



Malta Communications Authority

Annual Plan 2018

25th January 2018 (MCA/R/18-3075)

Malta Communications Authority
Valletta Waterfront, Pinto Wharf, Floriana FRN1913
Tel: (356) 21 336 840. Fax: (356) 21 336 846
Website: www.mca.org.mt
e-mail: info@mca.org.mt

Table of Contents

	Page
1. Introduction	3
1.1 Mission Statement and Strategic Objectives	3
1.2 Legal Frameworks	4
1.3 Accountability Framework	4
1.4 Communication and Engagement.....	4
1.5 Measuring Performance.....	5
1.6 Trends and Upcoming Challenges.....	5
2. Work Programme and Priorities	8
2.1 Electronic Communications	8
2.2 eCommerce and eTrust Services.....	26
2.3 Postal Services.....	31
2.4 Information Society.....	38
2.5 Business Innovation	43
2.6 Organisation.....	49
2.7 Delivery of the Work Programme	51
3. Financial Projections	52

1. Introduction

This document represents the Malta Communications Authority's (MCA) Annual Plan for 2018. It sets out the priority work-streams and related individual tasks that the MCA plans to carry out during 2018. The Annual Plan is reflective of the MCA's Strategy Update covering the period 2018 - 2020.

1.1 Mission Statement and Strategic Objectives

The mission of the MCA is:

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

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

The following are the identified strategic objectives emerging from the MCA's Strategy Update:

Electronic Communications Networks and Services:	
T1	Promoting and safeguarding competition in the electronic communications sector.
T2	Ensuring that electronic communications undertakings provide a transparent, value for money service to users whilst adhering to incumbent social obligations.
T3	Contributing to the development and implementation of electronic communications regulatory policy.
eCommerce and eTrust Services:	
E1	Facilitating the development and uptake of eCommerce and other online services.
E2	Supervising the provision of electronic signatures and trust services.
Postal Services:	
P1	Safeguarding sustainable competition in the postal sector.
P2	Ensuring that postal undertakings provide a transparent, value for money service to users whilst adhering to incumbent social obligations.
P3	Contributing to the development and implementation of postal regulatory policy.
Information Society:	
IS1	Achieving widespread e-literacy and digital inclusion.
Business Innovation:	
IN1	Promoting and facilitating business development and innovation in the sectors under the MCA's purview.

1.2 Legal Frameworks

The MCA's mission, mandate and functions derive from the Malta Communications Authority Act, Cap 418. The MCA is responsible for:

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

In addition, the MCA is responsible for promoting and facilitating the uptake of eCommerce and Information Communications Technologies (ICTs) amongst citizens and businesses¹ and in promoting Malta as a destination for high-value commercial users of communications services and ICTs.²

1.3 Accountability Framework

The MCA is accountable to the Minister responsible for Communications for the preparation and presentation of its financial estimates for approval, following an annual consultation by the responsible Minister with the Minister responsible for Finance. The MCA presents its Annual Report on its operations for the preceding year to the Minister responsible for the MCA and the Minister responsible for Finance. The MCA is also held to account by the sectors it regulates and by the public on whose behalf it regulates. On a yearly basis the MCA publishes its Strategy Update, Annual Plan and its Annual Report.

1.4 Communication and Engagement

The MCA is committed to engaging with various stakeholders, including citizens, consumers, authorised entities, government departments and other regulators, larger corporations, small and medium enterprises (SMEs), the EU, and various other international bodies.

A variety of communication channels, such as its website and social media, are used in order to effectively build greater awareness of the outcomes of the MCA's activities, its roles and responsibilities, its various initiatives and on general trends in the sectors it regulates. The MCA also uses these communication channels to empower consumers by providing information on their rights and in assisting them in making informed choices across all communications services, as well as in promoting the use of ICTs. Effective stakeholder engagement to encourage innovation and business development opportunities that emerging communication technologies and infrastructures can generate also features on the MCA's agenda.

¹ In line with Article 4(3)(u) of the Malta Communications Authority Act the MCA shall perform such other functions, including functions aimed at promoting the Information Society, as may from time to time be assigned to it by the Minister.

² In line with Article 4(3)(s) of the Malta Communications Authority Act the MCA shall promote and advance Malta as a destination for high value commercial users of communications services and of information communications technologies to establish places of business in Malta.

In the context of regulatory decision-making, stakeholders have the opportunity to provide the MCA with feedback and express opinions on developing regulatory measures and proposed regulatory decisions through an established consultation process. This process facilitates more rigorous evidence based decision making, knowledge sharing and a greater buy-in from all industry members. The MCA also hosts a number of industry stakeholder forums.

1.5 Measuring Performance

Progress towards the attainment of the MCA's strategic objectives is measured by a series of related activities. The MCA:

- formally and informally, ascertains stakeholders' perceptions of the regulator;
- carries out bi-annual communications market reviews providing an overview of the trends in the sectors regulated by the MCA;
- conducts performance measurement and monitoring in line with the Key Performance Indicators (KPIs) identified in the MCA's Strategy Update and other benchmarks, such as the EU's Digital Economy and Society Index³ (DESI); and
- monitors the achievement of its objectives and work programme, identifies any shortfalls and takes the necessary steps to remedy them.

1.6 Trends and Upcoming Challenges

The communications markets are highly dynamic with new technologies and sectoral players emerging, in some cases rapidly. In order to provide effective and appropriate responses, the regulatory environment must also be dynamic and responsive. The necessity for this has been recognised at a European level. Under the Digital Single Market (DSM) strategy launched in 2015⁴ the European Commission has, amongst others, proposed an update of the current EU electronic communications framework.

In September 2016 the European Commission published its legislative proposals for a comprehensive review of the current electronic communications regulatory framework (referred to as the European Electronic Communications Code - 'EECC'). This review includes proposals related to the common EU-wide criteria for spectrum assignment at national level and more effective spectrum co-ordination; creating incentives for investment in high-capacity fixed and mobile infrastructures; ensuring a level playing field for all market players, traditional and new; and creating an effective institutional framework. The European Commission has stated that the provisions of the EECC are intended to add regulatory certainty and encourage further investment and consumer protection measures in the electronic communications sector. The MCA is working with the European institutions, other EU regulators and the Government to contribute to the debate, to ensure that any new legislation is

³ The DESI is a composite index that summarises relevant indicators on Europe's digital performance and tracks the evolution of EU member states in digital competitiveness (refer to <https://ec.europa.eu/digital-single-market/en/desi>).

⁴ Refer to the European Commission actions since 2015 with regard to creating a Digital Single Market: <https://ec.europa.eu/digital-single-market/en/news/creating-digital-single-market-european-commission-actions-2015>

proportionate, reflects the challenges facing the sector and meets the needs of consumers now and in the future. The legislative process is expected to be finalised in the first half of 2018. Member States would then have 18 months to transpose the Framework into national law.

In Malta fixed network operators have continued investing to increase the quality and speeds of existing broadband networks, including the use of fibre-to-the-home (FTTH). Mobile network operators are also upgrading their networks, rolling out 4G+ and using Wi-Fi and small cells to improve mobile and data coverage. Research into and preparation for future 5G networks continues, with the potential to provide speeds much faster than current 4G networks. Mobile improvements, including 5G, are being designed to provide greater capacity and improved reliability, enabling innovative services across different industry sectors. While still in the specification stage, 5G is aiming to provide a flexible and adaptive operating standard that will be able to deliver connectivity over a wide range of licensed and licence-exempt radio spectrum.

The Internet of Things (IoT) - with applications ranging from smart home devices to connected cars - is becoming progressively common. A surge in the range and scale of such devices is anticipated over the coming years. It is uncertain at present whether this wave of innovation will create any additional requirements in terms of regulation, but what is clear is that the potential for life-style and productivity enhancement is significant and, in this context, the MCA is conscious of its role in relation to the facilitation of innovation and investment.

The internet is playing an increasingly central role in the lives of people in Malta. In 2017 around 86% of households had a broadband connection.⁵ People are using the internet for a variety of activities including communication, social networking, news consumption and watching TV. Of particular interest is the issue arising in relation to the regulation of electronic communications markets where Over-the-Top (OTT) services overlap or replace what are thought of as traditional telecommunications services such as messaging and voice.

Despite increased fixed and mobile network investment an estimated 19% of individuals in Malta, mainly persons with limited skills and competencies and persons above the age of fifty-five, have never used the internet.⁶ The drive to bring digital literacy to these digitally disadvantaged cohorts needs to continue with added emphasis. At the same time new efforts need to go beyond literacy and into applied use i.e. training people to maximise the benefits of online tools.

As broadband and mobile Internet penetration rates continue to increase, eCommerce continues to flourish and grow at a much faster rate than traditional retail channels. eCommerce purchases by Maltese users, mostly from abroad, continue to rise. Meanwhile local businesses still need to better exploit the possibilities offered by eCommerce.

As a result of the growth in internet usage and the increasing uptake of eCommerce, the postal sector is facing disruptive changes in terms of fluctuating volumes (decreasing traditional mail items and increasing parcels / letter packets) and innovative products replacing traditional postal services. As

⁵ As reflected in the EU's Digital Scoreboard - Digital Single Market.

⁶ Ibid.

regulator for postal services the MCA is responsible for ensuring the efficient and sustainable provision of affordable postal services that meet the reasonable needs of users of postal services.

As part of its DSM strategy the European Commission also published legislative proposals in May 2016 aimed at enabling cross-border eCommerce to flourish at a greater pace. The proposed measures aim to improve price transparency and enhance regulatory oversight of parcel delivery in such a way as to allow consumers and retailers to benefit from affordable deliveries and convenient return options, one of the strongest drivers of cross-border eCommerce. The legislative process will be finalised in the first quarter of 2018.

The MCA will continue working closely with all the relevant stakeholders at EU and national levels in order to ensure that any future EU policies in the above-mentioned areas benefit the Maltese communications sector, with resultant fallout on the economy at large.

2. Work Programme and Priorities

What follows is an overview of the MCA's work-streams - including the MCA's major ongoing work areas - to be carried out during 2018 that will contribute to the achievement of the identified strategic objectives.

2.1 Electronic Communications

T1 - Promoting and safeguarding competition in the electronic communications sector.

Safeguarding a competitive environment

In 2018 the MCA will continue to focus its work on promoting competition and creating a favourable climate for increased investment and innovation in fast and ultra-fast fixed and mobile broadband technologies, providing consumers and businesses across Malta with improvements in choice and value of services.

The MCA promotes and safeguards competition in the electronic communications markets by:

- promoting competition via the Significant Market Power (SMP) Framework;
- ensuring that the management of the national spectrum and numbering resource takes account of the potential impact that the assignment and allocation of these essential inputs have in the supply of services in electronic communications markets; and
- ensuring customer mobility (i.e. that customers are willing and able to switch in response to better deals in the marketplace).

The SMP Framework - The MCA, like all other NRAs, must review a pre-determined set of electronic communications markets and decide, based on facts and evidence, whether or not they are, or are likely to become effectively competitive. If not, the MCA may impose appropriate pro-competitive obligations as necessary, including those relating to access, pricing, non-discrimination and transparency. Such obligations are designed to promote competition by enabling entrants to compete on a level playing field with the SMP operator.

The MCA must regularly review its decisions on markets subject to SMP - typically every three years as prescribed by the EU regulatory framework. If the MCA concludes that regulation is no longer justified, it must remove the retail or wholesale regulation. Where SMP regulation is necessary, however, the MCA will continue to focus on the imposition of obligations that encourage both infrastructure- and service-based competition.

GO is designated as having SMP in the infrastructure access market and is obliged to, among others, provide third parties with Virtual Unbundled Local Access (VULA) to its FTTH network. This allows

service providers wishing to access GO's FTTH network to enter the market without having to duplicate the fibre network being deployed by GO.

