



Malta Communications Authority

Strategy Update 2020 - 2022

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Malta Communications Authority

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1. Purpose

This document provides a rolling update of the Malta Communications Authority's (MCA's) strategic direction for the period 2020 - 2022. It contains a validation of established strategic thrusts and includes any new developments that are envisaged as having a significant impact during the plan period.

The key thrusts identified in this Strategic Update constitute the framework for the activities that are articulated in the Business Plan for the same time-period.

The contents of this Strategy Update are based on the MCA's visibility of its official mandate as at date of presentation.

2. Contextual Background and Outlook

Background

2019 has to date been characterised by notable achievements on the part of the Authority, as well as significant events, foremost among which the migration of the Information Society component of this organisation to the newly set-up Tech.mt. The latter entity is tasked primarily with the attraction of Information technology investment to Malta but also promotes the proliferation of the Information Society. The setting up of this organisation, together with others dealing with Blockchain, AI and other new technologies, is consistent with Government's drive to place Malta firmly on the map as far as digital innovation is concerned. That makes the MCA's mission in regulating the underlying infrastructure all the more critical.

The focus of the MCA's mandate now clearly centres on the regulatory sphere, with elements of awareness-raising and promotion retained as key tools in support of its regulatory remit.

The launch of a fixed broadband product over fibre by a third retail service-provider, thanks to the relevant regulatory solution marks a very important development in the sphere of competition, given that it marks the introduction of a third fixed-line player through a regulated arrangement (VULA). The MCA will continue to follow this development closely. The Authority is, in the meantime, carrying out a competition analysis of the related relevant market, which it will finalise in 2020.

Another notable development has been the adoption, on the part of the European Union, of the new European Electronic Communications Code (EECC) in December 2018. The MCA garnered a sizeable body of knowledge in its advisory role to Government during the formation of the relevant Directive. It has now been tasked by Government to apply its expertise in drawing up the transposition of the Code and presenting a legislative proposal to Cabinet and subsequently Parliament. In the process of so doing the Authority is carefully reviewing all areas of the relevant legislation, with a view to enhancing the overall operation and delivery of electronic communications networks and services to the benefit of users and the sector itself.

The coming into force of the EECC will result in increased activity at BEREC¹ level, particularly in 2020 and beyond, as BEREC adheres to the planned publication and adoption of a number of guidelines in relation to several new provisions within the EECC and to the delivery of technical opinions to the European Commission on matters falling within the latter's remit.

¹ BEREC is the acronym for the Body of European Regulators for Electronic Communications

5G continues to loom large on the radar screen and will continue to do so for some time to come. Work towards clearing the necessary frequencies for its programmed introduction is well into the planning stage. The next stage, that is the process leading to actual deployment 'to market' of the frequency spectrum involved, will commence in 2020 with a view of reaching the desired goal by 2023 as planned.

GO's fibre deployment, meanwhile, has continued steadily, together with upgrades to broadband speeds in non-fibre areas, in competition with Melita. Both operators can offer broadband speeds that can reach and even surpass the 100Mbps mark in most parts of the Maltese Territory. The situation as regards headline speeds is expected to continue improving in 2020 in parallel with progress in fixed network upgrades.

Operators have also continued increasing their attention to Machine-to-Machine (M2M) and Internet of Things (IoT) services, as their networks become more advanced and increasingly efficient in handling low-latency and high-burst information streams.

The increased reliance of end-users, whether domestic or commercial, on high speed Internet, means that the elements of security and resilience inevitably increase in profile. These aspects, too, will feature prominently on the Authority's agenda.

Beyond the security aspect, the Authority will continue to dedicate resources towards quality of service provided in relation to advertised conditions. The focus remains on broadband products.

Quality of Service is also of prime importance in the Postal field, hence the current 95% next-day-delivery requirement. Beyond ascertaining that this standard is achieved, however, the Authority also keeps a close watch on the sustainability of the Universal Service Provider. This latter aspect needs to be monitored as international developments relative to the flow of terminal dues unfold.

Meanwhile, as anticipated, the EU Commission has announced the intention to move towards the drafting of a new Postal Directive.

In both instances, the relevance of the Universal Service (and its relative size) are likely to be a central point of discussion. Aspects related to the fast changing nature of postal services, including competition between providers, should also feature prominently. The discussion at EU level will be shadowed by the European Regulators' Group - Postal (ERGP) and thus it is envisaged that activity within this forum will also increase as a result.

Given all the above, it may be necessary to consider a comprehensive review of the Maltese Postal Sector leading up to a possible rethink of Postal Regulatory Policy.

The migration of a host of Information Society initiatives to Tech Malta in the course of 2019 has meant a re-dimensioning of the Information Society and E-Commerce functions. The focus in these areas is now essentially on the regulatory aspects.

