

**Maltapost Plc's Universal Service Obligations -
Accessibility, Daily Delivery, Provision of Information
Decision Notice and Response to Consultation Paper**

10th September 2008

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Executive Summary

The key responsibility of the Malta Communications Authority (MCA) in respect of the postal sector is to ensure an affordable high quality universal postal service in Malta. This implies that users at all points in Malta shall enjoy the right to a universal service involving the permanent provision of a range of postal services of specified quality, as may be prescribed, and at affordable prices.

In April 2008 the MCA published a consultation document¹ which discussed the obligations incumbent on Maltapost Plc (hereinafter referred to as Maltapost) as the Universal Service Provider (USP) and addressed the rights of the consumer with respect to access to services, the guarantee of daily delivery and the publication of information of what is on offer.

Responses to the consultation were received from Maltapost and the Malta Environment and Planning Authority (MEPA). The responses received have been of assistance to the MCA in helping it form a view on the consultation issues. The MCA notes that the consultation document was also sent to all local councils in Malta and Gozo and consumers' associations. However, no responses were received.

Access to Universal Postal Services

Access points for services falling within the universal service include: the USP's public letterboxes, retail counters operated by the USP (referred to by Maltapost as branch post offices), sub-post offices operated by third parties and the facilities provided to deposit bulk mail.

The consultation document evaluated the existing density of the above-mentioned access points and put forward proposals that aim to establish parameters to be used to ascertain the minimum density of postal access points to ensure that the USP's obligations in this area are being met and the rights of the consumer addressed.

The MCA has established distance related criteria for access to public letterboxes depending on the density of the population within each particular locality. It has also established a minimum number of retail counters offering basic counter services that should be made available throughout Malta and Gozo. As regards access to bulk mail facilities the MCA is of the opinion that the current provisions are adequate and no further requirements are warranted. A procedure to be followed by Maltapost for the permanent closure or re-siting of existing access points has also been established.²

Other related but important aspects that improve accessibility to the universal postal service were also examined in the consultation document. These included the availability of facilities to purchase postage stamps within the vicinity of every letterbox and the frequency and timing of collections from Maltapost's access points. With respect to the former the MCA has defined the term 'vicinity' as found in the regulations. With respect to the frequency and timing of collections from Maltapost's access points the MCA is of the opinion that no further provisions are required.

¹ Refer to <http://www.mca.org.mt/infocentre/openarticle.asp?id=1177&pref=16>.

² In the case of temporary closure of any access point Maltapost is required to abide by the **MCA's Directive 1 of 2006** which set out the procedure that Maltapost must follow in effecting changes in relation to the days and/or times of any access point.

Guarantee of Daily Delivery

The USP has an obligation to guarantee at least one (1) collection from each postal access point and one (1) delivery of mail to each postal address or other delivery point (household and business) on each working day.

Collection and deliveries of postal articles form the backbone of the universal postal service, as they are essential for the USP to secure its next day delivery obligation and quality of service targets.³

The consultation document examined whether the current arrangements are satisfactory and whether changes in this area are warranted. On the basis of its findings the MCA has decided not to introduce further provisions in this respect.

Publication of Information

It is important that consumers are clearly informed about the universal postal services which are provided, the prices and conditions pertaining to them, and are sufficiently knowledgeable in their use.

The consultation document put forward proposals on what information should be provided and what media should be used in relation to the universal postal service, including amongst others, postcodes, postal service schemes and access points. The MCA has decided to define how and on what media information on the universal postal services should be published. It has also decided to provide general guidelines on how postal service schemes should be published.

³ Refer to the MCA's Decision dated 6th December 2007 on the Quality of Service (QoS) Targets to be achieved by Maltapost for the universal postal services.

1. Introduction

As the entity responsible for the regulation of universal postal services in Malta, in accordance with national and European Commission (EC) legislation, the MCA issued a consultation document in April 2008 that discussed the universal postal service obligations incumbent on Maltapost and addressed the rights of the consumer with respect to access to services, the guarantee of daily delivery, and the publication of information of what is on offer.⁴

The purpose of this document is to give an overview of the responses received to that consultation and to notify the MCA's decision on those areas that it had consulted upon, giving the reasoning behind such decisions.

Prior to discussing the issues raised during the consultation and the basis of the decisions made by the MCA it is important to provide an overview on what is meant by a universal postal service.

1.1 Overview of the Universal Postal Service

Universal postal services can be defined as distinct postal services (or products) which a consumer is entitled to access no matter where he or she lives. These services must be accessible, of a specified quality and affordable. The main act governing postal services in Malta is the Postal Services Act (hereinafter referred to as the Act).⁵ The Act establishes the criteria on which the universal postal service should be set.

The universal postal service should be: affordable,⁶ accessible,⁷ and of a set quality.⁸ The universal services on offer must comply with essential requirements,⁹ be identical under comparable conditions and offered in a non-discriminate way and on a permanent basis.¹⁰ The Act also states that universal postal services can only be interrupted or stopped in the case of *force majeure*.¹¹

Another important principle with respect to the provision of the universal postal service reiterated in the Act is that the universal service should evolve in response to the technical, economic and social environment and to the needs of users.¹² This means

⁴ Refer to <http://www.mca.org.mt/infocentre/openarticle.asp?id=1177&pref=16>.

⁵ The provisions of the Postal Services Act reflect the European Union (EU) Postal Directive 97/67/EC as amended by Directive 2002/39/EC.

⁶ Refer to Article 17 (1) (a) whereby 'users at all points in Malta shall enjoy the right to a universal service involving the permanent provision of a postal service of a quality as may be prescribed and, subject to article 21(1), at affordable prices for all users'. Article 21 (1) states that 'prices must be affordable and must be such that all users have access to the services provided'.

⁷ Refer to Article 17(1) (a) of the Act whereby 'users at all points in Malta shall enjoy the right to a universal service' and Article 17 (2) of the Act whereby 'the Authority shall issue directives to ensure that the density of access points takes account of the needs of users'.

⁸ Refer to Article 17(1) (a) & (b) of the Act.

⁹ The Act defines 'essential requirements' as 'general non-economic reasons which can induce the Government to impose conditions on the supply of postal services. Such reasons are the confidentiality of correspondence, security of the network as regards the transport of dangerous goods and, where justified, data protection, environmental protection and regional planning.'

¹⁰ Refer to Article 21(1) of the Act.

¹¹ Refer to Article 18(d) of the Act.

¹² Refer to Article 18(e) of the Act.

that the products and services forming part of the provision of the universal service may increase or decrease depending on society's needs at any point in time.

The five (5) generic areas of service that the USP is required to provide as universal postal services are:

- the clearance, sorting, transport and distribution of postal articles up to two (2) kilogrammes;
- the clearance, sorting, transport and distribution of postal packages up to twenty (20) kilogrammes;
- services for registered articles;
- services for insured articles within Malta and to and from all countries; and
- a basic counter service throughout Malta.¹³

The Postal Services (General) Regulations¹⁴ (hereinafter referred to as the Regulations) further delineate the obligations that constitute the universal postal service and the services that must be provided by the USP.¹⁵

Maltapost's Licence sets out Maltapost's obligation, as the designated USP,¹⁶ to provide a universal postal service across Malta, and regulates matters relating to the necessary characteristics of the universal postal services, including amongst others, access to services, the quality of service that is to be guaranteed, compensation, mail integrity, complaint handling, accounting separation obligations, and tariff and price principles in relation to the universal service.¹⁷

Refer to **Appendix A** for a comprehensive statement of the legal position with respect to access to services, the guarantee of daily delivery and the publication of information of what is on offer.

1.2 Format of this Document

The remaining sections of the report provide a summary of the consultation topics, the views of the respondents and the MCA's position. Each section is accompanied by the MCA's formal decision.

¹³ Refer to Article 17(5) of the Act.

¹⁴ Refer to Postal Services (General) Regulations – Legal Notice 328 of 2005.

¹⁵ Refer to Regulation 23. In addition, the USP is also required to provide the collection and onward transmission of postal articles for destinations outside of Malta and the receipt and delivery of postal articles originating outside of Malta for addresses within Malta and services for the blind or partially sighted persons as shall be agreed from time to time with the Authority. With respect to the provision of a service for delivery of international inbound mail, Malta is also subject to the requirements of the Universal postal Union (UPU).