In 2018 a number of wholesale electronic communications markets will be subject to market review, notably the analysis of the following two markets:

- **Wholesale Local access provided at a fixed location (Market 3a/2014)** - The wholesale local access (WLA) market concerns access to the fixed electronic communications infrastructure. WLA is the local connection between the end-user's premises and the local exchange or access node. This connection can be copper-, cable- and/or fibre-based and is used to provide fixed-line services such as voice calls and broadband internet.
- **Wholesale Central access provided at a fixed location for mass-market products (Market 3b/2014)** - The wholesale broadband access market relates to the wholesale broadband products that communications providers provide for themselves and sell to each other. These services are one of the building blocks of the retail broadband offers that consumers buy.

In 2018 the MCA will continue to contribute to the European Commission's review of the *ex-ante* concept of SMP so that the SMP framework continues to ensure regulatory predictability for the stakeholders, as well as the availability of suitable regulatory means to pursue sectoral goals. In addition, the MCA is contributing to the work being carried out by the Body of European Regulators for Electronic Communications (BEREC) on the drafting of an opinion on the European Commission's review of the current SMP guidelines. This opinion will support the European Commission's evaluation of how to update the SMP guidelines. Further guidance could be useful in the case of bundles and concerning the analysis of joint dominance when assessing SMP within the relevant markets.

Outside the SMP Framework, the MCA has a role in facilitating access to physical infrastructure for the purposes of providing electronic communications services. The EU Directive 2014/61/EU concerning measures for reducing the cost of deploying high-speed electronic communications networks, with the aim to facilitate and incentivise the deployment of high-speed electronic communications networks by reducing its cost, was transposed into Maltese Law in April 2016 and came into effect in July 2016. The institutional responsibility is shared among four government entities (including the MCA), with the larger part falling within the remit of Transport Malta (TM). In 2018 the MCA will continue to facilitate the roll-out of high-speed broadband networks by providing the necessary support and guidance to sector players and other institutional players. Such support and guidance will mainly address areas related to the sharing of existing physical infrastructure and access to in-building physical infrastructure.

Effective management of the radio spectrum resource - The MCA is responsible for ensuring the optimal use of the radio spectrum identified in the national radio frequency plan.⁷ Optimal use of the radio spectrum resource is a key factor in terms of delivery of services, competition, choice and widespread availability.

⁷The MCA regularly reviews the National Radio Frequency Plan (NFP) to reflect changes to the allocation of spectrum taking into account European and International regulations: <http://www.mca.org.mt/national-frequency-plan>.

In recent years there has been a significant change in relation to the impact that the use of the radio spectrum resource can have on our daily lives and business activities - in particular with the rapid ascent of smart devices, with corresponding increases in consumption of mobile internet and smart apps by end-users. Associated with this has been the rapid increase in demand for mobile data services, facilitated in particular by the network capability and coverage of 3G and 4G networks, and the increasing use of video and over-the-top (OTT) applications. The roam like at home (RLAH) mechanism introduced by means of the EU Roaming Regulations has also contributed to an increase in the use of mobile data. The uptake of mobile devices and mobile services will present additional challenges on how spectrum is managed and its efficient use maximised.

The assignment process of the 800 MHz band is planned to take place in the first half of 2018. The assignment of the 800 MHz band will enable spectrum holders to further improve the quality, reliability and performance of their high-speed broadband mobile networks, including at indoor locations.

In 2018 the MCA will start the process to revise the current licences for the rights of use of the 900 MHz and 1800 MHz spectrum to facilitate innovation and investment in IoT services in these bands. Additional radio spectrum to further drive investment in high-speed electronic communications services is available in the 800 MHz band, 1800 MHz band, 1.5 GHz band, 2.6 GHz band and the 3.4 - 3.8 GHz band.

In the first half of 2018 the MCA will finalise a review of the national radio spectrum management strategy initiated in 2017. The review will, amongst other things, set out how the MCA plans to ensure the effective and efficient management of this important resource in the period ahead. A significant element of the strategy will identify emerging spectrum bands capable of supporting new wireless broadband technologies, such as 5G technology, and services that will require radio spectrum in the near future.

The strategy will outline the MCA's policy for the renewal of the radio spectrum licences that will expire in 2020 (spectrum in 2.1 GHz band and the 3.4 - 3.6 GHz), 2021 (spectrum in the 470-790 MHz band - also referred to as the UHF band), and in 2022 (spectrum in the 2.1 GHz band). It will also set out the work required to prepare for the repurposing of the 700 MHz band (694 - 790 MHz), currently used for Digital Terrestrial Television (DTT) services, for mobile broadband services and the work required to make available other bands identified for 5G technology.⁸

The strategy will also set out the MCA views on a number of prevailing spectrum management issues including: the use of auctions, radio spectrum competition caps, spectrum trading (transfers and leases), licence duration, fees for spectrum rights, sharing and collaborative arrangements, technology and service neutrality and transparency of information.

In line with Decision (EU) 2017/899 of the European Parliament and of the Council on the use of the 470-790 MHz band the MCA plans to make the 700 MHz band available for terrestrial wireless

⁸ The EU Radio Spectrum Policy Group (RSPG) has identified Europe's initial 5G bands: 3.6 GHz (3.4 - 3.8 GHz) as the primary band, 24.25 - 27.5 GHz (i.e. the 26 GHz band) as the pioneer band; and has recognised that 5G can be launched over existing EU harmonised bands, including bands below 1GHz, e.g. 700 MHz.

broadband services by the end of the first half of 2021. This involves clearing the spectrum currently used by Digital Terrestrial Television (DTT) and Programme Making and Special Events (PMSE) licensees. The 470-694 MHz (sub-700 MHz) frequency band will remain available for the provision of broadcasting services, including free television, and for the use by wireless audio PMSE until 2030. The MCA will, by the end of the first half of 2018, consult on the national roadmap to facilitate the use of the 700 MHz band for terrestrial wireless broadband services and of the sub-700 MHz band for television broadcasting services.

In 2018, as part of the implementation of the national radio spectrum strategy, the MCA will carry out a feasibility study to identify potential interest and material use cases that tap into the potential of next generation 5G technologies and services for the benefit of the Maltese market. The study is intended to pave the way to 5G tests and pre-commercial trials in 2019, subject to market interest and involving stakeholders across industry, academia and citizens. 5G trials will support the early introduction of services enabled by 5G technologies in Malta. 5G technology will enable the support of new types of applications connecting devices and objects (IoT) and allow innovative business models across multiple sectors (e.g. transport, health, manufacturing, logistics, energy, media and entertainment).

Effective management of the numbering resource - Access to numbers is essential to the functioning of electronic communications markets. The MCA is responsible for the efficient management of Malta's numbering plan,⁹ including attaching conditions to rights of use of numbers.

Numbering is a key enabler of electronic communications services and the need to preserve this finite national resource must be balanced against the need to ensure an adequate supply of numbers to meet the demands of new and existing customers and service providers whilst enabling technological change.

In 2018 the MCA will continue to manage the numbering plan by allocating numbers to service providers for new and existing services, and by monitoring their utilisation to ensure efficient use of numbers. The MCA will monitor developments in the emerging telecommunications markets which are expected to require substantial numbering resources (such as for the deployment of IoT technologies). In addition, the MCA will continue to ensure that all subscribers with numbers from the national telephone numbering plan who so request can retain their number(s) independently of the undertaking providing the service.

Active switching by consumers - Effective competition in electronic communications markets depends not just on considerations relating to the ease of entry to markets or the availability of essential inputs. Effective competition also depends on factors such as the ability and willingness of customers to switch suppliers in response to a better deal in the market place. If end-users are for some reason immobile, new operators will not be able to build a customer base and existing operators will have no incentive to compete by offering better financial terms, improved quality or innovative products. Consumer immobility can be thought of in terms of barriers to exercising choice. Such barriers may arise due to a wide variety of reasons, such as due to the presence of restrictive contracts; because services are purchased as part of bundles; or because the information necessary for decision-making

⁹ Refer to Malta's telephone numbering plan: <http://www.mca.org.mt/numbering>

is difficult to understand or assimilate (or simply unavailable). These considerations are all significant in the context of electronic communications markets. In the context of promoting competition, it is therefore one of the MCA objectives to ensure that there are low barriers to consumers exercising their choice. The MCA's objective to protect and inform consumers and specific programmes of work are discussed under [Strategic Objective T2](#).

Ex-Post Regulation as part of the MCA mandate

Whereas the MCAA has the remit to address breaches of competition law, the MCA has the strategic role of creating an environment that is conducive to the development of competition in the sectors that it regulates for the benefit of consumers and operators alike. It is therefore empowered to intervene in order to avoid competition failure. This situation creates a degree of overlap between the powers of the two authorities in the case of electronic communications (including postal services) regulation.

In 2018 the MCA will continue to make the case with Government on the benefits of migration of *ex-post* regulation to the MCA. This would allow the MCA to provide a one-stop-shop in sector regulation, and maximise the MCA's expertise in sector regulation.

Managing information as the means to promote competition

Timely access to accurate and reliable information and data is vital in supporting the MCA's regulatory decisions. To this end, the MCA collects a wide range of data from electronic communication providers, in line with its statutory powers and publishes bi-annual communication market reviews. The information collected by the MCA could also be used to empower end-users in making informed choices.

This activity is supplemented by public and business perception surveys. The results of these surveys serve as an additional source of information for regulatory decisions and indicate how consumers' preferences, behaviours and perceptions are changing over time. The surveys also assess the level of satisfaction with the services provided by electronic communication operators and the extent to which they are addressing consumer needs.

In the first half of 2018 the MCA will publish the results of consumer perception surveys commissioned in 2017 to assess the changes in the level of satisfaction in the use of electronic communications services, in the respective markets, over the past two years.

Priority Programme of Works 2018 - Strategic Objective T1 (Electronic Communications)	
Project / Activity	Planned Output
<i>Maintaining the compliance framework set at safeguarding a competitive environment</i>	
VULA Fibre-to-the-Home	– Response to Consultation / Decision on enhancing the non-discrimination obligation (<i>if required</i>)

Priority Programme of Works 2018 - Strategic Objective T1 (Electronic Communications)	
Project / Activity	Planned Output
	<ul style="list-style-type: none"> – Price reviews of GO's proposed wholesale VULA charges
Review wholesale local access provided at a fixed location market (Market 3a)	<ul style="list-style-type: none"> – Public consultation – Notification to the European Commission (<i>expected in Q1/2019</i>) – Report on Consultation / Decision (<i>expected in Q1/2019</i>)
Wholesale central access provided at a fixed location for the mass market (Market 3b)	<ul style="list-style-type: none"> – Public consultation – Notification to the European Commission (<i>expected in Q1/2019</i>) – Response to consultation / Decision (<i>expected in Q1/2019</i>)
Review of the wholesale voice call termination on individual mobile networks (Market 2)	<ul style="list-style-type: none"> – Public consultation – Notification to the European Commission – Response to consultation / Decision
Review of the wholesale call termination on individual public telephone networks provided at a fixed location (Market 1)	<ul style="list-style-type: none"> – Public consultation – Notification to the European Commission (<i>expected in Q1/2019</i>) – Response to consultation / Decision (<i>expected in Q1/2019</i>)
Review of European Commission's SMP Framework	<ul style="list-style-type: none"> – Contribution to the European Commission's position on the review of the SMP Framework Guidelines
Publishing and commencing implementation of the National Spectrum Management Strategy	
National Radio Spectrum Management Strategy	<ul style="list-style-type: none"> – Public consultation – Response to consultation / Publication of the National Radio Spectrum Management Strategy – Public consultation on spectrum management frameworks: (a) spectrum assignment and management principles; and (b) spectrum pricing regime – Response to consultation / Publication of revised spectrum management frameworks
Awarding the 800MHz band and continuing the process to clear the 700 MHz band	
Assignment of additional spectrum for wireless broadband services (800 MHz band, 1800 MHz band and 2.6 GHz band)	<ul style="list-style-type: none"> – Call For Applications – Brokered meetings with the eligible candidates (<i>if required</i>)