As far as E-Commerce regulation is concerned, the nature of the regulation involved inevitably means that a sizeable element of information-provision and facilitation, both to E-Commerce users as well as to Information Society operators, will need to take place. Meanwhile, the European Commission is planning to review the E-Commerce Directive, which dates back to 2001, and issue new proposals mid-next year within a comprehensive Digital Services Act.

On the Information Society front, the MCA has assimilated a function assigned to it by the Government late in 2018, that is, the task of transposing and administering Directive (EU) 2016/2102 (Website Accessibility Directive). This Directive deals with the accessibility of the websites and mobile applications of public sector bodies. Digital Inclusion therefore remains within the Authority's portfolio, albeit from a relatively focused regulatory standpoint. Transposition of this Directive has duly taken place in the first half of 2019.

The MCA has also been tasked with the oversight of two EU regulations in the course of 2019, namely

1. Regulation (EU) 2018/302, which addresses unjustified online sales discrimination based on customers' nationality, place of residence or place of establishment within the internal market (also referred to as the Geo-blocking Regulation), and
2. Regulation (EU) 2017/1128 on cross-border portability of online content services in the internal market. The objective of the portability rules is to broaden access to online content services for travellers in the European Union.

In both mentioned instances the elements of information-provision and facilitation will be necessary tools for the MCA to fulfil its regulatory mandate.

In the previous Strategy Update, reference was made to the wider economic environment and the challenges this presents to the Authority in terms of finding and maintaining the right human resources. Reference was also made to the need for greater autonomy from Central Government and related Public Service rules, particularly as regards recruitment and retention. A year on, the observations remain relevant.

Outlook

The overall work programme of the Authority over the foreseen plan period denotes a significant degree of continuity with the current direction, as established in the last Strategy Update. The programme is no less challenging in that it presents a number of key deliverables and deadlines that need to be reached.

Exciting developments lie ahead, but these do not materialise of their own accord. The groundwork has to be laid painstakingly if the promise of a new, gigabit society is to materialise. This needs the necessary preparation in terms of the review and application of rules relative to competition, security, resiliency, consumer protection, quality of service, numbering, frequency management and infrastructure, to name the major ones.

Government initiatives in the regulation and attraction of economic sectors that are heavily dependent on electronic communications, as well as industry developments that increasingly necessitate ubiquitous and 24/7 connectivity of individual 'things', in their millions and more, make for a new breed of communications platforms. The envisaged transition resembles more of a revolution than an evolutionary process.

Only in the laying of the necessary policy and regulatory foundations in time for the commercial maturity of such platforms can the new electronic communications revolution catch on.

Electronic Communications

The work programme relative to Electronic Communications sector regulation is characterised by a number of high-profile initiatives of a multi-year nature, practically all of which spill over from 2019. It is pertinent to go briefly through these initiatives given that they will shape the Maltese electronic communications landscape for the years to come.

The Authority will be concluding its ex-ante competition analysis relative to broadband markets 3a (Wholesale Local Access (WLA)) and 3b (Wholesale Central Access (WBA)). The analysis is currently ongoing. Informal discussions have been held with key stakeholders. The outcome will shape the competition scenario for the foreseeable future.

In the meantime the Authority will continue to monitor progress in the provision of the existing regulated broadband access agreement and should have an adequate time window by which to gauge the success or otherwise of the arrangements finalised in the first half of 2019. Reviews will take place as necessary in order to support ongoing viable access arrangements.

The MCA will continue to service market players and users with the relevant information relative to the uptake of retail services, market prices and other key indicators, as well as via user perception surveys. The latter will, among others, provide valuable feedback as regards quality of experience in service usage.

The Authority will place renewed emphasis on quality of service in the provision of electronic communications services to the public. The intention is to widen obligations and reporting requirements to the extent possible. The publication of such information is seen as beneficial in providing greater transparency and thereby lead to overall improving service provision to the public. Focus will be on fixed and mobile broadband. An ongoing reporting requirement entails the setting up

of the necessary processes and data sets that all concerned have to thereafter maintain on an ongoing basis.

Beyond being aware of the service that they are actually receiving, users of electronic communications services have the right to protection with respect to subscriber contracts. The MCA will review existing decisions on this policy area and include any identified measures where permissible, to provide further protection in line with the principles and obligations set out in the EECC. This is currently being transposed into Maltese Law.

Work on the transposition of the Code is on schedule and a draft Bill, amending various laws together with new subsidiary legislation, should be finalised and prepared for public consultation by the end of the current year. The project will enter a decisive phase in implementation with the parliamentary process taking centre stage in the first half of 2020, following the public consultation phase. The MCA, which has been designated by Government to pilot the entire transposition process, will be heavily involved in the proceedings, including providing the necessary input to Parliament during the various stages of enactment. The transposition of the Code has to be finalised by December 2020. The completion of this assignment by the established date is therefore a priority.

