamental components, which it reviews in a process of continuous improvement:

Performance Planning and Review

The MCA is committed to maintaining an efficient and effective strategic and business planning function together with the monitoring of actual performance against set targets. Performance planning will go beyond the Strategic and business planning aspects and include also individual staff performance planning programmes. All these components will be co-ordinated and regularly updated.

The MCA will assess the validity of its performance by first and foremost reviewing its activities on an ongoing basis and assessing whether outputs and outcomes are being attained. The MCA will, on the basis of this information, review its plans accordingly.

Human Resources

The MCA is committed to ensuring that it retains a knowledge-based organisation that is adequately staffed and structured in order to be able to optimally address its mission and mandate.

Performance-based activity permeates down to individual level by means of individual performance assessments, which tie in to the achievement of organisational goals.

Staff motivation is considered a key element for the success of the MCA's mission. The MCA is committed to maintaining an environment that brings out the best in the people it employs.

The organisation's flexibility in recruitment is a cornerstone of its efficiency and therefore its independence. It cannot be shackled by disproportionate central controls that impinge on its ability to recruit in a timely fashion at market conditions.

Outsourcing of Expertise

In those instances where it is feasible to do so, the MCA will outsource requirements for services whenever they involve the need for specific expertise that is not available within the Authority. The MCA will also consider outsourcing where the need for such services is short-term, and mainly serves to address a pressing need. The MCA is committed to dedicating the necessary resources in managing contractors with a view to obtaining the best possible value in services received and knowledge transfer.

Organisation

An organisation that operates in a highly dynamic environment has to have the inbuilt flexibility to adapt to changing circumstances. The MCA will maintain such flexibility via a matrix mode of operation that cuts across formal organisational boundaries and brings together staff from various units and disciplines together to work on specific assignments.

As new functions are assumed the MCA will dovetail these with its business in as seamless a manner as possible. The MCA mission, strategic and business objectives, organisation structure, policies and procedures will be updated to reflect the new reality.

Physical Resources

If it is to function at desired levels and empower its staff to achieve optimal performance, the MCA will ensure that they are adequately equipped to carry out the job. In this respect this organisation is committed to providing the environment that is most conducive to productivity. It will do this by providing adequate premises and ICT resources as well as other logistical support as required.

The MCA also deems information management as being a fundamental resource to this organisation, and will see to tailoring the necessary information systems so as to utilise its potential it to the full.

Financial autonomy represents another important pillar in the maintenance of the MCA's status as an independent regulator. The MCA will follow principles of good governance, ensuring that it has adequate finances to meet its mandate and that it delivers the best possible service to stakeholders. In so doing this organisation will also ensure that it will provide full accountability of its activities and disbursements as required by law.

As the MCA is increasingly tasked with functions that do not flow directly from its regulatory mandate, the need for funding, from sources other than administrative charges, increases proportionately. The main source of such alternative funding is Government. The MCA ensures that financial reporting reflects the activities carried out and the related sources of funding. The MCA will dedicate the necessary resources towards ensuring that its accountability framework is maintained to the highest standards.