Priority Programme of Works 2018 - Strategic Objective T1 (Electronic Communications)	
Project / Activity	Planned Output
	<ul style="list-style-type: none"> – Carry out an auction process if demand exceeds supply (<i>if required</i>) – Grant spectrum licence(s) for the rights of use of the 800 MHz band / other bands
National Roadmap for the assignment of the 700 MHz band	<ul style="list-style-type: none"> – Public Consultation – Response to consultation / Publication of the national roadmap on the assignment of the 700 MHz band – Notification to the European Commission
Continuing scoping work on spectrum earmarked for 5G	
Feasibility Study for the deployment of 5G technologies	<ul style="list-style-type: none"> – Feasibility study for the deployment of 5G technologies – Framework for the availability of 5G radio spectrum bands (such as the 3.4 GHz – 3.8 GHz band and the 26 GHz band) – Consultation with stakeholders
Review of 900 MHz / 1800 MHz spectrum licences for IoT	<ul style="list-style-type: none"> – Consultation with holders of the rights of use of radio spectrum in the 900 MHz / 1800 MHz bands – Issue the revised 900 MHz / 1800 MHz spectrum licences (<i>expected in 2019</i>) – Notification to the European Commission on the implementation of the relevant Commission Implementing Decision (<i>expected in 2019</i>)
Managing information as the means to promote competition	
Collection of relevant, accurate and timely information on the electronic communications markets	<ul style="list-style-type: none"> – Publication of bi-annual communications market review report – Publication of quarterly data sheets
Consumer Perception Surveys - Electronic Communications markets	<ul style="list-style-type: none"> – Publication of the results of consumer perception surveys commissioned in 2017: (1) Pay-TV Market, (2) Mobile Telephony Market, (3) Fixed Broadband Market, (4) Fixed Telephony Market and (5) Bundles Market

T2 - Ensuring that electronic communications undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.

Maintaining Focus on Consumer Empowerment and Protection

In 2018 the MCA will continue to focus its work on empowering consumers by providing clear information on their rights and in assisting them in making informed choices in their use of electronic communication services.

Information on Products and Services - The MCA will continue to promote transparency by providing consumers with the necessary tools to ensure that they are aware of alternative suppliers and services so that they can easily compare information on prices, service characteristics and quality. The MCA will continue to protect vulnerable consumers in relation to Premium Rate Services, thus ensuring that the consumer is confident and safe in using those services. In addition the MCA will, via its website, consumer guides and the use of social media, continuously update information available to consumers on how to get the best from electronic communications services.

Operator Contracts - The MCA will continue to monitor the contractual obligations of all operators to ensure that they are in line with applicable legislation. The MCA will ensure that such contracts provide clear and relevant information helping end-users to take informed and correct decisions when acquiring electronic communications services. Electronic communications providers are, among other things, required to appropriately inform customers of fixed internet access about the minimum, normally available, maximum and advertised internet speeds they can expect to achieve. In the case of mobile networks, operators must inform their customers of the estimated maximum and advertised speed. Operators are also required to explain the remedies consumers have if they do not achieve the speeds to which they have subscribed.

Termination of Contracts and Switching Providers - The MCA will continue to monitor inter-operator porting and switching processes, and the extent to which they promote good consumer and competition outcomes. In addition, the MCA will continue to monitor and assess the cancellation and termination arrangements of electronic communications providers (after or during the initial commitment period), and the impact these have on consumers' ability to exit their service contract quickly, conveniently and without error.

Ensuring Consumer Rights and Customer Service - The MCA will continue to ensure that service providers uphold the rights of their customers and deliver acceptable levels of customer service. The MCA will ensure that service providers continue to address their customers' complaints. In addition, the MCA will continue to handle and resolve complaints it receives from customers of service providers.

Monitoring Mobile Roaming Rules - Conventional roaming charges within the EU came to an end in June 2017.¹⁰ Users are able to use their mobile devices when travelling in the EU while paying the same prices to call, text and surf the web as when they are at home. In order to prevent any abusive or

¹⁰ As a result of the EU Telecoms Single Market Regulation, the 2016 Implementing Act on Fair Use and Sustainability, and the 2017 Review of Wholesale Roaming Charges.

anomalous usage of regulated retail roaming services, as in the case of a permanent roaming scenario, a Fair use Policy (FUP) may be established by an operator.

In 2018 the MCA will continue to monitor mobile operators to ensure that they are adhering to the obligations set out in the roaming Regulations, and mainly that consumer protection measures and pricing requirements are adequately set in place and adhered to. The MCA contributes to, and participates in, the BEREC working group tasked with the development of guidelines and reports on the application of the roaming Regulations. NRAs are required to take these BEREC Guidelines into utmost account when supervising the Roaming Regulations in their Member States.

Monitoring Compliance with Net Neutrality Rules - The MCA is responsible for ensuring that net neutrality principles are upheld in line with the EU Telecoms Single Market Regulation. These include the ability to seek compliance from electronic communications service providers and online content providers with these principles. The MCA ensures that the quality of the open Internet is not degraded by traffic discrimination or by the provision of specialised or innovative services. The MCA is also empowered to set minimum quality of service requirements on internet access providers, and other appropriate measures to ensure that all end-users enjoy an open Internet access service of good quality.

In 2018 the MCA will continue to monitor and ensure compliance with the net neutrality principles, taking utmost account of the BEREC guidelines, in order to safeguard equal and non-discriminatory treatment of traffic in the provision of internet access services and related end-user rights. The MCA will publish its annual report regarding its monitoring and findings, and provide this report to the European Commission and to BEREC.

Continued Provision of the Universal Service - The MCA will continue to monitor the performance of GO's Universal Service Obligation (USO), including the quality of service delivered. GO as the designated Universal Service Provider (USP) is required to provide a publicly available telephone network at a fixed location, capable of supporting voice and data communications¹¹ in areas where no other undertakings offer such a service at an affordable price. GO is also obliged to provide an electronic telephone directory (including a smartphone telephone directory app), public payphones, directory enquiry services and specific measures for users with disabilities.

In 2018 the MCA will initiate a review of the universal service in light of changing social requirements and the potential changes as a result of the adoption of the EECC. An assessment of the potential impact of broadband as a universal service will also form part of this review. Broadband as a universal service could complement other measures intended to encourage take-up of ICTs.

Assessment of Universal Service Funding Requests - The MCA will continue its work on universal service funding, mainly in relation to the assessment of applications for funding it receives from the USP. In order to determine whether an undertaking has suffered an unfair burden in meeting its USO the MCA must calculate the net cost of the universal service. Net cost refers to the efficiently incurred costs arising from the provision of the service which the USP is unable to cover with the proceeds from the

¹¹ Currently at the discretion of the end-user, the designated universal service provider is required to provide a broadband connection at a guaranteed access line speed of 4 Mbps (subject to certain conditions).

service, as against the cost of operating without the USO - taking into consideration the intangible benefits resulting from the provision of the service.

In 2018 the MCA will commence and finalise an assessment of GO's claim for funding for the years 2015 and 2016.

Strengthening the MCA's powers vis-à-vis consumer protection

Currently, the MCA's remit in relation to consumer protection is limited to regulatory intervention in relation to certain sector-specific provisions under the laws that it enforces (mainly relating to certain end-user contractual obligations and the provision of related information to end-users, billing, switching of providers, cancellation and termination procedures).

The MCA has no legal powers to regulate unfair commercial practices, misleading advertising or the use of unfair contract terms undertaken in the communications sectors as these are administered by the MCCA. The MCA believes that consumers would be better served if the MCA were to be afforded the necessary powers to deal with consumer protection issues in the sectors that it regulates.

In 2018 the MCA will continue to work to strengthen its powers vis-à-vis consumer protection in order to be in a better position to safeguard consumers' interests and enhance their welfare. Additional consumer-related powers would render the MCA more effective in the execution of its mission and would enable the application of a 'one-stop-shop' concept, to the benefit of end-users.

Reviewing Network Integrity and Resiliency

As a society, our economic and social activities are growing increasingly dependent on the proper functioning of electronic communications systems. Such systems, however, are vulnerable to equipment malfunction, human error, malicious attacks, weather events and incidents in other sectors (e.g. electricity outages). Accordingly, network resilience, reliability and security is an area that is becoming increasingly important.

Operators are required to take appropriate measures to ensure the integrity of their networks and services in line with the technical guidelines issued by the European Network and Information Security Agency (ENISA)¹² and are required to report incidents on network failures above a certain threshold to the MCA. On an annual basis the MCA reports severe incidents to ENISA and the action taken.

In 2018 the MCA will establish the minimum security and integrity requirements and reporting obligations of public electronic communications operators. Establishment of the minimum security requirements will provide clarity to the operators on what is expected of them in this field. Moreover, the establishment of the minimum security and reporting measures will facilitate future actions that the MCA may need to take in case of operators who are not compliant with the legal requirements. In addition, the MCA will continue to follow up any incidents of concern in order to understand their

¹² ENISA provides support to the EU and Member States in enhancing and strengthening their capability and preparedness to prevent, detect and respond to network and information society problems and incidents. Refer to: <http://www.enisa.europa.eu/>

cause, the appropriateness of the operator's response, and the steps that have been taken to minimise the risk of recurrence.

The MCA will also engage effectively with other stakeholders which have a responsibility in relation to network resilience, reliability and security. The MCA will collaborate with the Office of the Information and Data Protection Commissioner (IDPC) in relation to the minimum security requirements that electronic communications providers need to undertake in order to protect the personal data which is stored and/or transmitted over their networks and services.

Consolidating Quality of Fixed and Mobile Data Delivery Service

Fixed broadband service providers are required to monitor and measure a number of QoS parameters that reflect the QoS at the subscriber's end. These QoS measurements are made available to the MCA on a quarterly basis. Fixed broadband service providers are also required to appropriately inform their customers about the minimum, normally available, maximum and advertised broadband speeds they can expect to get.

In addition to the MCA's QoS framework tailored to fixed broadband services, in 2018 the MCA will finalise a QoS framework applicable to mobile broadband operators' networks. The objective is to ensure that mobile broadband users are provided with comparable information on broadband coverage, speeds and quality of mobile data.

Whilst consumers can readily access independent comparative information on 'Content Offers' and the 'Prices' available in the market, information on the QoS is generally unavailable or is marketed and published by sources which are not independent. To this effect, in 2017 the MCA put in place a broadband QoS measurement system that can provide independent and fair information on the quality of fixed and mobile broadband services which Maltese service providers offer to their end-users. The measurement system, expected to be in operational mode in 2018, will permit users to compare the quality of fixed and mobile broadband across providers.

Implementation of the strategy for both Commercial and General Interest TV transmissions

The redeployment of the 700 MHz band by 2021 necessitates a review of the television transmission policy which encompasses both commercial broadcasting and General Interest TV.

The review, which commenced in the last quarter of 2017 and is planned to be finalised in 2018, will serve to provide direction to the market in respect of spectrum availability following the expiry of GO's radio spectrum licence for terrestrial TV transmissions in 2021. In addition the review will serve to update Government's policy for digital broadcasting that meets General Interest Objectives (GIOs) taking into consideration developments in enhanced video technologies (such as HD and Ultra-High Definition) broadcasting.

Managing the compliance framework in radio spectrum activity

Licensing Access to Radiocommunications Equipment - The MCA will continue to enhance the radiocommunications equipment licensing regime and will examine the scope for applying further general authorisations where appropriate.