The New Code carries a number of fresh requirements incumbent on both Government and the Authority, with the latter being involved both individually and in the context of BEREC. Several of these requirements take the form of implementing legislation or BEREC guidance. They cover a sizeable range of topics, including among others, the placing of additional safeguards on the National Regulatory Authority's independence, the inclusion of broadband as a universal service in the context of an overall review of the USO, reviews relative to access rights and obligations, quality of service and end-user matters. All the related workstreams will be incorporated in the MCA's work programme in line with any established timeframes for implementation.

The MCA will also provide its input to other EU, BEREC and CEPT work programmes, continuing on from 2019. The Authority's active presence in, and contribution to, such fora is of high strategic importance, particularly within BEREC, given that the latter's role and responsibilities, have been enhanced by means of the new BEREC Regulation (EU 2018/1971). This Regulation was adopted by the EU institutions in parallel with the adoption of the EECC. The Authority's full participation within BEREC's Board of Regulators, Contact Network and Expert Working Groups is not only desirable, but has now been made mandatory by the newly adopted Regulation.

Maximizing the potential of frequency spectrum as a policy tool remains a central thrust in the MCA's overall strategy in relation to the development of the electronic communications sector. The upcoming deployment of 5G mobile technology is a focal point for the Authority's spectrum policy and management programme. Essentially most of the foreseen activity in this policy area is in relation to 5G roll-out, given the game-changing potential entailed in its application. The preparatory work is significant and is not simply limited to bringing spectrum to market. Other logistical issues will need to

be resolved, foremost among which coordination at several levels in infrastructure deployment and sharing. As regards EMF (non-ionizing) radiation the MCA will continue to conduct regular testing of base stations in order to ensure that radiation levels, well below the ICNIRP acceptable limits, continue to obtain as has to date been the case.

The process for bringing to market of the relevant spectrum slated for 5G use is under way. The MCA is working on the production of a radio spectrum assignment framework and related management principles for the rights of use of these so-called pioneer bands, namely the 700MHz band and the 3.4 – 3.8GHz and 26GHz bands. Among others the Authority needs to consider how the tailoring of the eventual assignment process can enhance end-user benefit.

Of the pioneer bands, the assignment process relative to the 700MHz band is the most problematic one, given the legacy factor. The relative process has a direct impact on commercial digital terrestrial TV (DTTV) transmissions, given that three of the current eight commercial multiplexes operate in this band. It is, however envisaged that the network operator in question will be in a position to migrate subscribers to its fixed IP network by the set deadline, that is 2022. The Authority will follow the migration and facilitate matters as required in line with its mandate.

Transmissions meeting General Interest Objectives (GIOs) are not affected by the 700MHz migration towards mobile data usage. The DTTV General Interest multiplex utilizes a frequency that is below the 700MHz band. Even so, there may be a knock-on effect in the event of a switch-off of the commercial DTTV network given that the GIO operator (PBS) sub-contracts the commercial DTTV operator (GO) for the multiplexing and transmission operations. Whilst this is a purely commercial decision taken by PBS under the regulatory oversight of the Broadcasting Authority, issues may arise in the event that an alternative terrestrial transmission solution is not available.

The MCA can assist the Broadcasting Authority as necessary in outlining alternative technology arrangements that, together with the General Interest broadcasters who are directly involved, the latter Authority can then explore to the necessary level of detail.

The number of services running over both fixed and mobile broadband networks has now reached sizeable proportions and will no doubt increase. This state of affairs is also attested by the ongoing steep rises in broadband subscriber and usage statistics. Beyond the numbers, however, the element of criticality is also manifest in the nature of the services provided, with key services set to be increasingly rolled out in sensitive areas such as health, mass transport, education and R&D, to name a few. Here again, the dependence on electronic communications is expected to continue increasing unabatedly, in line with all related indicators.

All of this points to the need for the establishment of the necessary network and information security measures that need to be managed in line with the risks brought about by this increased criticality. The Authority will continue addressing the relevant solutions, at the EU level, by participating in the drafting

of policy and technical solutions and the sharing of best practice in the relevant fora. The Authority will also step up activity on the national front, continuing to build its required network and cybersecurity capacity and monitoring the security and integrity levels of public fixed and mobile networks.

Along the security argument, and also in line with its mandate to maximise the potential of the radio spectrum framework, the MCA will need to invest the necessary funds to acquire monitoring equipment that can address present-day requirements. Ensuring non-interference in the airwaves assumes a much higher profile as dependencies increase to critical levels. The groundwork to acquire the equipment has been finalised and the refurbishment exercise is expected to be finalised over the next two years. Strategically, therefore, this task carries a lot of weight in bringing about the necessary transition to ultra-high speed mobile broadband, on which the new generation of services will ride.