¹⁶ Refer to Article 17(3) of the Act whereby 'the Minister shall, after consultation with the Authority, by notice in the Gazette, designate a postal operator as the USP having an obligation to provide all the universal services'. Through Legal Notice 296 of 2004 the Minister for Competitiveness and Communications (MCMP), after consultation with the MCA, designated Maltapost as the USP with the obligation to provide all the universal services required by or under the Act.

¹⁷ Refer to Maltapost Plc Licence (Modifications) Regulations – Legal Notice 500 of 2004 (Section C).

2. Access to Universal Postal Services

2.1 Summary of Consultation Issue

Access points for services falling within the universal postal service include: the USP's public letterboxes,¹⁸ retail counters operated by the USP (referred to by Maltapost as branch post offices), sub-post offices operated by third parties¹⁹ and the facilities provided to deposit bulk mail.²⁰

The consultation document evaluated the existing density of the above-mentioned access points and put forward proposals to establish parameters to be followed by Maltapost to ascertain the minimum density of postal access points and the procedures to be followed with respect to the permanent closure or movement of existing access points or the establishment of new access points.

Due to the well established postal access network throughout the country, the issue of ensuring an adequate density of access points to the postal service is not a major issue of concern to the MCA. The consultation proposals intended to formalise existing practices as well as ensuring that an equitable distribution of access points for all users throughout Malta is maintained by putting forward minimum standards that should be observed by the USP.

Other related but important aspects that improve accessibility to the universal postal service were also examined. These included the availability of facilities to purchase postage stamps and the frequency and timing of collections from Maltapost's access points.

2.2 Letterboxes

As explained in the consultation document, to determine the most appropriate parameters to ascertain the minimum density of public letterboxes the MCA took into consideration access criteria adopted by other countries, Malta's specific geographical

¹⁸ The normal pillar/wall letterbox (sometimes referred to as post-boxes) provided by the USP, either inside or outside a post office or at the side of a public road constitutes an important access point for single piece mail as these enable consumers to post their letters without having to go to a post office. Single piece letter mail is generally defined as the ordinary day-to-day correspondence posted by individuals and businesses, big and small (other than bulk mail), at street letterboxes or over the counter at postal outlets (such as post offices or sub-post offices). This comprises correspondence in standard envelopes which do not require special facilities at either the collection or delivery stage.

¹⁹ Retail counters (i.e. post offices and sub-post offices – also referred to as postal outlets) represent the only access points for the following universal service products: packets, parcels, insured and registered items. This comprises correspondence in larger envelopes or packages, or documents and goods weighing up to 20kg per item, or which requires specific services such as registration in addition to normal postage. Because of the size of the item or the service required, the item must be handed to an authorized representative of the USP and/or be delivered personally to someone at the address on the item (or if that is not possible, to be made available for collection from the premises of the USP).

²⁰ Bulk mail means correspondence, documents or publications consisting of a substantial number of similar items which are deposited with Maltapost, at the same place and at the same time to be conveyed and delivered to the addressees indicated on the items themselves or correspondence. This includes direct mail (as a particular form of Bulk Mail) as defined in the Postal Services Act.

and demographic characteristics and the impact on the current provision of public letterboxes²¹ within each locality.

The consultation document proposed the following minimum standards as meeting the requirements of the universal service within the meaning of the legislation and the consumer's right of access to postal services:

- (a) There should be a letterbox as near to each town or village centre as practical from which collection is made six (6) days a week (i.e. Monday to Saturday, excluding public holidays) to secure next day delivery nationwide.
- (b) In addition to the availability of letterboxes as described in (a) above, in localities where the population density is higher than the national average not less than 98% of users or potential users of postal services should be within **400 metres** of a letterbox.
- (c) In addition to the availability of letterboxes as described in (a) above, in localities where the population density is lower than the national average not less than 98% of users or potential users should be within **800 metres** of a letterbox.

The MCA also suggested that the above proposed minimum standards do not preclude Maltapost from the requirement to:

- (a) provide additional public letterboxes, as may be required, to meet consumer needs (such as in the main commercial and tourist areas or where circumstances clearly justify such a requirement); and to
- (b) consult with the local council(s) concerned on the most appropriate distribution of public letterboxes in a particular locality.

Question 1 asked if the minimum requirements with respect to access to letterboxes should be as proposed above.

2.2.1 Summary of Respondents' Viewpoint

Maltapost agrees that the 'public should be serviced with adequate and sufficient letterboxes, whilst considering the following criteria: density, distance, population or community-related factors.' Maltapost however, questions the necessity and feasibility of adopting distance related criteria.

Maltapost claims that 'in order to determine whether each user is within 400m and/or 800m of a letterbox, a geographical mapping exercise is essential, and such exercise would have to be regularly updated to determine that new developments are adequately serviced with a letterbox'. Maltapost substantiates its arguments that distance related criteria are not required by referring to: (a) the survey conducted by the MCA that had shown that there exists a general level of satisfaction with respect to the availability of

²¹ Maltapost's current provision of public letterboxes has not changed much over the past couple of years with a total number of 468 letterboxes distributed throughout Malta and Gozo (421 in Malta and 47 in Gozo).

letterboxes; and to (b) the fact that newly built-up areas are regularly monitored by Maltapost to ensure that these zones benefit from adequate access to letterboxes. Maltapost also contends that it takes into consideration community related factors, and localities which are known to have large mail volumes.

Maltapost also questions the 'percentage of users or potential users parameter' linked with the distance related criteria. It argues that the data available to Maltapost only relates to household and business addresses and not to the number of people residing at each address thus making this parameter impossible to monitor.

Maltapost is of the opinion that it is evident that all localities have adequate access and external factors are taken into consideration. Maltapost therefore suggests that the status quo is maintained without having to refer to 'fixed distances'. In addition, Maltapost is of the opinion that the minimum number of letterboxes in a particular locality should be established according to thresholds based on population and area, distinguishing between densely populated areas and non-densely populated areas and taking into consideration the town/village centre and the separate residential clusters of the localities.

Maltapost agrees with the MCA that it should consult with the respective local council(s) when effecting changes to the public letterboxes and is available to discuss any requests made by local councils with regard to letterboxes.

2.2.2 MCA's position

The MCA believes that the need to establish minimum standards is important in order to ensure that Maltapost continues to provide an adequate level of service and to ensure that consumers can access universal postal services no matter where they live.

Maltapost, in the main, has proposed similar parameters to those established by the MCA apart from the MCA's views on the requirement for Maltapost to take into consideration the needs of users by including the maximum distance that anyone should have to travel to reach a letterbox.²²

With regard to the percentage of users or potential users in a particular locality that should be factored in when implementing the distance related criteria, the MCA is of the opinion that this additional criterion (i.e. based on the total number of persons living in a particular locality and not to particular areas surrounding letterboxes) would avoid the need for a public letterbox in very sparsely populated areas.

The MCA maintains its opinion that access criteria for public letterboxes should be based on the population density and distribution within the various localities throughout Malta and Gozo and include the maximum distance that anyone should have to travel to reach a letterbox based on a straight-line distance method.²³ The MCA is of the opinion that

²² As mentioned in the Consultation Document, in determining the maximum distance that one should have to travel to reach a letterbox the MCA took into consideration the distances adopted in other countries, the population density of each locality and the impact on the current letterbox network. As Malta is very densely populated, the distances adopted for rural areas in other jurisdictions were not given a strong weighting. The distances for densely populated areas need to be different from those of less densely populated areas to ensure that the number of access points is proportionate and sustainable.

²³ The maximum distance that one would have to travel to reach a particular letterbox is based on the straight-line distance method. It is recognised that the data to calculate the 'most accessible route' is not

sufficient and adequate tools are available to enable Maltapost to monitor this obligation without incurring additional costs.

While reiterating the fact that what is being proposed are only minimum standards, the MCA is of the view that the criteria proposed should help to ensure that there exists an adequate amount of letterboxes that are equitably distributed. In addition, the proposed minimum standards balance the needs of consumers with the necessary safeguards to ensure a proportionate and sustainable public letterbox network.