In 2018 the MCA will finalise a review of the amateur radio licensing regime in order to regulate more effectively amateur radio licensees, taking into account recommended European harmonised arrangements. The MCA is proposing to introduce a 'Lifetime Licence' in addition to the current regime (i.e. a yearly licence). The licensing regime will also be harmonised with European Recommendations (allowing foreign amateur radio enthusiasts to freely use their equipment whilst in Malta). This would reduce unnecessary administrative work both on the MCA and the amateur radio licence holders.

The MCA will also finalise an authorisation regime for personal location beacons (PLBs) and other similar devices used for search and rescue purposes. The MCA will commence a review of the licensing regime with respect to the Private Mobile Radio (PMR) service in order to ensure the efficient use of spectrum.

Keeping the Radio Spectrum Free of Interference - In 2018 the MCA will continue to invest in the upgrading of its radio spectrum monitoring facilities to be in a better position to plan for future assignment of radio spectrum as well as for monitoring all kinds of emissions, measuring of their technical characteristics and locating their sources.

Monitoring Electronic Magnetic Field Emissions - In 2018 the MCA will continue its routine monitoring of electronic magnetic field emissions (EMF) with a view to ensuring that levels of electromagnetic radiation do not exceed the levels established by the International Commission of non-Ionising Radiation Protection (ICNIRP), which are also endorsed by the World Health Organisation (WHO). The EMF results by locality are publicly available on the MCA website.

Priority Programme of Works 2018 - Strategic Objective T2 (Electronic Communications)	
Project / Activity	Planned Output
Information, Empowering and Protecting Consumers	
Empowering consumers via the provision of information	<ul style="list-style-type: none"> Provision of information to consumers via the MCA's website, consumer guides and other relevant media
Net Neutrality Regulation Compliance	<ul style="list-style-type: none"> Monitoring of the market and product offers by Internet Access Service Providers in line with Net Neutrality Guidelines Annual report on the MCA's activities
Roaming management and monitoring	<ul style="list-style-type: none"> Ensuring that operators are adhering to the obligations set out in the roaming Regulations Ensuring that consumer protection measures and pricing structures are adequately set in place
Funding the Universal Service	<ul style="list-style-type: none"> Assessment of GO's funding claim for financial years 2015 and 2016 Public consultation

Priority Programme of Works 2018 - Strategic Objective T2 (Electronic Communications)	
Project / Activity	Planned Output
	<ul style="list-style-type: none"> – Response to Consultation / Decision on funding claim / source of funding
Review of Universal Service and Obligations	<ul style="list-style-type: none"> – Review of the universal service and obligations – Public consultation (<i>expected in 2019</i>) – Response to consultation / Decision (<i>expected in 2019</i>)
Reviewing operator's QoS delivery especially in data services	
Mobile Broadband QoS Framework	<ul style="list-style-type: none"> – Public Consultation – Response to Consultation / Decision
Broadband QoS State-of-Play (Fixed and Mobile)	<ul style="list-style-type: none"> – Analysis of broadband QoS measurements – Publish broadband QoS market report
Fixed and Mobile Broadband QoS Monitoring	<ul style="list-style-type: none"> – Monitoring compliance with fixed and mobile broadband QoS frameworks
Reviewing network integrity and resiliency	
Network security and integrity requirements	<ul style="list-style-type: none"> – Publish consultation on minimum security and integrity requirements – Response to consultation / Decision
Implementation of the Strategy for TV transmission	
Policy and Strategy Review for TV Transmission	<ul style="list-style-type: none"> – Review of existing TV transmission policy and strategy – Discussions with the Broadcasting Authority – Policy and strategy review submitted to Government – Public consultation – Response to consultation / Publication of policy on commercial DTTV broadcasting and General Interest TV
Managing the compliance framework in radio spectrum activity	
Review of radiocommunications equipment licensing regime - Personal Location Beacons (PLBs)	<ul style="list-style-type: none"> – Public consultation (<i>Q4/2017</i>) – Draft regulations on the licensing framework and seek Government's approval on their implementation
Review of radiocommunications equipment licensing regime - Amateur Radio	<ul style="list-style-type: none"> – Public consultation (<i>Q4/2017</i>) – Draft regulations on the licensing framework and seek Government's approval on their implementation

Priority Programme of Works 2018 - Strategic Objective T2 (Electronic Communications)

Project / Activity	Planned Output
Review of radiocommunications equipment licensing regime - Private Mobile Radio (PMR)	<ul style="list-style-type: none"> – Public consultation – Finalise proposals including any legal instruments and seek Government’s approval (<i>expected in 2019</i>)
Upgrading of spectrum monitoring facilities	<ul style="list-style-type: none"> – Tender for the procurement, installation and commissioning of a radio monitoring system – Adjudication and award of the tender – Implementation of new spectrum monitoring facilities
Electromagnetic Field (EMF) audit and monitoring	<ul style="list-style-type: none"> – EMF monitoring and publication of results

T3 - Contributing to the development and implementation of electronic communications regulatory policy.

Contribution to electronic communications regulatory policy

The European and international dimension of the MCA's work, especially with regard to electronic communications, will remain significant during 2018.

Input to Government on the various strands of the EU's Digital Single Market (DSM) Strategy - In September 2016 the European Commission published a draft European Electronic Communications Code (EECC) along with additional (non-binding) broad targets for a 'Gigabit Society' and a 5G Action Plan. The Commission also presented a separate draft Regulation on BEREC and a draft Regulation to stimulate the deployment of local Wi-Fi networks in the EU (WiFi4EU initiative¹³). The main legislative proposal relates to: (1) Access: Lighter regulation in return for network upgrades; (2) Spectrum: binding rules on spectrum assignment; (3) Consumer protection: additional obligations on OTTs; (4) Universal service: affordable broadband to be included in the USO scope; and (5) Governance: new roles and tasks for NRAs, BEREC and the Radio Spectrum Policy Group (RSPG). The legislative process is expected to be finalised in the first half of 2018. Member states would then have 18 months to transpose the directive into national law.

The review of the EECC will be a major feature of the MCA's activity in 2018. The MCA will be at the centre of developments both insofar as the continued provision of policy advice to Government in the making of the EU legislation as well as in the eventual transposition into Maltese Law. The latter exercise is expected to commence in the second half of 2018 and is expected to spill over to a conclusion in 2019.

In 2018 the MCA will continue to contribute to the work being co-ordinated by BEREC on the drafting of an opinion on the European Commission's legislative proposals relating to the review of the electronic communications regulatory framework. In this regard, the MCA will also contribute to the ongoing work co-ordinated by BEREC on the drafting of reports, positions and input papers, as well as technical background analyses in the context of the regulatory framework review with a view of providing input to the EU institutions (both upon request and at BEREC's own initiative) on needs emerging during the legislative process.

In its role as adviser to Government on electronic communications policy and regulation, the MCA will continue to provide advice to Government on the electronic communications framework legislative proposals. The MCA will ensure that any new legislation is proportionate, reflects the challenges facing the sector and meets the needs of citizens and consumers now and in the future.

¹³ The final text of the proposed WiFi4EU scheme was adopted by the Council on 9th October 2017, paving the way for the subsidy of free public Wi-Fi access in communities across Europe.

Contributing to the review and amendment of the EU SMP guidelines - As mentioned under [Strategic Objective T1](#), the MCA is actively contributing to the European Commission's review of the *ex-ante* concept of SMP so that the SMP framework continues to ensure regulatory predictability for the stakeholders, as well as the availability of suitable regulatory means to pursue sectoral goals. In addition, the MCA is contributing to the work being carried out by BEREC on the drafting of an opinion on the European Commission's review of the current SMP guidelines. This opinion will support the European Commission's evaluation of how to update the SMP guidelines and provide relevant guidance to NRAs.

Interacting at various EU and International fora - The MCA's international obligations entail active participation in the following EU organisations:

- The Body of European Regulators for Electronic Communications (BEREC), which sets out Common Positions and statements of Best Practice to foster regulatory consistency and excellence across the EU.
- The Radio Spectrum Policy Group (RSPG) which provides high-level strategic advice on spectrum policies to the European Commission.
- The Communications Committee (COCOM), which assists the European Commission in carrying out its executive powers under the regulatory framework for electronic communications.
- The Radio Spectrum Committee (RSCOM), responsible for the development of implementing decisions with respect to technical measures that ensure harmonised conditions across Europe for the availability and efficient use of radio spectrum.
- The European Network and Information Security Agency (ENISA), in relation to incident reporting and network security regulation.

The MCA will also continue to represent Malta in other international fora such as:

- The ITU 2018 plenipotentiary conference to be held between 29 October and 17 November 2018.
- The ITU with regard to preparation for participation in the ITU World Radiocommunication Conferences.¹⁴
- The European Conference of Postal and Telecommunications Administrations (CEPT), the International Regulators' Group (IRG) and other related workgroups.
- The Internet Corporation for Assigned Names and Numbers (ICANN) and in the Commission's High Level Internet Governance Group (HLIGG).

¹⁴ The forum, held approximately every four years, is used to review and revise the international treaty governing spectrum. This treaty acts as a framework for global use of spectrum, helping regulators avoid interference between countries and enabling operators or equipment manufactures to improve economies of scale and interoperability. The next World Radiocommunication Conference (WRC-19) will be held between the 28 October and 22 November 2019.

In addition, the MCA will continue to provide advice to Government:

- on proposed EU legislative measures, recommendations and other communications; and
- on the interpretation and application of any new regulations, directives, recommendations, guidelines, advice and regulatory best practice and other EU documents as well as any related issues and disputes arising from them.

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

- the harmonisation of spectrum for wireless broadband services - spectrum harmonisation brings many potential benefits including: economies of scale in equipment manufacturing leading to competitive services and products for consumers, and to greater technical efficiency and international mobility;
- the Digital Agenda for Europe which, amongst others, underlines the importance of broadband deployment to promote social inclusion and competitiveness;¹⁵
- the European Commission's vision and policy actions to turn Europe into a Gigabit Society by 2025;¹⁶
- the European Commission's 5G Action plan in relation to the development and introduction of 5G wireless technologies in the EU.
- the ongoing submission of accurate statistics and information to the EU organisations;
- better access to emergency services - '112' - by extending the access requirements from traditional telephony to new technologies;¹⁷ and to
- the common European-wide telephone services of social value via the harmonised numbering range beginning with '116'.

Contribution to Government Policy

Supporting Government's Broadband Policy Direction - The MCA will continue to support Government's policy direction in facilitating the deployment of fast and ultra-fast broadband and 5G in order to further promote social inclusion and competitiveness, coupled with the adoption of high-speed

¹⁵ In line with the 'Digital Agenda for Europe' broadband targets there should be 30 Mbps broadband or more for all by 2020 (achieved in Malta). In addition, 50% of households are to be subscribed to at least 100 Mbps or higher by 2020.

¹⁶ The European Commission hopes that the EECC will help Europe meet its target of providing 1-Gbps broadband to schools, hospitals and large businesses, and a minimum of 100-Mbps for all households – which need to be upgradeable to 1Gbps – by 2025.

¹⁷ The MCA is following the work being carried out by the Ministry for Home Affairs and National Security (MHAS) in enhancing location information used for emergency calls. This feature will allow any caller making use of a smartphone in Malta to benefit from the enhanced location information features. The system will also cater for eCalls (a system whereby an eCall-equipped car automatically calls the emergency centre when it detects a serious crash).

communications and the rolling out of efficient NGA broadband networks (refer to [Strategic Objective IN1](#)).

Contribution to Malta's Critical Infrastructure Protection Unit - The MCA will continue to contribute to the Malta Critical Infrastructure Protection (CIP) Unit with regard to issues related to the electronic communications sector. The Malta CIP Unit is entrusted with a co-ordinating role of all Critical Infrastructure Protection and Emergency and Disaster Management issues on a national level.