The current year has seen, on the one hand, the migration of a number of digital inclusion projects to the newly set up Tech.mt. On the other hand Government has tasked the Authority with the monitoring of websites and mobile applications of public sector bodies vis-à-vis accessibility. Thus, the MCA's role as regards digital inclusion remains a central one albeit regulatory, as distinct from promotional, in approach. The build-up of a regulatory portfolio relative to accessibility is expected to increase in the foreseeable future as new provisions of the Code come into force towards the latter part of 2020. Thus facilitating digital inclusion is set to remain one of the MCA's strategic pillars.

E-Commerce and E-Signatures

Another policy area where considerable migration of tasks took place was in the field of eCommerce. Here, again, whilst the migration focused on the promotional aspect, the development of eCommerce in Malta via a regulatory approach remains very much in the Authority's cross-hairs as a strategic objective. Even so, the nature of the eCommerce regulatory framework – one that caters for a large number of unregistered service providers - is such that an effective approach to fulfilling the regulatory requirements necessitates information campaigns targeting both providers and users of eCommerce. Thus, an element of promotion will subsist but will deal largely with targeted public information on rights and obligations rather than encouraging business and domestic users as to take up eCommerce solutions.

The decoupling of the promotional aspect of eCommerce from the regulatory one thus places renewed focus on the latter. Moreover the recent assumption of responsibility, on the part of the MCA, for the monitoring of activities relative to cross-border portability of online content and geo-blocking, reinforces the regulatory role of the Authority in this policy area. Ultimately, however, the relevant Strategic Objective remains unchanged: that of facilitating the development of eCommerce.

A notable upcoming development in this policy area has to do with the new European Commission's plans to overhaul the current eCommerce Directive, which was adopted at the turn of the millennium. The European Commission intends to publish a legislative proposal (a Digital Services Act) in the

second part of 2020. The MCA will inevitably be a key stakeholder in advising Government during the legislative debate at EU level and in any transposition process following enactment.

On a related front, the MCA will continue to encourage the deployment of innovative trust services in Malta. The regulatory framework is in place and the inclusion, on the part of Government, of the necessary legislation to address remote authentication features would further enhance the potential of the licensing framework to attract Maltese and overseas registrations.

Postal Sector

The postal sector continues to face the challenges and opportunities that have been on the radar for a number of years now, but are accelerating to a point where concrete measures become necessary. Recent international events have precipitated the situation, to the extent that a comprehensive stocktake of universal service obligations – and the related service provision - is seen as necessary in relatively short order. The changing characteristics of the postal sector are common practically worldwide, namely the ongoing decline in letter mail, compensated by the steady rise in letter packets and parcels. The changes in both instances are a well-documented result of electronic substitution. E-mail and electronic billing increasingly replace physical mail whereas e-commerce is supplanting ‘bricks and mortar’ purchases. The trend in both cases keeps rising steadily and Malta is no exception.

The EU Commission’s regulation² on cross-border parcel delivery is operational, a year or so into its coming into force. More recently, the United States of America (USA) requested a review of the current Terminal Dues system and an extraordinary session of the UPU took place in September 2019. The Authority participated in the relevant UPU discussions over the mentioned USA proposals. Whilst the USA objections to the current UPU terminal dues system have been smoothed over, the direction has been set.

Both the above-mentioned developments point increasingly towards cost-orientation as the basis for settlement of postal terminal dues. The MCA will continue to follow and contribute to the discussion that is bound take further shape at the 2020 UPU congress.

In its ongoing monitoring of the postal sector, as well as in its capacity as adviser to Government on sector matters, the Authority will therefore keep the above context in constant focus. Foremost among various considerations that arise from the evolving sector dynamics is that a comprehensive review of the entire Maltese postal eco-system is required. Armed with the necessary intelligence the Authority can then make informed decisions relative to the various facets of postal operations that would ultimately require a renewed regulatory approach.

² Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services

Ultimately the multiple goals are those of a sustainable, cost-oriented universal service of a high quality, coupled with healthy competition in those segments of the sector where this is feasible. So far all elements have co-existed without problems. Care now needs to be taken to ensure that the delicate balance subsists in the new scheme of things.

The discussion relative to the above-mentioned issues is also being held at the European Regulators' Group for Postal Services (ERGP) and EU levels. The MCA intends to continue participating actively in both related fora. The discussion is expected to lead to a new Postal Directive in a few years' time and it is necessary to ensure that to the extent possible any aspects that may impact the Maltese market are adequately addressed in any eventual proposed measures. On the international front the MCA will next year participate in the UPU Congress, which falls every four years.

Innovation

In 2016, the MCA began to focus on Innovation as a distinct strategic objective, in order to give it the necessary profile as a strategic pillar of the Authority's mission. The Authority remains committed to promoting and supporting research and innovation at the level of the sectors within its mandate.

Areas for development under this umbrella include the consolidation of the EU-sponsored Broadband Competence Office and the setting up of management frameworks for the deployment of 5G bands and P2P links.