Decision 1 – Access to Public Letterboxes

- i. There should be a letterbox as near to each town or village centre as practical from which collection is made six (6) days a week (i.e. Monday to Saturday, excluding public holidays) to secure next day delivery nationwide.
- ii. In addition to the availability of letterboxes as described in (i) above, in localities where the population density is higher than the national average not less than 98% of users or potential users of postal services should be within 400 metres of a letterbox.
- iii. In addition to the availability of letterboxes as described in (i) above, in localities where the population density is lower than the national average not less than 98% of users or potential users should be within 800 metres of a letterbox.
- iv. The permanent closure or re-siting of existing letterboxes must follow the process depicted in **Decision 3** below.

The above parameters do not preclude Maltapost from the requirement to:

- i. provide additional public letterboxes, as may be required, to meet consumer needs (such as in the main commercial and tourist areas or where circumstances clearly justify such a requirement); and to
- ii. consult with the local council(s) concerned on the most appropriate distribution of public letterboxes in a particular locality.

The MCA expects that Maltapost's public network of letterboxes would be in line with the minimum accessibility parameters included in this Decision by not later than 1st January 2010.

2.3 Retail Counters

While letterboxes constitute one of the main access points for single piece mail, the USP's retail counters - i.e. branch post offices and sub-post offices (also referred to as

easily available and therefore straight-line distance measurements are used. It is to be noted that straight-line distance measurements do not take into account natural barriers in accessing postal services.

postal outlets) importance lies in the fact that they are the only access points for the following universal postal services: registered and insured mail, together with parcel post. Currently there are thirty-two (32) branch post offices and twenty-seven (27) sub-post offices (i.e. fifty-nine (59) postal outlets in total) throughout Malta and Gozo providing a basic counter service.

The 'basic counter service' provided by these postal outlets, as detailed in the Regulations, includes: the sale of stamps and postal stationery, posting and collection of bulk mail, posting and collection of postal articles including parcels, and the registration and insurance of postal articles.²⁴

The consultation document proposed the following minimum measures as meeting the requirements of the universal service within the meaning of the legislation and the consumer's right of access to the postal services:

- (a) Maltapost should guarantee, as a minimum, not less than fifty-nine (59) postal outlets providing access to an efficient and effective basic counter service (including, amongst others, appropriate queuing waiting times for access to such services) throughout Malta and Gozo in line with the current distribution of postal outlets i.e. in line with the demographic areas defined by Maltapost for operational purposes.
- (b) Postal outlets currently providing a basic counter service may only be permanently closed if another postal outlet providing access to such services is made available.
- (c) Maltapost should strive to provide a basic counter service in every locality throughout Malta and Gozo and as close to the town or village centre as practical.

Question 2 asked if the current provision and distribution of postal outlets providing access to a basic counter service is sufficient to meet the customers' current and future needs.

2.3.1 Summary of Respondents' Viewpoint

Maltapost is of the opinion that the current provision and distribution of postal outlets providing access to a basic counter service is adequate to meet consumers' current and future demand. Maltapost states that its policy is to provide each locality with a postal outlet and it seeks to contract sub-post offices in localities where it does not have its own branch post office. Maltapost also provides the service of a mobile post office which visits locations (a number of hours per week) where Maltapost's presence is low to ensure that the public enjoys access to a basic counter service.

Maltapost does not agree with the proposed minimum requirement of having fifty-nine (59) postal outlets providing basic counter services throughout Malta and Gozo. The main reason stated by Maltapost lies in the difficulty in finding entities able and willing to act as sub-post offices. Maltapost proposes that the minimum requirement should be set at forty-nine (49) postal outlets, eliminating ten (10) of the current postal outlets in localities which have more than one postal outlet. Maltapost feels that this would reflect

²⁴ Refer to Regulation 10 of the Regulations.

a presence in every locality where a basic counter service is currently provided. Maltapost also states that the MCA would still retain the authority to intervene in cases where it believes that Maltapost should be providing additional postal outlets to access the basic counter services.

Maltapost disagrees with the proposal that postal outlets currently providing a basic counter service may only be permanently closed if another postal outlet providing access to such services is made available. Maltapost states that it cannot be determined 'a priori that an outlet cannot be closed prior to finding an alternative. A postal outlet may need to be closed for reasons beyond Maltapost's control, particularly with sub-post offices.' However Maltapost agrees that it should do its utmost to replace any postal outlet which is permanently closed by another outlet.

2.3.2 MCA's position

The MCA has considered Maltapost's request to reduce the proposed minimum number of retail outlets that are required to provide basic counter services throughout Malta and Gozo.

Taking into consideration Maltapost's views, the MCA is of the opinion that the minimum number of fifty-nine (59) postal outlets proposed by the MCA is justified as this merely mirrors the current number of postal outlets providing basic counter services. Moreover, with respect to the arguments put forward by Maltapost that the number of postal outlets should be reduced to reflect the number of localities in which there is a postal outlet and not the total number of postal outlets currently provided, the MCA notes that localities that currently have more than one postal outlet are mainly areas which have a high commercial and/or touristic activity (e.g. Sliema, Mellieha, Valletta, Birkirkara and San Pawl il-Bahar) or where the size of the area would justify additional postal outlets (e.g. Sliema and Birkirkara). In addition, while there are localities which have more than one postal outlet, there are also a number of residential localities where there are no postal outlets. Therefore, the MCA does not see any justification in reducing the minimum number of postal outlets as proposed by Maltapost.

The MCA acknowledges the fact that postal outlets that are not operated by Maltapost may need to be permanently closed without prior notice due to various reasons beyond Maltapost's control. In such a situation Maltapost should do its utmost to make available, in the shortest time possible, another postal outlet providing access to such services including, amongst others, the interim provision of a mobile post office where the minimum access parameters are not satisfied (refer to **Section 2.5** below). In order to avert such a situation happening, Maltapost should implement certain measures including but not limited to ensuring that postal outlets offering basic counter services on contract with Maltapost (i.e. sub-post offices) abide by the minimum standards for protecting the integrity of mail²⁵ and that their contractual obligations allow for an appropriate notice period prior to closure.

²⁵ Refer to <http://www.mca.org.mt/infocentre/openarticle.asp?id=831&pref=16>.

Decision 2 – Access to Retail Counters

- i. Maltapost should guarantee, as a minimum, not less than fifty-nine (59) postal outlets providing access to an efficient and effective basic counter service (including, amongst others, appropriate queuing waiting times for access to such services)²⁶ throughout Malta and Gozo in line with the current distribution of postal outlets.²⁷
- ii. Maltapost should strive to provide a basic counter service in every locality throughout Malta and Gozo and as close to the town or village centre as practical.
- iii. The permanent closure or re-siting of existing postal outlets must follow the process depicted in **Decision 3** below.

Given that Maltapost is already abiding by the above-mentioned minimum parameters this decision formalises with immediate effect the existing arrangements.

2.4 Bulk Mail Facilities

The universal postal service includes the provision of bulk mail services.²⁸ Postal articles consisting of fifty (50) items or more of identical format and size²⁹ may be handed over at any retail counter during their respective opening hours to be delivered by Maltapost to the addressees indicated on the postal articles themselves.³⁰

When the amount of letters to be posted is substantial, posting of these items is generally effected at the Bulk Mail Section located in the Maltapost's Head Office building at Marsa. Maltapost's Bulk Mail Section provides additional and better facilities (such as appropriate parking facilities) for the posting of a significant amount of bulk mail items and is open between 8:00am – 3:30pm from Monday to Friday.³¹

Bulk mail is essential for the effective functioning of business and commerce in Malta. It is therefore important that access to the bulk mail service is sufficient to meet the needs of the users. As there exists a general level of satisfaction with Maltapost's bulk mail service, access to bulk mail services is available via all postal outlets, and appropriate facilities are available at Maltapost's Bulk Mail Section to cater for large volumes of bulk mail, the MCA expressed its opinion that no further provisions need to be proposed in this area.