Contribution to the National Cyber Security Strategy - The MCA will continue to contribute to the implementation of Malta's National Cyber Security Strategy 2016.¹⁸

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

Priority Programme of Works 2018 - Strategic Objective T3 (Electronic Communications)	
Project / Activity	Planned Output
Input to Government on the various strands of the EU's Digital Single Market Strategy	
Review of the EU Electronic Communications Framework	– Advise to Government on the review of the EU Electronic Communications Framework
Transposing the European Electronic Communications Code into Maltese law	
Review of the Electronic Communications Framework - Transposition	– Commencement of legal drafting to transpose the EU Electronic Communications Code (EECC) – Public consultation (<i>expected in 2019</i>)
Contributing to the review and amendment of the EU SMP guidelines	
European Commission's Review of SMP Guidelines (<i>also reflected under Strategic Objective T1</i>)	– Assessment of the European Commission's documentation on the review of SMP Guidelines – Contribute at BEREC level and provide feedback – Response to CION's official review of the SMP Guidelines
Interacting at various EU, BEREC and International fora	
EU and International policy and regulatory initiatives	– Ongoing participation and contribution in the following fora and related working groups: BEREC, RSPG, RSCOM, COCOM, IRG, ENISA, CEPT, ITU, ICANN and HLIGG

¹⁸ <https://mita.gov.mt/en/maltacybersecuritystrategy/Pages/Malta-Cyber-Security-Strategy-2016.aspx>

2.2 eCommerce and eTrust Services

E1 - Facilitating the development and uptake of eCommerce and other online services.

Increasing focus on eCommerce uptake by business

In 2018 the MCA will continue to implement the workstreams emerging from the National eCommerce Strategy 2014 - 2020 and from the mid-term evaluation of the strategy carried out in 2017.¹⁹ The MCA will continue to focus its efforts on encouraging the business community in Malta to increasingly make use of online solutions and continue to increase public confidence in eCommerce.

eLearning Portal for SMEs - The MCA will continue with the implementation of a three year EU funded project (European Social Fund) which focuses on the delivery of an accredited eCommerce training programme for individuals - covering the entire range of the eCommerce value chain from planning a business to the delivery of products and ensuring customer retention. The project revolves around the design and delivery of a blended accredited learning programme with the objective of assisting SMEs in developing the necessary skills related to eCommerce, supported by e-learning training material and online mentors. The project is expected to target 200 individuals over the activity life cycle.

FastTrak2Mobile online presence for retailers - In the last quarter of 2017 the MCA, in collaboration with the General Retailers and Traders Union (GRTU) and the Malta Employers' Association (MEA), organised practical hands-on mentoring sessions to local retail shops on establishing an online presence. 100 retail shops were provided with mentoring sessions on establishing an online presence using social media and other Internet technologies. In 2018 the MCA will organise mentoring sessions on how to implement mobile marketing both in the promotion phase and in buyer-seller interaction/relationships, leading retailers to embrace the advantages brought about by mobile marketing and mobile commerce.

Increasing Cloud Awareness in the SME Community - The MCA through a stakeholders forum launched in the first quarter of 2017 helps local business organisations and SMEs to gain a solid understanding of what the cloud offers and how it can benefit their operations. Towards the end of the third quarter of 2017 the MCA held a Cloud focused conference involving key Cloud vendors, customers and other interested organisations. The conference focused on the benefits of cloud computing. The MCA plans to hold a second conference on the Cloud towards the end of 2018.

Online eCommerce Portal - The MCA will continue to focus its work on widening business sector awareness of its online eCommerce Portal.²⁰ The portal is a practical resource that provides easy access to information required by businesses who wish to take their operations online. It is a directory specialising in a one-stop-shop eCommerce service provision and has been purposely designed around the different phases of setting up an online shop. In addition the portal provides online guides aimed

¹⁹ Refer to the National eCommerce Strategy: <https://www.mca.org.mt/e-commerce/national-e-commerce-strategy-2014-2020>

²⁰ Refer to: <http://www.onlinecommerce.org.mt/>

at businesses that sell goods and/or services online and those that intend to set up their own online business.

Public and Service Provider Awareness / Confidence

The MCA will continue to address a number of tasks in its ongoing thrust to increase public confidence in eCommerce and facilitate the proliferation of eCommerce activity in Malta. Such initiatives include:

- Ensuring adequate awareness at a service provider level of obligations arising out of the eCommerce Act.
- Establishing methodologies in order to ensure that traders selling goods and services online employ industry standard best practices.
- Ensuring that customers are aware of their rights as well as avenues of redress.
- Providing free end-user training on the benefits and risks relating to the purchasing of goods and services online in collaboration with the MCCA.
- Providing adequate and up-to-date information to service providers regarding requirements relative to the take-up and pursuit of such services.
- Assessing the adoption of eCommerce and ICT by local businesses and consumers via the findings of eCommerce business and consumer surveys commissioned by the MCA and other entities. The results of such surveys assist the MCA in gaining a better understanding of the barriers that certain business and industries are facing in implementing eCommerce services and in identifying initiatives that could increase confidence in using eCommerce.
- Holding at least one eCommerce forum to keep interested parties informed of regulatory and technical developments. The forum seeks to create an eCommerce community where industry players and other stakeholders can meet to discuss topics of mutual interest and to share experiences and knowledge.
- Participating and contributing to fora targeting the uptake of eCommerce amongst SMEs.

Priority Programme of Works 2018 - Strategic Objective E1 (e-Commerce)	
Project / Activity	Planned Output
Putting into operation the eLearning Portal for SMEs	
eLearning Portal for SMEs	<ul style="list-style-type: none"> – Design and setup of eLearning portal for SMEs – Testing of eLearning Portal – Development of material for eLearning portal – Delivery of training to SMEs
Initiative set at incrementing outgoing eCommerce	

Priority Programme of Works 2018 - Strategic Objective E1 (e-Commerce)	
Project / Activity	Planned Output
FastTrak2Mobile - Online Presence for Retailers	– Training sessions for retailers
<i>Awareness-raising of digital markets and the Cloud in the business community.</i>	
Malta Cloud Forum Event	– Second Cloud focused conference involving key cloud vendors, customers and other interested (planned to be held in Q4/2018)
<i>Providing free training on online transactions to individual citizens</i>	
eCommerce training for end-users in collaboration with MCCA	– End-user training on the benefits and risks relating to the purchasing of goods and services online
<i>Updated information database on e-Commerce activity</i>	
Online eCommerce Portal	– Monitoring MCA's eCommerce portal
eCommerce Stakeholder Fora	– Hold bi-annual eCommerce fora
Business and Consumer perception surveys on the use of eCommerce	<ul style="list-style-type: none"> – Assess the result from eCommerce business and consumer surveys – Identify any new work areas that could increase confidence amongst consumers and businesses in using eCommerce.

E2 - Supervising the provision of electronic signatures and trust services

EU eIDAS Regulation - Ongoing Management of Related Processes

The EU Regulation 910/2014 on electronic identification and trust services for electronic transactions in the internal market (referred to as the 'eIDAS Regulation') was adopted in 2014. The rules for trust services started to apply as from July 2016. The mandatory mutual recognition of eIDs will apply from mid-2018. The changes required to existing national legislation required to ensure legal consistency and clarity with the eIDAS Regulation - primarily the Electronic Commerce Act, Cap 436 and the Electronic Commerce (General) Regulations, SL426.02 - were adopted in July 2016.

The Regulation provides the framework for a predictable regulatory environment to enable secure and seamless electronic interactions between businesses, citizens and public authorities. In this regard, the eIDAS Regulation:

- ensures that people and businesses can use their own national electronic identification schemes (eIDs) to access public services in other EU countries where eIDs are available; and
- creates an European internal market for electronic trust services (eTS) - namely electronic signatures, electronic seals, time stamp, electronic delivery service and website authentication - by ensuring that they will work across borders and have the same legal status as traditional paper based processes.

As the body tasked with the supervision of qualified trust service providers the MCA, as required, grants qualified status to trust service providers and the services they provide. The MCA is responsible for maintaining and publishing a trusted list of certified service providers using qualified trust services and their status. Trusted lists are essential elements in the building of trust among market operators as they indicate the qualified status of the service provider at the time of supervision. To date two applications have been processed, one of which is the Government IT agency.²¹

The MCA supervises qualified trust service providers to ensure that the qualified trust services they provide meet the requirements of the eIDAS Regulation. The MCA also takes action in relation to non-qualified trust service providers, when such providers do not meet the requirements laid down in the eIDAS Regulation. Apart from ensuring that qualified trust service providers are audited at their own expense at least every 24 months by an accredited conformity assessment body (CAB), the MCA may at any time audit or request a CAB to perform a conformity assessment of the qualified trust service providers. The MCA is required to inform other supervisory bodies and the public about breaches of security or loss of integrity in accordance with legislation.

In 2017 the MCA put in place the necessary procedures and guidelines for the effective implementation and monitoring of the eIDAS Regulation with regard to qualified trust service

²¹ Refer to <https://www.mca.org.mt/general/trust-services-and-eid>

providers. In 2018 the MCA will monitor the situation and, if necessary, make enhancements to the registration and subsequent monitoring processes in a cycle of continuous improvement.

The MCA will continue to participate in the Forum of European Supervisory Authorities for Electronic Signatures (FESA) which comprises of regulatory bodies from all EU countries that meet twice a year to develop common points of view for dialog with political and technical institutions. The FESA discusses, amongst others, best practices for trusted list management and conformity assessment methods.

Exploring the Business Potential of Trust Service Providers

In line with the MCA’s mandate to promote Malta as a destination for high-value commercial users of communications services and ICTs, the MCA will continue to promote Malta as a venue for registration of qualified trust services providers. The MCA will also encourage the development and use of innovative trust services in Malta.

Priority Programme of Works 2018 - Strategic Objective E2 (e-Trust Services)	
Project / Activity	Planned Output
<i>eIDAS Regulation - Promotion and Management of related processes</i>	
eIDAS Regulation - Promotion and Monitoring	<ul style="list-style-type: none"> – Monitoring and supervision of qualified trust service providers in line with the eIDAS Regulation – Update as necessary internal monitoring processes and guidelines – Contribute and participate in FESA meetings

2.3 Postal Services

P1 - Safeguarding sustainable competition in the postal sector.

Management of the competition regulatory framework

Over the past years there have been significant developments in the postal market due to changing consumer needs and innovative electronic services such as transactions using electronic platforms. As a result of increasing digitalisation and the availability of electronic substitutes, traditional letter mail volumes have been declining in recent years for most countries.

The change in the way consumers are using the postal service and the decline in letter mail volumes may lead to the need for a redefinition of the scope of the universal postal service including an analysis of its sustainability, given the changing conditions in the sector. On the other hand, the importance of letter packet and parcel delivery services to both business and consumers is increasing due to eCommerce. The development of eCommerce in Malta is driving growth mainly in incoming international parcel and packet volumes. These growing parcel and packet volumes provide prospects not only for the established postal operators but also for new market players. As a result the postal services market is facing both challenges and new opportunities. Postal service providers need to be flexible and innovative to adapt to likely further declines in traditional letter mail volumes and take advantage of any new opportunities that may arise in the changing postal sector.

The MCA has an objective to promote the development of the postal sector and to facilitate the development of sustainable competition and innovation in postal service provision. To develop a competitive and sustainable postal services sector, it is important that postal service providers can compete on a fair basis with the Universal Service Provider (USP) to ensure that postal service users derive maximum benefits in terms of choice, price and quality.

The designated USP, MaltaPost, is currently classified as having SMP in all the markets falling within the scope of the universal postal service and is thereby liable to the continued application of cost-orientation and tariff approval, among others. These *ex-ante* remedies imposed on MaltaPost aim to prevent anti-competitive practices and to safeguard the interests of users and operators alike.