The MCA will also step up its space communications initiatives, mainly in relation to the Galileo GNSS and the Public Related Service (PRS) and Govsatcom, as well as conduct a review of the Satellite filing system. The intention is for this function to be set up on a permanent basis, with the right policy backing and resourcing.

The Authority will also continue to promote the use of spectrum for innovation, mainly via testing and trials, in line with the EU 5G roadmap where this is feasible. It will also participate in an EU sponsored research initiative under the heading of 5GZorro, which stands for Zero-touch security and trust for ubiquitous computing and connectivity in 5G networks. The project envisions a real-time spectrum market, supported by a DLT infrastructure, whereby diverse business agents, including MNOs, venue owners, or private users, could trade in real-time spectrum rights bound to a given geographical area and time period.

Next Steps

This outlook gives rise to a number of strategic objectives and the related tasks that are required to achieve them.

3. Key Considerations

The underlying context to the Strategy Update for the period 2020-22, provided in Section 02, effectively translates into a number of key considerations

- The drive towards the gigabit society, of which 5G plays an integral part, is central to Government's and the MCA's respective agendas.
- Facilitating the deployment of high speed electronic communications networks remains a priority.
- Increased dependence on the Internet, by citizens and businesses alike, raises the stakes for the maintenance of the necessary levels of network and information security.
- Broadband as a universal service presents new opportunities in the making of a truly digital society.
- Electronic communication services will be increasingly used for M2M/IoT purposes.
- Net Neutrality principles will be upheld in the spirit of non-discrimination.
- The Authority will strive to maintain competitive stimuli in the market via the right mix of regulation, information and facilitation.
- Regulatory measures will continue to support both infrastructure- and service-based competition.
- Active participation in BEREC, EU and other international fora will remain high, in view of the need to consistently put forward Malta's position, particularly in areas which are of particular relevance to the domestic environment.
- The Authority will monitor sector developments on an ongoing basis and update its work programme accordingly.
- Synergies with fellow institutional players, notably ones that are newly set-up, need to be continuously fostered.
- Wider end-user-related powers, as advocated by the new EECC, will render the Authority more effective in the execution of its mission, to the benefit of end-users.
- Consumer protection will continue to be addressed through a mix of awareness-raising activities and enforcement.
- A thorough, ongoing assessment of quality of service delivery that is also grounded in user experience, serves to give better all-round awareness of service levels, leading to lasting improvements.

- Spectrum policy and management will serve as a key tool in ensuring lasting efficiency, quality and safety in electronic communications service delivery.
- Spectrum policy and management will be exercised at the level of national jurisdiction, within high level strategic and policy frameworks set at EU and international levels.
- The main challenge in a liberalised postal market will be ensuring the sustainability and currency of the universal service in an increasingly competitive environment and in the face of changing mail dynamics.
- Postal products need to tend more towards efficient and more capillary cost-recovery, thereby reducing dependency on any one product or restricted group of products.
- The Authority will continue to develop the eIDAS regulatory regime in order to facilitate any type of electronic transaction between citizens, companies and public administrations.
- New regulatory tasks in relation to Geo-blocking and cross-border portability of Online services will be addressed through a mix of regulatory oversight and stakeholder awareness.
- Overall, the MCA's approach towards reaching its eCommerce mandate necessitates a mix of regulation and awareness-raising.
- The Authority will create the necessary framework to address the lack of online accessibility, which contributes to the exclusion of disadvantaged segments of society.
- The Authority will leverage its expertise in the sectors on which it has oversight, in providing related policy advice to Government.
- Innovation in the respective fields will be actively encouraged and assisted.
- The Authority will continue to enhance its internal support capabilities as the means to ensure resiliency, continuity and consistent quality in the services that it delivers, particularly in times when turnover in human resources is significant.

The above considerations effectively serve to shape the key activities that characterise this Strategy Update.

4. Mission and Underlying Principles

The MCA's updated mission statement is stated hereunder:

- **To promote and safeguard a communications environment that is conducive to investment, innovation, economic growth and social well-being.**

The Mission Statement reflects the MCA's commitment to bringing forward all forms of communication under its legal mandate, given also that all these constitute inter-related parts of the same eco-system.

The MCA's mission statement embodies a set of principles, which the Authority holds central to all the activities that it carries out, namely the following:

- The Authority views, in equal measure, all the communications sectors within its legal mandate as essential for the attainment of its mission, given that the individual sectors form inter-dependent components of the same eco-system.
- In striving towards the fulfilment of its Mission the Authority identifies a raft of Strategic Objectives that it will update periodically in line with relevant developments.
- The relevant Strategic Objectives serve to provide the Authority with the necessary direction and focus in the fulfilment of its Mission.
- The MCA's activity should serve to overall contribute to Malta's transition to a knowledge society and economy and to the maximisation of social and economic welfare.
- The Authority will serve as a focal point for policy shaping and implementation.
- The Authority's decisions will be reasonably transparent in order to facilitate decisions by market players, policy makers and other stakeholders.