²⁶ The MCA notes that Maltapost plans to provide additional services which do not form part of the universal postal services (i.e. basic counter services). The MCA will monitor the provision of Maltapost's access to the basic counter services, including amongst others, queuing waiting times, as necessary.

²⁷ In line with the twenty-eight (28) demographic areas as defined by Maltapost for operational purposes (Refer to Appendix B of the Consultation Document).

²⁸ Maltapost only offers one type of bulk mail (including direct mail) service subject to next day delivery. Deferred bulk mail delivery services are at present not offered by Maltapost.

²⁹ Bulk mail (including direct mail) consists of fifty (50) or more similar items and not one-hundred (100) as stated in the Consultation Document.

³⁰ Refer to <http://www.maltapost.com/page.asp?p=7089&l=1>.

³¹ Maltapost's Bulk Mail Section opening hours are from 8:00am – 3:30 pm and not to 4:00 pm as stated in the Consultation Document.

Question 3 asked if the current provision for access to the bulk mail service is sufficient to meet the needs of users.

2.4.1 Summary of Respondents' viewpoint

Maltapost agrees with the MCA that access to the bulk mail service is adequate and sufficient and that no changes need to be effected.

2.4.2 MCA's position

The MCA is of the opinion that there exists a general level of satisfaction with the current provision of access to Maltapost's bulk mail services. The MCA is of the opinion that no further provisions need to be proposed in this area. The MCA will however keep under review the provision of this service.

2.5 Procedure for the Closure or Re-Siting of Existing Access Points

In the consultation document and in line with Maltapost's licence the MCA proposed the principles and procedures to be followed by Maltapost for the permanent closure or re-siting of existing access points or the establishment of new access points.

The MCA felt that such principles and procedures are necessary to: ensure that standards are maintained, that there exists sufficient reasons to justify the closure or re-siting of existing access points, and that any closure or movement takes account of the current and future needs of customers.

The MCA proposed that prior to the permanent closure or re-siting of a particular access point Maltapost must, at least four (4) weeks in advance, inform the MCA of its intention to permanently close or re-site any existing access point together with:

- the reasons why a particular access point is to be closed or re-sited;
- evidence that the access parameters established for that particular access point are satisfied;
- evidence that it has consulted adequately with the local council(s) concerned on the matter with respect to, amongst others, the most appropriate distribution of the access point(s);³²
- justification that customers will still have access to meet their needs (such as users in the main residential, commercial and tourist areas); and
- evidence that it has consulted with the Malta Environment and Planning Authority (MEPA) with respect to environmental or planning issues.

³² Particularly in those localities where the population density is lower than the national average and/or when a particular locality faces specific circumstances that need to be considered.

The MCA also expressed its view that should a particular local council disagree with the closure or re-siting of a particular access point, Maltapost may refer the matter to the MCA. In such a case the access point in question must remain open and Maltapost must continue to provide the same level of service until all conditions related to the closure or re-siting of that particular access point are fulfilled. The MCA will examine the facts and any representations placed, together with any other information as may be required, and determine whether the removal or re-siting of a postal access point is justified, stating its reasons. This is without prejudice to the need for Maltapost to comply with any reasonable conditions prescribed by any authority having jurisdiction over the road, street or public place as the case may be.

Moreover the MCA proposed that Maltapost must provide adequate notice to the general public of any closure or re-siting of a particular access point and appropriately communicate such a change to the public. In addition, Maltapost must also affix adequate information prior to the closure or re-siting of a particular access point advising the public about such changes and any alternative arrangements.

In line with the Regulations³³ and Maltapost's licence the MCA may request Maltapost to establish a new access point in consultation with Maltapost, users of the service and other stakeholders, as necessary, if consumers do not have appropriate access to postal services to meet their needs.³⁴ In addition, as stated in Maltapost's licence, access points must be readily accessible to disabled customers.

Question 4 asked if the procedure on the permanent closure or re-siting of an existing access point should be as proposed by the MCA.

2.5.1 Summary of Respondents' viewpoint

In its submission Maltapost expresses its opinion that the proposed process for the closure or re-siting of existing access points should not apply for postal outlets. It in fact highlights that with respect to postal outlets there is no need to consult with MEPA and the local council concerned as there exists an important element of business interest that needs to be considered.

Maltapost also states that it agrees that the MCA should be informed in advance regarding the closure or re-siting of letterboxes but this should only relate to letterboxes and not to other access points. Maltapost also suggests that when a letterbox is relocated within the same street the above mentioned requirements should not suffice.

MEPA comments that in 2007 it had scheduled 159 out of the 468 letterboxes in Malta and Gozo as these were considered to be a historical heritage³⁵.

³³ Regulation 12 of the regulations states that the Authority may by directive require the universal service provider to establish post offices at such premises and from such dates as it may determine so as to ensure a basic counter service throughout Malta.

³⁴ Refer to Maltapost's licence obligations – Legal Notice 500 of 2004 Regulation 17.4.

³⁵ According to article 46 (1) of the Development Planning Act the Malta Environment and Planning Authority: "shall prepare, and from time to time review, a list of areas, buildings, structures and remains of geological, paleontological, cultural, archaeological, architectural, historical, antiquarian, or artistic or landscape importance, as well as areas of natural beauty, ecological or scientific value (hereinafter referred to as

2.5.2 MCA's position

The MCA is of the opinion that the proposed process regarding the permanent closure or re-siting of a particular access point³⁶ should be applied by Maltapost to all access points i.e. letterboxes and postal outlets providing basic counter services. Limiting the measure to public letterboxes would reduce the significance of postal outlets as access points. In fact it must be taken into consideration that, as mentioned above, retail outlets offering basic counter services are the only access points for insured and registered items together with parcels. They are also an important access point for bulk mail.

With respect to the issues raised by Maltapost, the MCA acknowledges the fact that in the case of the closure of a postal outlet consultation with MEPA is not needed. However, re-siting is similar to the opening of a new postal outlet. In this case the necessary permits with MEPA should be in place. Moreover, there are certain elements like physical accessibility for disabled persons which should be factored in before the opening of any postal outlet, and which would need to be sanctioned by MEPA. The MCA is of the opinion that consultation with the local councils prior to closure or re-siting of a postal outlet is also another important element of the process.

The MCA acknowledges that the four (4) week notice period would be difficult to apply in the case of a postal outlet being operated by a third party on behalf of Maltapost which needs to be closed down without prior notice due to reasons beyond the control of Maltapost. In this case however Maltapost would need to immediately inform the MCA, provide evidence of such an occurrence and do its utmost to make available in the shortest time possible another postal outlet providing access to such services including, amongst others, the interim provision of a mobile post office.

Decision 3 – Permanent Closure or Re-siting of existing access points

Prior to the permanent closure or re-siting of a particular access point Maltapost must, at least four (4) weeks in advance, inform the MCA of its intention to permanently close or re-site any existing access point together with:

- the reasons why a particular access point is to be closed or re-sited;
- evidence that the access parameters established for that particular access point are satisfied;

"scheduled property") which are to be scheduled for conservation and may in respect of all or any one or more of the scheduled property make conservation orders to regulate their conservation". Furthermore, sub-article (3) states that the: "The carrying on of any work in, and the demolition, alteration or extension of, any scheduled property is prohibited or restricted as provided in this article or in a conservation order".

³⁶ It is noted that in the case of temporary closure of any access point Maltapost is required to be abide by the MCA's Directive 1 of 2006 which set out the procedure that Maltapost must follow in effecting changes in relation to the days and/or times of any access point.

- evidence that it has consulted adequately with the local council(s) concerned on the matter with respect to, amongst others, the most appropriate distribution of the access point(s);³⁷
- justification that customers will still have access to meet their needs (such as users in the main residential, commercial and tourist areas); and
- evidence that it has consulted with the Malta Environment and Planning Authority (MEPA) with respect to environmental or planning issues.³⁸

Should a particular local council disagree with the closure or re-siting of a particular access point, Maltapost may refer the matter to the MCA. The MCA will then examine the facts and any representations placed, together with any other information as may be required, and determine whether the removal or re-siting of a postal access point is justified, stating its reasons. This is without prejudice to the need for Maltapost to comply with any reasonable conditions prescribed by any authority having jurisdiction over the road, street or public place as the case may be. It is noted that the access point in question must remain open and Maltapost must continue to provide the same level of service until the MCA has determined whether the removal or re-siting of a postal access point is justified.