Continued enhancements to the MaltaPost Regulatory Accounts and Price Control model - The obligation for MaltaPost to keep separate accounts for each postal service it provides, as part of the universal postal services or otherwise, allows the MCA to assess compliance with the tariff principles of the Postal Services Act. The audited regulatory (separated) accounts are critical information for the MCA to assess how the universal postal service is performing financially, for assessing universal postal services' prices for compliance with tariff requirements of the Postal Services Act, and other regulatory requirements.

In 2018 the MCA will continue to enhance its current price control model used to monitor MaltaPost's tariffs and price change requests raised by MaltaPost. In assessing any claims for changes in tariffs the MCA considers whether the universal postal service is provided at prices which relate to cost and give incentives for efficient universal service provision.

Reviewing competition dynamics in specific areas - The MCA will continue to monitor the application of the current *ex-ante* remedies as well as the relevant postal service markets, the aim being to ensure that market review decisions remain relevant and that remedies reflect any changes in the markets. The high-level of cross-border purchases by Maltese consumers from retailers overseas is resulting in further competition in the delivery of packets and parcels. This competition scenario will continue to be monitored by the MCA in order to ensure that existing asymmetric regulation continues to be effective and of benefit to operators and consumers alike.

Given the pace of change and impact in relation to regulatory decisions, understanding market dynamics through the ongoing monitoring of the market, is of utmost importance for the MCA as a means to forecast the market's evolution. The MCA will continue to monitor the postal market with a focus on the different needs of end-users and considering also the boundaries of the market are changing.

Management of Postal Compliance Framework - The MCA will continue to ensure compliance of both licensed operators providing services within the scope of the universal postal service and operators subject to a general authorisation providing only services that fall outside the scope of the universal postal service.

The MCA will continue to ensure that operators that offer services that fall within the scope of the universal postal service are appropriately licensed to carry out such activities. This is particularly important for safeguarding the provision of the universal postal service.

It is essential that effective regulation is applied to ensure that universal postal services are provided and are readily available. In this respect, the MCA will continue to monitor the MaltaPost's compliance with its regulatory obligations related to the provision of the universal postal service.

The MCA's monitoring in respect of the universal service provision will mainly include the following: (1) ensuring that pricing of its universal postal services comply with the tariff requirements of the Postal Services Act; (2) monitoring compliance with the MCA's regulatory accounting decision; and (3) monitoring compliance against the established QoS standards and related performance targets.

Monitoring of postal market activity - The MCA will continue to:

- promote the development of the postal sector and facilitate the development of sustainable competition and innovation in the market of postal service provision;
- provide information regarding the provision of postal services in Malta to ensure that postal service users are informed of the choices available to them from a range of postal service providers which, in turn, aids transparency and helps promote the development of the postal sector; and
- collect relevant, accurate and timely information on the postal market in an efficient and effective manner and include this in published bi-annual communications market reviews.

This activity is supplemented by periodic public and business perception surveys commissioned by the MCA. The results of these surveys serve as an additional source of information in support of regulatory

decisions, as well as an indication of how the needs of residential and business postal users are changing over time and where innovation in the postal sector is under way. These surveys are, moreover of significant value to stakeholders beyond the direct regulatory aspects. On the one hand users are informed about current and future challenges of the universal postal service. On the other, postal operators get an insight into the evolving needs of postal users.

The MCA will, towards the end of 2018, commission a new set of surveys of the postal market to continue to be in a position to monitor and map the changing needs of postal users.

Priority Programme of Works 2018 - Strategic Objective P1 (Postal)	
Project / Activity	Planned Output
Reviewing competition dynamics in specific areas	
Monitoring the postal service markets	– Monitoring of sector competition developments to ensure a competitive and sustainable postal services market
Monitoring MaltaPost’s volumes	– Monitoring of postal volumes (in particular letter / small packet mail volumes) and the impact on the cost of providing the universal postal service
Continuing enhancements to MaltaPost’s Price Control Framework	
Price control framework to ensure sustainability of the USO provision	– Monitoring any price change requests made by MaltaPost
Regulatory financial reporting	– Ensuring MaltaPost’s compliance with the regulatory financial reporting requirements
Managing the Postal Compliance Framework	
Compliance, enforcement and investigations	– Monitoring and enforcement of operators licensed to provide postal services / operators subject to a general authorisation
Monitoring of postal market activity via collection and analysis of data	
Collection of relevant, accurate and timely information on the postal markets	– Inclusion in bi-annual communications market review report and the quarterly data sheets
Postal consumer perception surveys (households, businesses, bulk mailers)	– Commission consumer perception surveys – Publication of results of postal surveys (<i>expected in 2019</i>)

P2 - Ensuring that postal undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.

Ensuring Continued Sustainability of the Universal Postal Service

The Universal Service Obligation (USO) requires MaltaPost to, among other things, collect and deliver letters six days a week at an affordable and geographically uniform price to every address in Malta. In this respect the MCA has the duty of ensuring the stable provision of the universal postal service, whilst considering the need for the universal postal service to be financially sustainable and to be provided in a cost-efficient manner. The MCA also has the duty to ensure the provision of a universal postal service that meets the reasonable needs of postal service users.

The development of eCommerce platforms has triggered an increase in demand for letter packets and parcels. Conversely, traditional letter volumes, upon which the sustainability of the universal postal service was historically based, are expected to continue to decline due to e-substitution. MaltaPost is responding to the decline in letter mail volumes through increasing efficiency in its day-to-day operations coupled with the development of new revenue streams, leveraging the ubiquity of its post office network. Although financial improvements have been registered by MaltaPost in the provision of the USO, mainly due to price adjustments and the significant growth in eCommerce related mail (i.e. letter packets and parcels), ongoing challenges persist, as letter mail volumes continue to decline as more users switch to electronic alternatives.

MaltaPost's audited regulatory accounts show that the growth in revenue in domestic and outgoing cross-border mail flows, mainly due to price adjustments in 2014, is slowing down due to the ongoing decline in traditional letter mail volumes. On the other hand the growth in revenue in incoming cross-border mail flows is increasing as a result of the significant growth in incoming eCommerce. With the ongoing decline in traditional letter mail volumes coupled with the significant growth in incoming cross-border packets and parcels, the sustainability of the USO in Malta has become increasingly dependent on incoming cross-border mail. The surplus being generated by MaltaPost from inbound cross-border mail flows currently compensates for income declines in other areas, thereby supporting the financial sustainability of the USO. This situation may change due to the continuous decline in letter mail volumes on the one hand and the increasing competition in cross-border eCommerce-related delivery services on the other. In addition, the European Commission's proposal for a Regulation on cross-border parcel delivery services proposes measures concerning the transparency of tariffs with the intention of reducing mail prices across the EU.

Right-sizing the Universal Service Obligation - In 2018 the MCA will continue to press for quality of service delivery at the established efficiency targets, whilst allowing the incumbent the necessary flexibility to seek a right-sized USO, in order to secure the necessary efficiencies in operation and related costs.

Implementing the EU regulation on cross-border parcel delivery - In May 2016 the European Commission published its legislative proposal aimed at enabling cross-border eCommerce to flourish at a greater pace (also refer to [Strategic Objective P3](#)). The proposed measures set to improve price transparency and enhance regulatory oversight of parcel delivery, so that consumers and retailers can benefit from

affordable deliveries and convenient return options, one of the strongest drivers of cross-border eCommerce. The proposed Regulation will provide national postal regulators with the data needed to monitor cross-border parcel delivery markets and check the affordability of prices. The MCA will implement the Regulation following its coming into force in the first half of 2018.

Maintaining Compliance Framework - In 2018 the MCA will continue to keep the public informed of postal market developments and postal trends that are taking place within the postal sector. In addition, the MCA will continue to empower postal service users by providing information regarding the provision of postal services in Malta.

Every postal service provider must set out procedures, standards, and policies with respect to the handling of complaints from postal service users; these in particular relating to loss, theft, damage, or quality of service. The MCA will continue to ensure that procedures set by the respective postal service providers are sufficient and contain appropriate information to secure effective protection of postal service users. The MCA will continue to monitor compliance by the USP and other service providers in relation to protecting the integrity and security of mail, access to universal postal services, complaints handling procedures and compensation schemes, as well as quality of service.

Priority Programme of Works 2018 - Strategic Objective P2 (Postal)	
Project / Activity	Planned Output
Determining way forward vis-a-vis universal postal service obligations	
Review of the universal postal service / USO	– Establishing a way forward on the review of MaltaPost’s USO
Implementing the EU Regulation on cross-border parcel delivery (once adopted)	
EU Cross-border parcel Regulation - Implementation	– Monitoring cross-border markets and carry out the review on the affordability of prices and report findings
Managing the compliance framework	
Monitoring of the USP’s activities and other service providers	– Ongoing monitoring of mail integrity procedures, postal service schemes, QoS and complaints handling

P3 - Contributing to the development and implementation of postal regulatory policy.

Policy Development and Implementation

The MCA will continue to contribute to the development and implementation of postal regulatory policy. The MCA will continue to achieve this objective by means of the following key activities:

Providing input to Government on EU proposals, as well as on national matters

- Ongoing provision of advice to government on proposed EU legislative measures and other communications.
- Ongoing provision of advice to Government on the interpretation and application of any new regulations, directives, recommendations and other EU documents as well as any related issues and disputes which may arise.

Contributing to fora and related working groups

- Active participation and contribution to the ERGP responsible for advising and assisting the European Commission in consolidating the internal market for postal services and ensuring the consistent application of the European postal regulatory framework for postal services.

One of the main objectives for the ERGP during 2018 will be to provide the European Commission with a Report analysing the main market developments and the implications for regulation as well as the regulatory problems/drawbacks of the current regulatory framework. Furthermore, in 2019 the ERGP intends to provide recommendations to the European Commission in the perspective of reviewing or reforming the Postal Services Directive.

- Participation in the European Commission's Postal Directive Committee and the European Committee for Postal Regulation (CERP).²²

Providing statistical and other relevant information and collaboration with other regulators

- Ongoing submission of accurate statistics and information to the EU and other international organisations.
- Collaboration with peer regulators on a one-to-one basis or collectively in the relevant organisations.

Enhancing Regulatory Oversight of Cross-border Parcel Delivery – As already mentioned under [Strategic Objective P2](#), in May 2016, as part of the DSM, the European Commission published its legislative proposal aimed at enabling cross-border eCommerce to flourish at a greater pace. The proposed measures set to improve price transparency and enhance regulatory oversight of parcel delivery, so that consumers and retailers can benefit from affordable deliveries and convenient return options, one of the strongest drivers of cross-border eCommerce. The proposed Regulation on cross-border

²² With the formation of the ERGP, the MCA's work in CERP has been scaled back.

parcel will be adopted in the first half of 2018. The MCA will work with the ERGP on the implementation of the Regulation.

Priority Programme of Works 2018 - Strategic Objective P3 (Postal)	
Project / Activity	Planned Output
<i>Providing policy advice to Government</i>	
Cross-border parcel regulatory oversight – European Commission’s initiative to make cross-border parcel delivery more affordable and efficient	– Implementation of the Regulation (following adoption)
<i>Contributing to EU and international fora</i>	
EU / International policy and regulatory initiatives	<ul style="list-style-type: none"> – Ongoing participation and contribution in the following fora and related working groups: ERGP and the Postal Directive Committee – Provision of statistical and other relevant information to EU and international fora

2.4 Information Society

IS1 - Achieving widespread e-literacy and digital inclusion.

Digital Inclusion

In 2017 the MCA embarked on a focused strategy in the area of the Information Society in order to validate and review its direction in this area. The strategy, which is in the process of being finalised, identified that in most areas the current work-streams are valid in achieving the target for widespread digital literacy skills. In addition, new areas have been identified as potential useful work-streams that fill the perceived gap. The strategy advocates a shift from encouraging the first steps in digital accessibility to encompass digital facilitation in a number of areas, notably eCommerce, coding and internet safety among others.