In order to achieve its mission the MCA will need to retain the necessary freedom to operate, whilst remaining accountable with respect to achieving Government's policy objectives. Thus the Authority will:

- Maintain the required level of independence enshrined in EU and national legislation.
- Consistently strive to co-ordinate its actions with Governmental and other stakeholders in the pursuit of its mandate.
- Measure and review its performance on an ongoing basis.
- Ensure that it is sufficiently resourced with the right level and mix of expertise and sufficiently financed to carry out its mission and mandate at optimal levels.

5. Strategic Objectives

The MCA's Strategic Objectives for the period covered by this Plan are listed below. As with the Mission Statement, these objectives are reviewed on an annual basis and fine-tuned or changed, if necessary, to maintain full consistency and currency with the MCA's Mission and Mandate, in the context of the fast-changing environment in which it operates.

The established strategic objectives are confirmed for the forthcoming plan period.

Overall, all communications policy areas that are entrusted to the oversight of this Authority are interdependent and, as previously highlighted, form part of the same eco-system.

The above considerations translate into the following strategic objectives:

1. Promoting and safeguarding competition in the electronic communications sector.
2. Ensuring that electronic communications undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.
3. Contributing to the development and implementation of electronic communications policy.
4. Maintaining open, safe and secure electronic communications.
5. Facilitating digital inclusion.
6. Maximising the potential of Radio Spectrum.
7. Facilitating the development of e-Commerce.
8. Supervising the provision of electronic signatures and trust services.
9. Safeguarding sustainable competition in the postal sector.
10. Ensuring that postal undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.
11. Contributing to the development and implementation of Postal policy.
12. Conducting research and facilitating innovation in the sectors under the MCA's mandate.

The MCA's projects and ongoing tasks will all be targeted to address any one of the above strategic objectives, barring activities of a corporate or operations support nature.

6. Individual Strategic Objectives – Outlook/Key Tasks/New Thrust

The MCA's major thrusts for the period under review, categorised by Strategic Objective, are outlined below:

Strategic Objective 1

Promoting and safeguarding competition in the electronic Communications Sector.

Outlook

- Securing ideal conditions for a multi-player scenario

Key Tasks

- Safeguarding a competitive environment
- Facilitating infrastructure roll-out and sharing
- Managing information as the means to promote competition
- Managing the compliance framework

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-a'-vis this objective via the following key performance indicators:

Strategic Objective 1 – Key Performance Indicators

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

Strategic Objective 2

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

Outlook

- Commencing re-alignment of the scope of the Universal Service
- Maintaining focus on consumer empowerment and protection
- Enhancing Quality of Service monitoring mechanisms

Key Tasks

- Reviewing operators' QoS delivery especially in data services
- Improving the MCA's capabilities vis-à-vis consumer protection
- Reviewing the USO framework in the context of current and envisaged user needs
- Improving consumer awareness
- Mapping broadband services as an information tool which clearly visualises the broadband capabilities in the various geographical areas across Malta and Gozo

New Thrusts

- USO re-alignment

Key Performance Indicators

The MCA will continue to monitor progress vis-à-vis this objective via the following key performance indicators:

Strategic Objective 2 – Key Performance Indicators

- Publicly available information relative to required QoS measures
- Stakeholders' perceptions of the overall value and quality of services provided
- Stakeholders' perceptions of the regulator
- % of complaints placed with MCA dealt with satisfactorily
- No. of ongoing inspections/site visits (interference, radiation, etc.) and outcomes

Strategic Objective 3

Contributing to the development and implementation of electronic communications policy.

Outlook

- European Electronic Communications Code (EECC) transposed in national legislation
- Contributing to the establishment of positions within the EU, BEREC and other international fora

Key Tasks

- Transposing the EECC into Maltese law
- Establishing a Malta position for fixed and mobile termination rates
- Interacting at various EU, BEREC and International fora, highlighting the national perspective wherever necessary
- Participating in the development of BEREC Guidelines and opinions on various aspects emanating from the new EECC
- Providing expert policy advice to Government relative to electronic communications policy matters as necessary
- Hosting of the CEPT/ECC Working Group on Frequency Management (WGFM)

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-à-vis this objective via the following key performance indicators:

Strategic Objective 3 – Key Performance Indicators

- The MCA will, on an ongoing basis, evaluate the effectiveness of participation in EU and international fora, as well as the provision of related advice to Government

Strategic Objective 4

Maintaining open, safe and secure electronic communications.