The four (4) week period stated above would not apply in the event that a postal outlet that is operated by a third party under contract with Maltapost needs to be permanently closed due to reasons beyond the control of Maltapost. Maltapost would however need to immediately inform the MCA, provide evidence of such an occurrence and do its utmost to make available, in the shortest time possible, another postal outlet providing access to such services including, amongst others, the interim provision of a mobile post office where the minimum access parameters are not satisfied.

Maltapost must provide adequate notice to the general public of any closure or re-siting of a particular access point and appropriately communicate such a change to the public. In addition, Maltapost must also affix adequate information prior to the closure or re-siting of a particular access point advising the public about such changes and any alternative arrangements.

The MCA may request Maltapost to establish any new access point in consultation with Maltapost, users of the service and other stakeholders, as necessary, if consumers do not have appropriate postal access services to meet their needs.³⁹ In addition, as stated in Maltapost's licence, access points must be readily accessible to disabled customers.

The above procedure for the permanent closure or re-siting of existing access points included in this decision is deemed effective immediately.

³⁷ Particularly in those localities where the population density is lower than the national average and/or when a particular locality faces specific circumstances that need to be considered.

³⁸ Maltapost should also consult with MEPA regarding those letterboxes situated within sensitive areas such as Urban Conservation Areas and it must be ensured that permits are in place, as necessary, prior to permanently close or re-site a particular access point.

³⁹ Refer to Maltapost's licence obligations – Legal Notice 500 of 2004 Regulation 17.4.

2.6 Facility to Buy Postage stamps

An appropriate distribution of facilities to buy postage stamps is important to improve the accessibility to public letterboxes. The Regulations state that the USP must ensure that, where feasible, there is available a facility to buy postage stamps⁴⁰ in the vicinity of every letterbox.⁴¹

In its consultation document the MCA proposed to define the term 'vicinity' mentioned in the Regulations as being within a 100 metres radius of the nearest retail outlet to the letterbox, which need not be a postal outlet (i.e. post office/sub post office) and may be automated.⁴² The diagram below further clarifies the proposal put forward by the MCA.

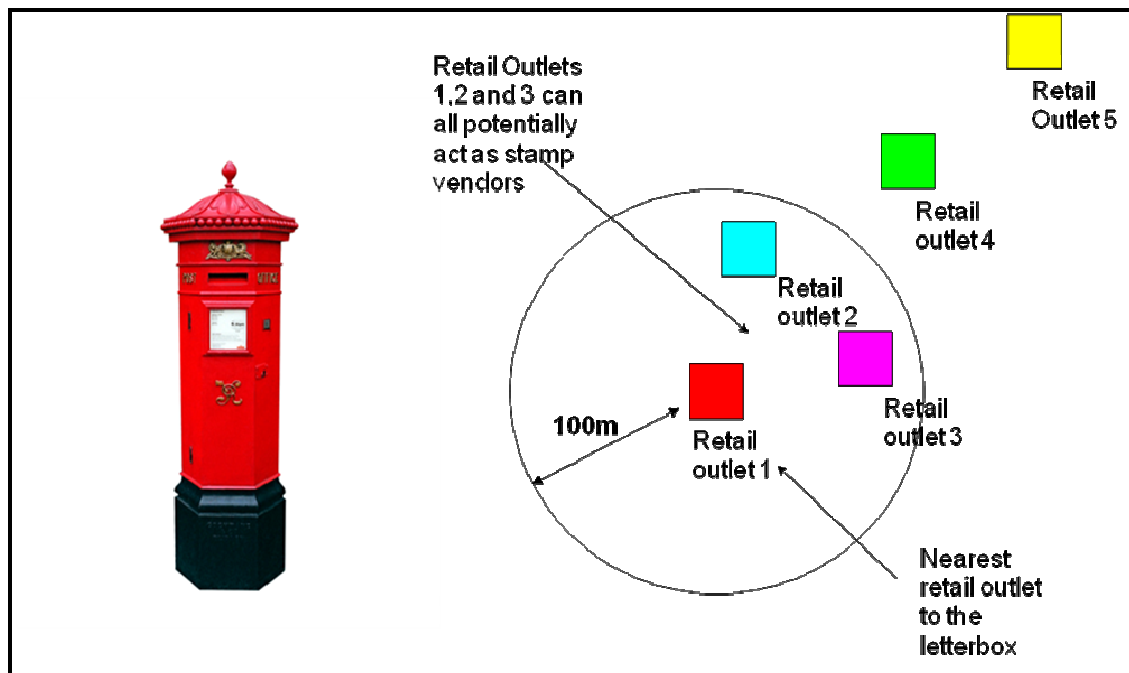


Diagram 1: Graphical indication of the MCA's proposal to define the term 'vicinity' as found in the Regulations.

Question 5 asked if the term 'vicinity' should be defined as being within a 100 metres radius of the nearest retail outlet to the letterbox, which need not be a post office/sub post office and may be automated.

⁴⁰ Appropriate to the rates for mail in standard envelopes.

⁴¹ Refer to Regulation 9 of the Regulations.

⁴² A facility where postage stamps are sold does not necessarily entail a physical retail outlet but could also be an automatic stamp vending machine.

2.6.1 Summary of Respondents' viewpoint

In its submission Maltapost comments that it "does not endorse the suggestion to tie a 100m distance with the term 'vicinity', as this may not necessarily be logical and applicable to all cases. For instance, a number of letterboxes are found in areas that are far removed from premises that can act as stamp vendors. It is also the case that not all retail outlets would accept to act as stamp vendors, and Maltapost plc would have to resort to others which may not necessarily fall within the parameters of this criterion. In addition, the '100m' criterion may be too strict a distance, particularly in low volume mailing areas. An application of this '100m' criterion would require the relocation of several letterboxes, bringing about an unnecessary cost to Maltapost plc, and creating a serious inconvenience to the public which is accustomed to their location."

Maltapost also comments that it continuously strives to locate commercial outlets to act as stamp vendors, particularly in areas where it has a low presence.

2.6.2 MCA's position

With respect to the facility to purchase postage stamps the Regulations state that the USP shall ensure that, *where feasible*, there is available a facility to buy postage stamps in the vicinity of every letterbox (Regulation 9). It also states that there must be sufficient stock of postage stamps to satisfy the needs of each locality and that the 'Authority may, in particular to ensure the availability of postage stamps and postage stationary in any given locality, issue any such directives it considers appropriate to ensure that the USP abides with its obligations under this regulation.'

Considering also the fact that the MCA's proposal only aims to define the term 'vicinity' found in the Regulations as being 'within a 100 metres radius of the nearest retail outlet to the letterbox' and the fact that the Regulations state that it is only 'where feasible' that there should be available a facility to buy postage in the vicinity of every letterbox, the MCA feels that this standard should not put an extra onus on Maltapost.

Moreover, it is noted that the order of importance as provided in the consultation gives priority to postal access points. This implies that the location of access points is not subservient to the location of a retail outlet selling stamps but vice versa. Consequently, the introduction of this definition should not in any way imply the need for the relocation of a letterbox. Furthermore, the 100 metres radius is related to the nearest retail outlet to the letterbox and not to the letterbox itself. This would not therefore in any way imply the relocation of letterboxes.

It must also be noted that the proposal as put forward by the MCA does not necessarily imply that stamps should be sold only from retail outlets but that these could also be sold from automatic vending machines.

Decision 4 - Facilities to Buy Postage Stamps

The term 'vicinity' as mentioned in the Regulations⁴³ should be defined as being within a 100 metres radius of the nearest retail outlet to the letterbox, which need not be a postal outlet (i.e. post office/sub post office) and may be automated.⁴⁴

Maltapost should ensure that its current network of stamp vendors satisfies where feasible the parameters included in this decision by not later than 1st January 2010.