Although a number of measures to address this emerging gap are already in place, the intention is to increase the tempo of such activities, in order to cater for what is perceived as being a new divide. This is identified as consisting of those individuals which have basic digital skills and the means to access technology but who for various reasons may be falling behind in the ability to realise the full benefits of ICTs. The awareness of this new digital divide does not dilute the importance of catering for the so called traditional divide - i.e. those who may not yet have even the basic digital skills or the means to access technology, possibly due to the level of educational attainment and/or expense involved.

During 2018 the MCA will focus its work on initiatives targeted specifically at growing the ICT capabilities of both citizens and businesses via applied ICT learning (i.e. the practical day-to-day use online solutions). Initiatives will be targeted specifically at the most vulnerable groups and individuals in order to bridge the digital divide, but will also serve to encourage youngsters to eventually take up ICT as a profession. The MCA will focus its work on the following key tasks:

Incentivising Digital Inclusion

Ċavetta Diġitali - During the first half of 2017 the MCA, together with the Parliamentary Secretariat for Rights of Persons with Disability and Active Ageing, developed a new training programme targeting senior citizens aimed at encouraging increased ICT take-up among this segment of the population. The training programme is available to adults who are 55+ years of age but will be effectively attracting most of the participants from day care centres and residents in Government elderly homes. The training sessions which commenced in the third quarter of 2017 will target 2,000 individuals.

Incentivising Digital Inclusion via a hardware / connectivity scheme - The MCA will explore the possibility of a hardware/connectivity scheme targeted at those individuals aged over 65. The initiative (planned to kick-off in 2019) will revolve around three components consisting of a holistic approach to address the digital divide among the elderly. The scheme will comprise of training sessions coupled with the provision of reconditioned hardware and subsidised internet subscription for an established time-period.

StarKids - The MCA will commence an EU funded (European Social Funds) project to enhance active inclusion for children who are at risk of poverty or social exclusion, either residing in the community or in residential care. These children will be given an opportunity to gain practical ICT skills that are relevant for them to improve the quality of their educational experience as well as maximise life experience. The project will kick off with a study to understand the dynamics of the gaps that exist in terms of ICT skills and tools. It will proceed with the development of an appropriate training programme and eventually with the provision of ICT tools and facilities as well as the delivery of the training. The initiative will target approximately 750 children from LEAP Centres and 100 children from residential homes.

Establishment of Assistive Technology Centres - The MCA will commence an EU funded project (European Regional Development Fund) with the aim of bridging the gap between individuals and technology by facilitating the integration of ICT in everyday life and mitigating the dependencies and barriers that persons with disabilities are burdened with. The initiative will involve the establishment of three assistive technology centres in Malta and Gozo (2 in Malta and 1 in Gozo). The assistive technology centres will be open to the public equipped with assistive technology.

The objective of this initiative is to: (1) facilitate the integration and contribute to the realisation of the full potential of disabled persons through the use of Assistive Technology; (2) raise awareness and educate employers and the general public regarding the assistive technology centres and the benefits of Assistive Technologies; and (3) set up and deliver (through MCAST) an MQF Level 5 course entitled “Foundations in Assistive Technology”.

BeSmartOnline! - In conjunction with key local stakeholders, the MCA will continue participating in the EU Safer Internet Programme. This will include a series of media campaigns, publications, school campaigns and information days targeting children, their parents/carers, and educators. In addition the MCA will continue promoting tips and guidelines on how to enjoy the benefits of the Internet safely and the promotion of positive content.

VASTE (JobsPlus Project Training) Programme - The MCA will partner with the EU funded (European Social Fund) VASTE Jobsplus project aimed at providing a range of training programmes (via an eLearning Portal) to vulnerable groups including persons with disabilities and substance abusers. The objective is to facilitate employment for vulnerable or disable persons and for others who have been unemployed for a number of months and years. 250 individuals will be selected by Jobsplus to participate in the training.

Incrementing schemes for applied ICT learning

GetSmarter2 (“maximising the use of your smartphone”) - In 2017 about 1,000 individuals participated in free of charge training sessions on the effective use of smartphones. In 2018 the MCA will once again hold free of charge training sessions aimed at increasing the awareness and use of smartphones as a productivity tool by encouraging the use of mobile communication and applications. The initiative, organised in conjunction with the telecom operators, will encourage the uptake of broadband and, in particular, mobile broadband. 500 individuals are expected to attend the training sessions.

Online Maltese Dictionary - The MCA will continue to improve the service being provided through the online Maltese Dictionary, www.maltesedictionary.org.mt. This resource facilitates the use of the Maltese language. It is also the perfect device for both children and adults to learn more about the Maltese language.

Managing free Wi-Fi hotspots initiative

Managing free Wi-Fi hotspots - The MCA will continue to provide free Wi-Fi access in key public spaces together with local wireless broadband players. The MCA currently manages 400 free Wi-Fi hotspots across various open spaces and public buildings across Malta and Gozo. The amount of free Wi-Fi hotspots is expected to reach 420 by the end of the first half of 2018. The MCA plans to increase the speed and quality of at least 60 free Wi-Fi hotspots in those areas where usage is particularly high. Free public Wi-Fi hotspots constitute another tool that will encourage the uptake of broadband and, in particular, mobile broadband.

Establishing a Coding Vision for Malta

A Coding Vision for Malta - The younger generation does not have problems with getting online, with practically a 100% internet presence. In this case the emphasis continues to be on coding at an early age in order to encourage the younger generation to become enablers rather than users. The MCA in collaboration with the Ministry for Education has extended the coding programme for children in state schools covering the scholastic year 2017/18. In 2018 the MCA will develop a vision document that defines the way forward in informal training in the field of coding to the public, especially children.

Encouraging e-Business Solutions

eBusiness Awards - The MCA will continue to hold annual *eBusiness Awards* aimed at: (a) promoting entrepreneurship, technological innovation and knowledge transfer amongst local enterprises; (b) stimulating entrepreneurial, technological innovation and knowledge transfer amongst local enterprises; and (c) giving exposure to best solution providers that may contribute to the development of business and the industry. The eBusiness Awards complement the MCA's efforts to facilitate the take-up of ICT and promote eBusiness, whilst at the same time offer a platform for participants to showcase their innovative solutions to the business community and the general public. The MCA will hold the seventh edition of the eBusiness Awards in the first half of 2018.

Priority Programme of Works 2018 - Strategic Objective IS1 (Information Society)

Project / Activity	Planned Output
Information Society Strategy	
Information Society (IS) Strategy	<ul style="list-style-type: none"> - Public Consultation - Publication of an Information Society Strategy
Incrementing schemes for applied ICT learning	

Priority Programme of Works 2018 - Strategic Objective IS1 (Information Society)

Project / Activity	Planned Output
Ċavetta Diġitali	<ul style="list-style-type: none"> - Training sessions for the elderly on the effective use of ICTs
Establishment of Assistive Technology Centres	<ul style="list-style-type: none"> - Tender for the procurement of Assistive Technology equipment - Adjudication and Award of Tenders - Development of course content - Trainer to assist persons with disabilities and or carers that shall make special visits to the centres - Development of guidelines - Launch of the assistive technology centres
StarKids	<ul style="list-style-type: none"> - Tender for research activity amongst children in residential homes - Adjudication and award of research tender - Finalisation of study - Tender for the development and design of the training programme - Tender for the provision of ICT equipment - Adjudication and award of Tenders
BeSmartOnline!	<ul style="list-style-type: none"> - Participate in Safer Internet Day 2018 - Video competition for MCAST students - Resource to distribute in schools accompanied by Facebook campaign - Seminar for teachers - Marketing campaign during the summer / Company road show / Summer schools awareness talks - Marketing: Back to school - BeSmartOnline! Forum - Participation in national entrepreneurship activity (Budding Rockstars) - Participation World Children's Day
VASTE - JobsPlus Project Training Programmes	<ul style="list-style-type: none"> - Initiation of works related to the portal development and content updates - Engagement of tutors - Roll-out of training sessions - Continuation and finalisation of the training sessions

Priority Programme of Works 2018 - Strategic Objective IS1 (Information Society)

Project / Activity	Planned Output
Online Maltese Dictionary	<ul style="list-style-type: none"> – Launch improved online Maltese Dictionary services
GetSmarter2 - Smartphone Initiative	<ul style="list-style-type: none"> – Development of campaign – Development of training manual – Delivery of Campaign – Delivery of training
Managing (and possibly expanding) free Wi-Fi hotspots	
Free Wi-Fi hotspots in public places	<ul style="list-style-type: none"> – Monitoring of the free Wi-Fi hotspots – Increase the speed and quality on at least 60 Wi-Fi hotspots – Reach 420 free Wi-Fi hotspots by end Q2/2018
Establishing a coding vision for Malta - Informal training in the field of Coding	
Establishing a Coding Vision document - informal training in the field of coding	<ul style="list-style-type: none"> – Launch Coding vision document – Ongoing Coding sessions
Encouraging eBusiness Solutions	
eBusiness Awards	<ul style="list-style-type: none"> – 2017 eBusiness Awards Event

2.5 Business Innovation

IN1 - Promoting and facilitating business development and innovation in the sectors under the MCA's purview.

Promoting and Facilitating Innovation and Digital Business Growth

In 2018 the MCA will continue to focus its work on stimulating, facilitating and promoting the startup ecosystem in Malta coupled with facilitating and concerting intra-organisational discussion and foresight development across the following four business innovation fronts:

Fostering a Tech Startup Culture - This activity aims to contribute towards building an ecosystem for tech startups in Malta. To engender innovation and achieve growth in digital business activity Malta needs to embrace a culture that favours home-grown tech entrepreneurship. Such a culture would contribute towards further growth in the pool of tech entrepreneurs and human resources able and willing to join tech start-ups. The MCA will continue to focus its work on:

- promoting and raising awareness on tech entrepreneurship at a young age (such as the MCA annual "Budding Rockstars" event²³);
- providing recognition to Malta-based success stories such as through MCA's eBusiness Award initiative for Best Tech Startup;
- fostering partnerships and collaboration with educational institutions and other entities involved in promoting innovation and tech entrepreneurship such as Junior Achievement Young Enterprise (JAYE) Malta Foundations and the University of Malta; and
- maintaining innovation outreach through MCA's website and other media channels.

Stakeholder Engagement and Intelligence - Creating the right preconditions for a tech startup ecosystem to flourish in Malta is critical. Improving this environment would in turn better enable tech startups to scale fast, efficiently and in a sustainable manner. An enabling environment should be underpinned by the principles of timely support provision, intelligence sharing, and open collaboration amongst the multiple stakeholders involved. The MCA will continue to contribute towards improving an enabling environment for tech startups in Malta. This activity includes:

- one-to-one support via a helpdesk service to address business enquiries;

²³ "Budding Rockstars" is an event organised by the MCA on entrepreneurship and creative innovation targeted at Malta's brightest young minds. Fifth Form students are introduced to the exciting world of entrepreneurship and innovation through panel discussions, presentations and group activities.

- thematic studies to inform policy and disseminate intelligence on the tech startup environment (such as via collaboration with Startup Genome²⁴); and
- consultation with stakeholders to stimulate debate, cooperation and synergising national efforts.

Increase Malta's visibility in Tech Startup Scene - The MCA will continue with its work to increase visibility in the tech startup scene by showcasing success stories and Malta's value proposition. This would in turn raise Malta's attractiveness amongst entrepreneur and investor communities in foreign jurisdictions, and potentially trigger off inward-migration of startup founders, angel investors, Venture Capitalist (VC) funds or talent. Such influx would enrich Malta's digital business community and strengthen its sustainability and relevance to the national economy. This thrust includes activity along the following lines:

- international branding and promotion campaign utilising developed promotional tools and resources (e.g. promo brochure, testimonial videos, ZEST social media channels focused on disruption, digital business and innovation);
- development of additional promotional resources with a niche focus (e.g. tech startups in Nordic regions); and
- showcasing Malta at international tech events (e.g. presence at Web Summit).