Outlook

- Continue with consolidation of MCA's role
- Ensuring the security and integrity of public networks

Key Tasks

- Building necessary network and cyber-security capacity
- Analysing net neutrality practices
- Addressing ENISA security incidents reporting requirements
- Monitoring security and integrity of public fixed and mobile networks
- Implementing EU 5G cyber security measures
- Participation in the EU Internet Governance Forum

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-a'-vis this objective via the following key performance indicators:

Strategic Objective 4 – Key Performance Indicators

- Public Confidence in the Internet
- Number and nature of Incident reports to ENISA
- Reports re Net Neutrality practices
- Network and Information security monitoring processes in place

Strategic Objective 5

Facilitating digital inclusion

Outlook 2020

- Monitoring the accessibility of websites and mobile applications of public sector bodies in line with established guidelines

Key Tasks

- Website accessibility implementation tasks
- Ongoing monitoring of accessibility of website and mobile applications of public sector bodies
- Ongoing information and training programmes to relevant stakeholders and staff of public sector bodies

New Thrusts

- Focus on regulation in the promotion of digital inclusion

Key Performance Indicators

The MCA will continue to monitor progress vis-a'-vis this objective via the following key performance indicators:

Strategic Objective 5 – Key Performance Indicators

- Outcome of monitoring process / increase in compliant websites

Strategic Objective 6

Maximizing the potential of Radio Spectrum.

Outlook 2020

- Strengthening the utilisation of spectrum for mobile data
- Working towards 5G
- Implementation of commercial broadcasting strategy

Key Tasks

- Establishing the respective assignment frameworks and license conditions for the pioneer bands identified for 5G (700 MHz, 3.4 - 3.8 GHz and 26 GHz)
- Exploring solutions to potential infrastructural issues posed by 5G deployment
- Implementing the TV transmission strategy for commercial transmissions and contributing to the way forward on General Interest transmissions, with emphasis on the future of DTT
- Ensuring the continued respect of EMF thresholds
- Ensuring efficient & effective use of spectrum and associated radio-communications equipment
- Managing effectively the spectrum compliance framework

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-à-vis this objective via the following key performance indicators:

Strategic Objective 6 – Key Performance Indicators

- Progress toward 5G deployments
- Improved mobile broadband speeds and penetration
- Progress towards clearance of spectrum bands designated for high speed mobile broadband
- An average of 30 EMF sources per month tested

Strategic Objective 7

Facilitating the development of e-Commerce.

Outlook

- Increasing public confidence in e-commerce

Key Tasks

- Maintaining regulatory oversight on the activities of Information Society Services Providers (ISSPs)
- Organising stakeholder fora, commissioning of surveys of public usage and perceptions of eCommerce, implementing targeted public information campaigns, participating in conferences and events targeting SMEs and micros
- Providing advice to Government on the new EU legislative proposal (Digital Services Act), intended to overhaul the E-Commerce Directive
- Monitoring Regulation (EU) 2018/302, which addresses unjustified online sales discrimination based on customers' nationality, place of residence or place of establishment within the internal market
- Monitoring Regulation (EU) 2017/1128 on cross-border portability of online content services in the internal market

New Thrusts

- A new E-Commerce legislative proposal
- Emphasis on awareness-raising

Key Performance Indicators

The MCA will continue to monitor progress vis-à-vis this objective via the following key performance indicators:

Strategic Objective 7 – Key Performance Indicators

- e-Commerce uptake figures – in % of individuals
- Cross-border e-Commerce – in % of individuals
- Public awareness of the regulatory role of the MCA
- Public awareness of their rights with respect to e-Commerce
- Service provider awareness of their legal obligations
- Public perception with regard to the security of e-Commerce transactions

Strategic Objective 8

Supervising the provision of electronic signatures and trust services.

Outlook

- Ongoing management of eIDAS

Key Tasks

- Encouraging the deployment and use of innovative trust services in Malta
- Exploring new authentication features

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-a'-vis this objective via the following key performance indicators:

Strategic Objective 8 – Key Performance Indicators

- Number of entities on the Malta register

Strategic Objective 9

Safeguarding sustainable competition in the postal sector.

Outlook

- Management of the competition regulatory framework

Key Tasks

- Continuing enhancements to the MaltaPost economic control model
- Analysing competition dynamics in specific postal markets
- Managing the Postal compliance framework
- Maximizing efficiencies in collection and analysis of data

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-a'-vis this objective via the following key performance indicators:

Strategic Objective 9 – Key Performance Indicators

- Number of postal services providers in the various postal markets
- Postal volumes, prices and other relevant trends
- New service offerings
- Universal Service Provider making reasonable return on capital

Strategic Objective 10

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

Outlook

- Ensuring continued sustainability and quality of the Universal Service

Key Tasks

- Monitoring developments relative to the EU regulation on cross-border parcel delivery
- Assessing the feasibility of existing universal postal service obligations
- Managing the compliance framework, with focus on quality of service provision

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-à-vis this objective via the following performance indicators:

Strategic Objective 10 – Key Performance Indicators

- QoS performance statistics in relation to set targets
- USP and MCA Complaints statistics
- Postal volumes, prices and other relevant trends
- Public and business perceptions (biennial)

Strategic Objective 11

Contributing to the development and implementation of Postal policy.