2.7 Frequency and Timing of Collections

In line with the obligation to guarantee daily delivery, daily collections of postal articles from letterboxes (including other collection points such as postal outlets according to the respective closing times) take place at 19:00 hrs from Monday to Friday and at 15:00 hrs on Saturday.

As mentioned in the consultation document Maltapost operates an electronic logging system that monitors and audits the operations involved in the collection of mail. Maltapost has installed this system with a view to ensuring that mail is collected from all collection points in a timely manner to allow time for sorting the mail collected, thereby securing next day delivery to the level required by the mandated quality of service standards. The frequency and timing of collections are complementary aspects to the issue of the accessibility to universal services as the daily collection of postal articles from letterboxes and postal outlets ensures that mail items are delivered on a daily basis and that the quality of service targets are fulfilled.

In its consultation document the MCA highlighted its opinion that no changes need to be effected to the frequency and timing of collections from letterboxes as the majority of households and small businesses are satisfied with the present arrangements and enough time is available for Maltapost to carry out the necessary sorting of mail to secure next day delivery.

The MCA also expressed its opinion that Maltapost has an adequate system in place to monitor the latest collection time from letterboxes (and other collection points) to ensure next-day delivery. It only proposed that should issues arise with the QoS of mail and/or any complaints from the users of the service, the MCA may request information from Maltapost regarding variations, if any, from the official collection time and the reason for these variations. This would further assist the MCA in monitoring Maltapost's QoS obligations.

⁴³ Refer to Regulation 9 of the Regulations.

⁴⁴ A facility where postage stamps are sold does not necessarily entail a physical retail outlet but could also be an automatic stamp vending machine.

Question 6 asked if changes are required to the current collection time from street letterboxes to ensure next day delivery.

2.7.1 Summary of Respondents' viewpoint

Maltapost agrees that no changes are required since the current system is satisfactory. They also highlight that any changes to the times of collection and delivery would require a re-engineering of Maltapost's whole system of operations.

2.7.2 MCA's position

The MCA is of the opinion that no changes are needed to the frequency and timing of collections. However, as already highlighted in the consultation the MCA reserves the right to request data from Maltapost's electronic logging system which monitors the time at which post is collected from letterboxes, should any issues arise with the QoS of mail and/or any complaints are received from the users of the service.

Decision 5 - Frequency and Timing of Collections

The MCA may request information from Maltapost regarding any variations from the official collection time and the reason for these variations should issues with the QoS of mail and/or any complaints from the users of the service occur.

This Decision is deemed to be effective immediately.

3. Guarantee of Daily Delivery

3.1 Summary of Consultation Issue

Collection and delivery form the basis of the universal postal service, as they are essential for the USP to secure its daily delivery obligation. The consultation document discussed Maltapost's obligation with respect to the guarantee of the daily delivery of postal articles to addressees. Currently Maltapost delivers to each addressee⁴⁵ and performs at least one collection from each current access point on each working day. This is in line with the Postal Services Act⁴⁶ and the obligations under its licence⁴⁷. Special delivery arrangements are in place for bulky packets, parcels and registered items.

In the consultation document the MCA expressed its opinion that due to the high level of satisfaction gauged by the customer perception survey and the fact that the conflicting demands of different groups of customers make it impossible to specify an acceptable delivery span that has to be achieved in all cases, there was no reason to change the current delivery arrangements. The same can be said for the fact that the USP delivers mail on each working day (i.e. six days a week).

Question 7 asked if the current delivery arrangements should be left as they are.

3.1.1 Summary of Respondents' viewpoint

In its submission Maltapost agrees with the MCA's opinion that the current arrangements with respect to guaranteeing daily delivery of mail are adequate.

3.1.2 MCA's position

The MCA reiterates its position that the present arrangements with respect to the guarantee of daily delivery are deemed adequate and no further changes are warranted in this area.

⁴⁵ All postal items, except bulky packets and parcels, are delivered daily throughout Malta and Gozo between 09:00hrs to 14:00hrs. Bulky packets and parcels are delivered daily between 07:00hrs and 19:00hrs (delivery may continue for longer periods depending on the daily volume of work).

⁴⁶ Article 17(4)

⁴⁷ Regulation 17.1 of Maltapost's licence.

4. Publication of Information

4.1 Summary of Consultation Issue

Maltapost currently provides information on universal postal services through the following channels of communication and publications:

- Maltapost's customer care office and retail counters;
- A booklet entitled 'Committed to Deliver' that is available for reference at all of Maltapost's retail counters and is also available on Maltapost's website;⁴⁸
- Maltapost's website - www.maltapost.com;
- Press releases through which Maltapost informs the public on the temporary closure and re-opening of its access facilities and change in working hours as specified in the MCA's Decision 1 of 2006;
- A quarterly newsletter delivered to every household in Malta and Gozo;
- Postal Service Schemes that contain information and conditions on postal services on offer;⁴⁹
- Advertisements on local newspapers, television and radio stations;
- Plates found on Maltapost's public letterboxes indicating the days when mail is collected and the last collection time, the Customer Care Help Line, the Code Number of that particular street letterbox, and advice to the public that postal articles containing valuables must be sent by registered post.

Notwithstanding the fact that a general level of satisfaction was registered with respect to the information provided by Maltapost about the universal postal services and the fact that Maltapost is already, in the main, fulfilling its obligations in a number of areas, the MCA is of the opinion that the provisions found in the legislation still need to be delineated in further detail in order to safeguard the universal postal service. In the consultation document the MCA made proposals in those areas where it felt that Maltapost can register further improvements in the provision of information.

The consultation document addressed Maltapost's obligation, as the USP, to provide users with regular, detailed and up to date information about the universal postal service. The MCA therefore made proposals on the information that should be provided and the media that should be used. Special emphasis was given on information related to postal service schemes, access points and post codes. The current information provided by the USP was also examined and areas for improvement suggested. Certain

⁴⁸ This booklet contains information on the: release and delivery of incoming parcels, service agreements, registering of 'high risk' items, advice and information on packaging and posting, compensation and how this should be claimed, compensation for loss, damage, delay or failure to achieve set standards, how to lodge an enquiry / complaint, categories of complaints, Maltapost's commitment to address these complaints, and other forms of redress.

⁴⁹ Refer to Maltapost's Postal Service Schemes - <http://www.maltapost.com/page.asp?p=9472&l=1>.

proposals were also made with the purpose of articulating in further detail certain obligations that are found in the legislation.

4.2 The Provision of Information on the Universal Postal Services

The MCA's Decision Notice on Maltapost's Quality of Service (QoS) Requirements published in 2005 established that QoS information should be made available:

- at the point of posting;
- by way of notice at all post offices;
- in written form at all post offices for subsequent reference at home or business premises;
- in written form at selected post offices, or on request by post, for subsequent reference at home or business premises;
- over the internet;
- through advertising media; and
- in the Company's annual report.⁵⁰

In the consultation document the MCA proposed that the same locations and media mentioned above should be used for the provision of information related to all elements of the universal postal service (such as information on prices, the location of all its access points, the times of opening and closing of each of its post offices / sub-post offices, the times of collection from access points and the times of delivery of postal items).⁵¹

Question 8 asked if the same publication of information requirements for QoS standards should be extended to all elements of the universal service area.

4.2.1 Summary of Respondents' viewpoint

In its submission Maltapost expresses its view that not all the information relating to universal postal services should necessarily be required to be available at all points mentioned in the consultation document, the main reason given being that it would be impractical to do so.

Maltapost also highlights that the current arrangements are adequate and that no further direction is required. It supports its position by the fact that from the survey

⁵⁰ MCA (2005), Maltapost plc – Quality of Service Requirements Decision Notice, Page 25: <http://www.mca.org.mt/infocentre/openarticle.asp?id=667&pref=18>.

⁵¹ Refer to Regulation 42 of the Regulations.

commissioned by the MCA it transpired that in the main, customers are satisfied with the information provided by the USP.

4.2.2 MCA's position

In the reasoning behind its proposals the MCA clearly indicated that while it is of the opinion that Maltapost is already in the main fulfilling its obligations in a number of areas, it was also of the opinion that the provisions found in the legislation still need to be delineated in further detail in order to safeguard the universal postal services.