Growing Malta's Tech Startup Community - This initiative entails activity that directly contributes to the growth of a thriving tech startup community in Malta. The MCA recognises that tech startups are more likely to succeed if they operate within a community that is growing in a sustainable manner. Moreover, community growth would engender additional networking, sharing of best practices and facilitate strategic partnerships. Underlining this thrust are a number of envisaged actions, including:

- stimulating community networking by bringing together and educating relevant stakeholders;
- participating in, and support to, events organised by the digital business community or other third-parties;
- organising the third ZEST event - a two-day conference and networking event focused on showcasing Malta as an ideal location for digital businesses and celebrating Malta-based success stories.

The above-mentioned thrusts and the envisaged actions should help foster and grow a sustainable tech startup ecosystem that induces and supports tech entrepreneurs to set up or transfer business to Malta. In the process, this would result in increased relevance of digital businesses to the national economy whilst enhancing the country's ecosystem via improved visibility and international repute.

²⁴ <https://startupgenome.com/>

Promoting institutional co-ordination in positioning Malta as an ecosystem for digital business

The biggest challenge in advancing innovation is the fact that it has to be a nationwide policy, backed by various competent bodies. A fresh thrust is therefore envisaged with a view to establishing a co-ordinated institutional approach. The consolidation of digital economy and innovation under a Parliamentary Secretariat within the Office of the Prime Minister can facilitate the development of more holistic policy frameworks and programmes for new digital sectors. Taking note of Government's pledge to set up a dedicated body in line with its vision to position Malta as a hub for start-ups, the MCA aims to be a lead partner to Government in this front. To this effect, drawing on its technical expertise and experience, the MCA has in 2017 presented a series of proposals for Government's consideration.

Updating Feasibility Study on the International Connectivity Project

Malta's broadband Internet readiness is becoming increasingly pivotal in influencing the nation's global competitiveness. Over the past years development in next generation broadband access and international connectivity have not only helped reinforce Malta's position as one of the leading jurisdiction in eGaming, but has also led to the growth in financial services and various other knowledge-based industries. Currently Malta is entirely reliant on links to Sicily for international telecoms connectivity. In order to evaluate this scenario, in 2015 the MCA carried out a feasibility study for a new submarine cable connecting Malta to other alternative locations with the objective of enhancing the resilience and quality of the current international electronic communications connectivity. The study revealed that a new connection to mainland Europe via a locally-owned, 'government-subsidised' branch to a trans-Mediterranean submarine cable would improve Malta's credibility as a destination for international business investment and ensure that the country's future international telecoms connectivity requirements and competitiveness can be met. During the study the MCA investigated various cable topologies and following an international Expression of Interest, a number of cable owners and operators presented their ideas and views for connectivity. A number of proposals that were received not only address route diversity but also offer the medium to long-term possibility of bridging Europe to Northern Africa.

In 2018 the MCA will work with Government to identify potential financial incentives and issue a call for Expression of Interest for parties to express their interest in investing in a new undersea cable infrastructure.

Developing the Satellite Communications Sector in Malta

In line with the Malta National Space Policy,²⁵ as part of its drive to promote Malta as a destination for high-value commercial users of communications services and ICTs, the MCA will continue exploring the needs and the opportunities for the satellite communications industry in Malta.

Satellite filings with the ITU through Malta - The MCA will continue to encourage satellite operators to register space resources with the ITU through Malta in line with the satellite filing framework. The

²⁵ <http://mcst.gov.mt/wp-content/uploads/2017/04/The-Malta-National-Space-Policy-2017.pdf>

MCA will continue to investigate the feasibility for adopting a model similar to a Public Private Partnership (PPP) model in relation to the management of satellite filings and related activities.

Galileo Global Navigation Satellite System (GNSS) and Public Related Service (PRS) programme - The MCA will continue to support local industry and academia participating in the Galileo projects. The MCA will also continue to support Government by participating in programme committee, evolution and supervisory authority meetings.

Liaison with other Entities - The MCA will continue working with Malta Enterprise (ME) to identify existing incentives and develop new incentives, as may be necessary and feasible, targeted at facilitating investment in the satellite communications industry in Malta.

Development of Untapped Potential of Spectrum and Other Related Activities

A revised test and trial licensing framework was adopted at the start of 2017 with intention of facilitating tests and trials for new innovative wireless services. Having regard to future trends, including the increased demands for advanced mobile services, potential impacts of IoT and 5G, and new wireless opportunities associated with satellite communications, in 2018 the MCA will continue to promote the uptake of test and trial licences. Malta's location offers local and international companies a unique opportunity to test innovative technologies and service implementations on a national scale and at minimal costs.

Updating the National Broadband Plan in relation to 5G and Gigabit Society

In 2018 the MCA will update and publish a revised National Broadband Strategy with a time horizon beyond 2020 in line with the strategic objectives for 2025 set out in the European Commission's communication "Towards a European Gigabit Society"²⁶ and in the 5G Action Plan.²⁷ The strategy will pave the way for the future of fixed and mobile broadband in Malta including the establishment of the 5G "path-to-deployment". The strategy will take into consideration the use of future 5G infrastructure to improve the performance of communications services used for public safety and security.

Review IPv6 and other numbering limitations

The connectivity requirements for IoT devices are particularly wide and will require new service offerings to meet the individual requirements. In addition, the rollout of IoT devices may require significant numbering resources. This may instigate the need to migrate from the Internet Protocol Version 4 (IPv4) to Internet Protocol Version 6 (IPv6) addressing scheme as a means of having access to larger IP pool. IoT devices are heavily reliant upon robust and secure communication as the data collected by device sensors can include sensitive information. IPv6 will enable more secure M2M communication and allow for the IoT to continue to expand. Given the significant potential for life-

²⁶ <https://ec.europa.eu/digital-single-market/en/policies/improving-connectivity-and-access>

²⁷ <https://ec.europa.eu/digital-single-market/en/5g-europe-action-plan>

style and productivity enhancement associated with IoT, in 2018 the MCA will review the current situation with regards to IPv6 addressing scheme and other numbering limitations.

Priority Programme of Works 2018 - Strategic Objective IN1 (Business Innovation)	
Project / Activity	Planned Output
Promoting and facilitating innovation and digital business growth	
Fostering a tech startup culture	<ul style="list-style-type: none"> – 2017/8 JAYE Collaboration Framework – Best Tech Startup @ MCA eBusiness Awards – Recognised Tech Ambassadors 2018 – Participation in SME Week – Budding Rockstars
Stakeholder engagement and intelligence	<ul style="list-style-type: none"> – Undertake benchmarking study on Malta's 2017/8 startup ecosystem – Publish findings of 2017/8 study – Commission 2018/9 study
Increase Malta's visibility in the tech startup scene	<ul style="list-style-type: none"> – International branding and promotion campaign – Showcasing Malta at international tech events
Growing Malta's tech startup community	<ul style="list-style-type: none"> – Stimulating community networking by bringing together and educating relevant stakeholders – ZEST Malta 2018 event
Updating feasibility study on the international connectivity project	
International Connectivity – Establishing a new submarine cable link	<ul style="list-style-type: none"> – Expression of Interest for interested parties to express their interest in the investment
Developing untapped potential of spectrum and any related activities	
Galileo – Participating in the GNSS and PRS programme	<ul style="list-style-type: none"> – Attending programme committee, evolution and supervisory authority meetings – Increasing public awareness, visibility and interest in Galileo and supporting dissemination of project results – Stimulating collaborative research across industry and academia and developing skills and knowledge transfer – Assisting government, industry and academia to foster academia-industry relationships that benefit each party – Enhancing knowledge transfer and sharing of lessons learned

Priority Programme of Works 2018 - Strategic Objective IN1 (Business Innovation)

Project / Activity

Planned Output

Supporting wireless research and development

Test and Trial Licences

- Promoting the uptake of test and trial licences *(specifically in respect of new innovative services)*

Updating the National Broadband Plan - 5G and Gigabit Society

Broadband policy towards a gigabit society

- Stakeholder workshops
- Draft and consult on the strategy document
- Review feedback from Consultation
- Publish final version of the Broadband Policy

Review IPv6 and other numbering limitations

Review of IPv6 and other numbering limitations

- Report outlining any addressing/numbering schemes which might impair the deployment of new service

2.6 Organisation

The MCA strives to be an active and dynamic organisation that is capable of responding to the rapidly changing environment and is positioned, in terms of expertise, robust analytics and up-to-date information, as well as resources, to address issues that affect our ability to fulfil our mission.

The MCA is committed to maintaining an efficient and effective strategic and business planning function, supported by the monitoring of actual performance against set targets. In order to optimise its performance, the MCA is also committed to ensuring that its employees possess the necessary expertise to contribute fully towards the achievement of the MCA's objectives. The MCA will ensure that their knowledge remains up-to-date through ongoing investment in training and continuous learning.

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

In 2018 the MCA will review and update its Communications Strategy, which will draw together existing and planned work required for maintaining and enhancing consumer, public, industry and international confidence; creating effective public awareness of the MCA's activities and building support for the MCA's policies, programmes and operations. The MCA will ensure that its Communications Strategy is flexible enough to deal with the changing demands and needs of consumers and the sectors under the MCA's purview.

Priority Programme of Works 2018 - Organisational	
Project / Activity	Planned Output
Organisational	
Development of a Communications Strategy	<ul style="list-style-type: none"> – Development of a Communications Strategy 2018 - 2020 – Engagement with internal/external stakeholders – Communication strategy presented to relevant stakeholders
Strategy Update and Business Plan	– MCA's Strategy Update and Business Plan 2019 - 2021
Annual report and financial statements	– Publication of MCA's Annual Report 2017
Performance management review	– Quarterly performance management reviews
Monitoring Information Management Systems	– Monitoring and upgrading of the MCA's information management systems

Review of MCA's processes and procedures	<ul style="list-style-type: none">– Ongoing review of the MCA's business processes and procedures
Staff training	<ul style="list-style-type: none">– Ongoing staff training in both soft and hard skills

2.7 Delivery of the Work Programme

The planned priority work streams and outputs envisaged to be performed in 2018 are shown under each of the above strategic objectives. The major outputs listed under each strategic objective represent the MCA's current best view of the priority work streams that will be undertaken during 2018.

The MCA's experience over the past years has shown that, while its strategic update enables the identification of key areas to be addressed in the medium- to long-term future, the complexity and fast-paced nature of innovation and developments in the communications sector means that unexpected issues will inevitably arise.

The MCA caters for the element of uncertainty that will inevitably characterise its work programme throughout any given year. The MCA therefore intends to retain flexibility within the 2018 work programme, in order to respond to changes and new issues arising during the course of the year.

The MCA will update its plans every quarter and make adjustments to its 2018 work programme when necessary to make sure it keeps pace with the rate of market change and any critical issues affecting citizens and consumers at any one time.

3. Financial Projections

The MCA's projected expenditure for 2018 is expected to be as shown in **Table 1** below:

Table 1: MCA's Projected Expenditure (€) - 2018					
	Staff Costs (€)	Operational Expenditure (€)	Projects Expenditure (€)	Depreciation Charge (€)	Total Projected Expenditure (€)
Electronic Communications Networks and Services	2,349,809	329,657	274,400	104,299	3,058,165
Radio Spectrum Management and Monitoring	425,413	148,023	127,780		701,216
Postal Services	132,355	10,158	56,287		198,800
eCommerce and eTrust Services	121,453	17,700	50,767		189,920
Information Society	417,263	10,881	173,471	12,981	614,596
Business Innovation	125,579	510	108,600		234,698
Total Projected Expenditure (€)	3,571,872	516,929	791,305	117,280	4,997,386