The legislation already states what should be published. However, it does not elaborate on the way the information on universal postal services should be published. The MCA's proposals were being made with the intent of filling this vacuum. The underlying premise however, is that it is useless to have these universal postal services when the consumer is not properly informed about them. It was therefore proposed that the location at which information should be made available, and the media through which it should be made available, should be the same as those highlighted in its Decision Notice on Maltapost's Quality of Service Requirement published in 2005.⁵²

Subject to Maltapost's submission the only point where the MCA feels requires clarification relates to the information that should be provided at the point of posting (specifically with respect to letterboxes). The MCA is conscious of the fact that the information currently being provided by Maltapost on the plates of its letterboxes i.e. the days when mail is collected and the last collection time, the Customer Care helpline, the Code Number of that particular street letterbox, and advice to the public that postal articles containing valuables must be sent by registered post, are sufficient.

Decision 6 - Provision of Information on the Universal Postal Services

The following locations and media should be used for the provision of information related to all elements of the universal postal service (such as information on prices, the location of all its access points, the times of opening and closing of each of its post offices / sub-post offices, the times of collection from access points and the times of delivery of postal items):

- at the point of posting;
- by way of notice at all post offices;
- in written form at all post offices for subsequent reference at home or business premises;
- in written form at selected post offices, or on request by post, for subsequent reference at home or business premises;

⁵² Refer to <http://www.mca.org.mt/infocentre/openarticle.asp?id=667&pref=16>

- over the Internet (Company's website etc.);
- through advertising media; and
- in the Company's annual report.

The information currently being provided on the plates of its letterboxes i.e. the days when mail is collected and the last collection time, the Customer Care helpline, the Code Number of that particular street letterbox, and advice to the public that postal articles containing valuables must be sent by registered post, should remain.

The implementation of this Decision should be completed by not later than 1st March 2009.

4.3 Postal Service Schemes

Postal service schemes regulate the commercial relationship between the USP and the customer. In fact the USP's products or services have the charges, terms and conditions detailed within these 'schemes' that are regulated under the Regulations.⁵³ Under these Regulations a scheme made in accordance with the Regulations shall portray the:

- charges which are to be imposed in respect of the postal services concerned;
- other terms and conditions which are to be applicable to the postal services concerned; and the
- procedures for dealing with the complaints of persons who use the postal services concerned, including the compensation that may be awarded accordingly.⁵⁴

In the consultation document the MCA proposed the manner in which a postal service scheme should be published, and essentially that it should:

- be available in both Maltese and English;
- be clear and easily understood and have clear and unambiguous provisions (complete, consistent, clear and concise);
- include all the information needed by a customer to make an intelligent decision to purchase and use the service (or product) needed without any other assistance; and
- follow a format that makes sense and appeal to the broadest cross-section of readers.

⁵³ Regulation 43 (5) of the Regulations states that: any obligations undertaken by the universal service provider made in accordance with this regulation shall bind the universal service provider as if such obligations form part of the terms and conditions of a contract at law, and may be enforced against the universal service provider accordingly.

⁵⁴ Refer Regulation 43(2) of the Regulations.

The MCA also proposed that a postal service scheme should be available:

- in written form at all post offices for subsequent reference at home or business premises;
- in written form at selected post offices, or on request by post, for subsequent reference at home or business premises;
- over the internet; and
- through advertising media such as for example the USP's quarterly newsletter.

It was also proposed that Maltapost must submit to the MCA on an annual basis and not later than twenty (20) working days from the end of each financial year, a list of all current postal service schemes together with a link to the web address depicting the scheme and a summary of any significant changes and/or amendments carried out during the year.

Question 9 asked if there exists agreement with the criteria that have been included for the publishing of postal service schemes.

Question 10 asked whether besides the criteria listed, the MCA should establish a more precise format for the publishing of postal service schemes.

Question 11 asked if there exists agreement with the instruments that have been listed for the publishing of postal service schemes.

4.3.1 Summary of Respondents' viewpoint

With respect to the criteria that should be included for the publishing of postal service schemes Maltapost comments that it 'largely agrees with the criteria laid down by the MCA. However, it is suggested that schemes are made available to customers in the quarterly newsletter in a summarised format. We are convinced that the remaining options are sufficient for customer information on Maltapost p.l.c. services.'

With respect to whether the MCA should establish a more precise format for the publishing of postal service schemes, Maltapost comments that: 'given the variety of services offered by MaltaPost, it is very difficult – if not impossible – to establish a fixed format applicable to all schemes. We find that the current skeletal requirements of having sections referring to charges, terms and conditions and procedures for dealing with inquiries and complaints are sufficient.'

4.3.2 MCA's position

The MCA agrees with Maltapost that the details that should be included in the quarterly newsletter and on any advertising media should portray the main highlights of the postal service scheme. Consequently, a link to the web address and information on where further information would be provided, could be given.

The MCA is still of the opinion that the proposed instruments on how a postal service scheme should be published and the media that should be used should remain the same as those proposed in the consultation document.

As regards the comments made by Maltapost on the format that should be followed, it must be highlighted that in the consultation document the MCA did not establish a precise format but merely basic guidelines besides the outline already established by law. So, while the MCA is in agreement that a more precise format should not be established at this stage it is also of the opinion that the guidelines proposed in the consultation should be followed in all instances and should also act as criteria by which the MCA judges the validity of particular schemes submitted for its review.

Decision 7 - Postal Service Schemes

Postal Service Schemes which regulate the commercial relationship between the USP and the customer should be published in the following way:

- be available in both Maltese and English;
- be clear and easily understood and have clear and unambiguous provisions (complete, consistent, clear and concise);
- include all the information needed by a customer to make an intelligent decision to purchase and use the service (or product) needed without any other assistance; and
- follow a format that makes sense and appeals to the broadest cross-section of readers.

A postal service scheme should also be available through the following media:

- in written form at all post offices for subsequent reference at home or business premises;
- in written form at selected post offices or on request by post, for subsequent reference at home or business premises;
- over the internet.

It should also be available in a summarised format on other:

- advertising media such as for example the USP's quarterly newsletter

Maltapost must submit to the MCA on an annual basis and not later than twenty (20) working days from the end of each financial year, a list of all current postal service schemes together with a link to the web address depicting the scheme and a summary of any significant changes and/or amendments carried out during the year.

The implementation of this Decision is to be completed by not later than 1st March 2009.

4.4 Access Points

Maltapost already provides facilities on its website to search for information regarding its postal access points such as searching for the nearest letterbox and USP post office. In the consultation document the MCA proposed that similar facilities should also be provided to allow users to search for the nearest stamp vendor and sub-post office. In addition, the MCA proposed that besides giving information on the address of a particular access point, all postal access points should be geographically mapped out and appropriately displayed on Maltapost's website and in postal outlets. Moreover, the MCA asked whether there was any other information which Maltapost may be required to publish with respect to access to universal postal services.

Question 12 asked if you agree with the measures proposed with respect to the information to be provided on access points.

Question 13 asked if there is any other information, which Maltapost may be required to publish with respect to access to universal services.

4.4.1 Summary of Respondents' viewpoint

With respect to the MCA's proposals Maltapost comments that it 'agrees that it should include information on its website with regards to its sub-post offices and stamp vendors'. Maltapost however finds objection to mapping these outlets on its website. This is a very onerous obligation and in order to provide precise information, the map would have to be updated regularly. This would significantly raise the cost of providing the postal services.'

As regards the question put forward by the MCA to see what further information should be published Maltapost comments that the information currently published is sufficient. It also highlights that 'it is better to publish essential information for customers, as publishing excessive information may actually reduce access to the data. Furthermore, current and additional information is published in the quarterly newsletter (presently delivered as a centrefold in the magazine 'U've got mail' which is distributed to every household).'

4.4.2 MCA's position

The MCA feels that given the current available technology it should not be difficult for Maltapost to provide a map indicating the location of postal access points without requiring the need to increase costs. The MCA also wants to clarify that the mapping of 'postal access points' as proposed in the consultation document did not include in any way stamp vendors as these may not necessarily be postal access points. This is for example the case of a bookshop whose only postal product would consist of the selling of postage stamps. Consequently this would mean that a stamp vendor would have to be geographically mapped only when it constitutes also a postal access point.

The MCA also feels that the proposals put forward should be implemented as lack of information on access points is equivalent to lack of accessibility as the consumer may not be aware of the access points found in the vicinity.

Decision 8 – Provision of Information Regarding Access Points

Besides the facilities already provided on its website to search for information regarding its postal access points such as letterboxes and the USP post offices, Maltapost should also make available to consumers similar facilities to allow users to search for the nearest stamp vendor and sub-post office. Maltapost should also provide a map on its website indicating the location of all postal access points (i.e. letterboxes and postal outlets).

The implementation of the Decision is to be completed by not later than 1st March 2009.

4.5 Information on Post Codes

Postcodes are important not only to ensure that the postal item can be delivered to the person for which it is intended, but also in ensuring the quality of service in terms of timely delivery. This is because as a unique, universal identifier, it unambiguously identifies the addressee's locality and assists in the transmission and sorting of mail items. Due to the introduction of a new post code system Maltapost made various efforts to advertise these new post codes.

In the consultation document the MCA had expressed its view that the current provision of information with respect to post codes is adequate to meet consumer needs.

Question 14 asked if the current provision of information with respect to postcodes is adequate to meet consumer needs.

4.5.1 Summary of Respondents' viewpoint

Maltapost concurs with the MCA's opinion that the current provision of information with regards to postcodes is adequate to meet consumer needs.

4.5.2 MCA's position

The MCA agrees that the current provision of information is adequate and no further measures are needed. However, Maltapost should, in line with the Regulations and on an annual basis provide the MCA with an updated list of postcodes and that this shall be published in a manner that ensures reasonable publicity.

4.6 Additional Information

Question 15 asked if there is any other information that Maltapost should be required to publish in respect of the Universal Service.

In the consultation document the MCA also expressed its view that it would be interested to receive the views of interested parties as to whether Maltapost should be required to publish any other information about the universal service. No replies to this question were forthcoming.

5. Conclusion

The MCA is of the opinion that this Decision addresses the rights of the consumer with respect to access to services, the guarantee of daily delivery and the publication of information of what is on offer and will continue to ensure the availability of a high quality universal postal service.

The MCA is conscious of the fact that the Maltese public has always been accustomed to an adequate network of access points to cater for its needs. Therefore, the MCA's intention is to ensure that, as far as possible, existing standards are maintained, while providing Maltapost the necessary leeway to rationalise its network of access points to reflect current requirements.

This Decision will be reviewed from time to time as the exigencies of consumers and regulatory obligations may demand. Moreover, the MCA will also monitor the timeframes indicated in the respective Decisions to ensure that these are properly and timely implemented.

Appendix A – Legislative Background

Access to Universal Postal Services

The Act defines 'access points' as physical facilities, including letterboxes⁵⁵ provided for the public either on streets, public ways or at the premises of the postal operator, where postal articles may be deposited with the public postal network by customers.

In relation to post offices,⁵⁶ the Regulations state that the 'Authority may by directive require the USP to establish post offices at such premises and from such dates as it may determine so as to ensure a basic counter service throughout Malta'.⁵⁷

The 'basic counter service' as detailed in the Regulations should include: the sale of stamps and postal stationery; posting and collection of bulk mail; posting and collection of postal articles including parcels; registration and insurance of postal articles; and any other service as the MCA may from time to time by directive require the USP to provide.⁵⁸

As stated in Maltapost's licence, Maltapost may only close or move access points in agreement with the MCA, which may also make provision for the opening of new access points. The MCA must also make provisions for the principles and procedures to be followed by Maltapost with respect to the closure or movement of existing access points or the establishment of new access points. Such principles and procedures must be established in consultation with Maltapost, the users of the service and other stakeholders as necessary.⁵⁹ In addition, without prejudice to any law regulating planning development, access points shall be readily accessible to disabled customers.

In April 2006 the MCA published its Directive 1 of 2006⁶⁰ which set out the procedure that Maltapost must follow in effecting changes in relation to the days and/or times of opening of any post office,⁶¹ and/or changes to the days of delivery and/or of collection of postal articles.⁶² In line with this Directive, when Maltapost needs to change the days and/or times of a service, it must submit a formal request to the MCA. Such a request must be done at least twenty (20) days before the day when Maltapost proposes to implement the requested change in the provision of the service. In submitting this request Maltapost must provide sufficient reason to justify the need to resort to such a

⁵⁵ 'Letterbox' includes every pillar box, wall box, and every other box or receptacle provided under the permission of the Authority for the purpose of receiving postal articles.

⁵⁶ 'Post office' includes any branch or subdivision of a postal operator, and any house, building, room, vehicle, place or device used for the purposes of the postal operator, and any letterbox.

⁵⁷ Refer to Regulation 12 of the Regulations. This obligation is also set out in Maltapost's licence whereby Maltapost is required to provide a basic counter service throughout Malta to enable access to universal services - Refer to Maltapost Plc Licence (Modification) Regulations, Regulation 3 par. 17.1(e).

⁵⁸ Refer to Regulation 10 of the Regulations.

⁵⁹ Refer to Maltapost's licence obligations – Legal Notice 500 of 2004 Regulation 17.4.

⁶⁰ Refer to <http://www.mca.org.mt/filesystem/pushfile.asp?id=804&source=3&pin=>.

⁶¹ This includes Maltapost's post offices and sub post offices run or operating for or on behalf of the USP with respect to the provision of a basic counter services, and letterboxes.

⁶² Article 39 of the Act gives the MCA the power to establish the core hours during which post offices must be open to the public.

change and provide the MCA with such contingency plans as are necessary in order to minimise, as far as is reasonably possible, any inconvenience to the public. This Directive also sets the timeframes and the type of media that must be used to inform the public of such changes.

With respect to the facility to purchase postage stamps the Regulations state that the USP shall ensure that, where feasible, there is available a facility to buy postage stamps in the *vicinity* of every letterbox.⁶³ It also states that there must be sufficient stock of postage stamps to satisfy the needs of each locality and that the 'Authority may, in particular to ensure the availability of postage stamps and postage stationary in any given locality, issue any such directives it considers appropriate to ensure that the USP abides with its obligations under this regulation.'⁶⁴

Guarantee of Daily Delivery

As stated in Article 17(4) of the Act the collection and delivery of postal articles are to take place on every working day and not less than five days a week. Regulation 17.1 of Maltapost's licence states that Maltapost shall provide on 'every working day at least one (1) delivery to each postal address or other delivery point and at least one (1) collection from each current access point or as may be agreed to with the Authority from time to time; provided that the delivery and collection shall apply to all postal articles which are not dangerous and illegal and which weigh up to 20 kilograms.'

Article 39 of the Act gives the power to the Authority to 'give directives establishing the manner and times in which postal articles shall be posted and delivered'.

Publication of Information

Article 19(1) of the Act states that 'the universal service provider shall provide users with regular, detailed and up to date information on the particular features of the universal service, with special reference to the general conditions of access to the service, as well as to prices and quality standard levels'. Article 19 (2) further states that information shall be published at least annually in a manner that is satisfactory to the Authority.

The Regulations state that the USP shall publish the following information, once every calendar year, ensuring also reasonable publicity:

- the location of all access points including each of its post offices and letterboxes;
- the times of opening and closing of each of its post offices and times of collection and delivery;
- a contingency plan setting out the measures to be taken by the USP to ensure, as far as practicable the provision of the universal postal service in the event of an industrial action, emergency or natural disaster; and

⁶³ Refer to Regulation 9 of the Regulations.

⁶⁴ Refer to Regulation 11 of the Regulations.

- the arrangements it has established or intends to establish to ensure that its post offices, including its letterboxes, are accessible to persons with disabilities.⁶⁵

Maltapost's licence⁶⁶ further states that Maltapost is required to publish prices for universal postal services as public tariffs.

⁶⁵ Refer to Regulation 42 (1) – (3) of the Regulations.

⁶⁶ Refer to Maltapost Licence Regulation 17.2.