Outlook

- Providing input to Government on EU proposals, as well as on national matters.
- Contributing to the establishment of positions within ERGP, UPU and other international fora

Key Tasks

- Providing policy advice to Government on EU and other international matters as well as on aspects that are national in scope
- Contributing to fora and related working groups of the ERGP, Postal Directive Committee and other related bodies
- Participating in ERGP and European Commission discussion on the new EU postal Directive
- Follow-up on outcome of III UPU Extraordinary Congress
- Representing Government in the 27th UPU World Congress
- Reviewing MCA's Powers

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

The MCA will continue to monitor progress vis-à-vis this objective via the following performance indicators:

Strategic Objective 11 – Key Performance Indicators

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

Strategic Objective 12

Conducting research and facilitating innovation in the sectors under the MCA's mandate.

Outlook

- Promoting and facilitating development in relevant communication niches
- Consolidating the Authority's space-related portfolio

Key Tasks

- Stepping up space communications initiatives
- Supporting wireless research and development

New Thrusts

- Key thrusts are ongoing

Key Performance Indicators

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

Strategic Objective 12 – Key Performance Indicators

- New and innovative services, or improvements on existing services deployed, trialled in or offered from Malta
- Assessment of Malta's performance in this area vis-à-vis any comparable benchmarks

7. Key Priorities and Expected Outcomes

Key Priorities

A number of key priority areas have been identified among the above-listed strategic thrusts. These are as follows:

- Transposing the EECC into Maltese Law and the review of existing regulatory operations
- Maintaining the necessary level of competition in Electronic Communications Networks and Services
- Facilitating the roll-out of next generation access fixed and mobile networks:
 - Implementing the framework for the deployment of 5G and related services.
 - Laying down reassignment frameworks for spectrum licences which expire over the coming years.
 - Building further capacity in the network integrity and security and cybersecurity domain.
- Implementing the TV transmission strategy for commercial transmissions.
- Participating in Government's policy for General Interest transmissions (emphasis on the future of DTT).
- Improving the accessibility of websites and mobile applications of public sector bodies.
- Ensuring continued sustainability of the universal postal service in light of fresh challenges.
- Ensuring value-for-money electronic communications and postal services, particularly by enhancing capability to monitor operators' QoS delivery and strengthening consumer powers.

Expected Outcomes

The MCA's concerted activity should result in a series of envisaged outcomes. It is accepted that a particular year's results are not necessarily a direct consequence of that year's activity. Nonetheless the measurement of these outcomes serves to provide focus and direction to the organisation.

The main envisaged outcomes are the following:

- Progress in deployment and take-up of ultra-high speed fixed and mobile (notably 5G) networks.
- Continued improvements in choice and value of retail services especially in fixed and mobile broadband as well as other digital services.
- Increased uptake of existing and new technologies and services.
- Enhanced safety and security of networks.
- Holistic spectrum management and re-assignment frameworks in place.

- Postal USP making reasonable returns and in line with QoS targets.
- Postal operations supporting enlarged e-Commerce business, both incoming and outgoing.
- Continued improvements in choice and value of retail postal services.

In carrying out its assessment on outcomes, the MCA will also measure against comparable international benchmarks as may be available, mainly those relating to other EU Member States.

8. Ensuring Quality and continuity in Delivery

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

Performance Planning and Review

The MCA is committed to maintaining an efficient and effective strategic and business planning function together with the monitoring of actual performance against set targets. Performance planning cascades from the strategic and business planning tier to individual staff performance planning programmes. All these components are co-ordinated and regularly reviewed and updated in a process of continuous improvement.

The MCA consistently ascertains the validity of its performance by reviewing its activities on an ongoing basis, assessing whether outputs and outcomes are being attained and reviewing its plans accordingly.

Human Resources

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

Performance-based activity permeates down to the individual level by means of individual performance assessments, which tie in to the achievement of organisational goals. The MCA extends its staff performance measurement and reward system to include outcome indicators that are a reflection of the organisation's progress in meeting its strategic objectives.

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

The MCA places high value on the ongoing training of staff in both soft and hard skills and is committed to periodically carry out a structured programme across the entire organisation as the basis for its training schedule. Such structured training is over and above the 'on the job' knowledge gathering that takes place on an ongoing basis. The latter includes overseas specialized training as well as study visits to and exchanges with fellow National Regulatory Authorities in other EU member states.

Ongoing participation in BEREC and ERGP workgroups has also served its purpose as a highly valued means of investing in expertise. MCA staff members eventually provide a return by contributing as co-drafters on a number of these workgroups.

Outsourcing of Expertise

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

Organisation

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

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

Resources

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

The MCA also deems information management as being a fundamental resource to this organisation, and will see to setting up new information systems and processes as necessary, as well as maximising the potential of existing ones. The Authority considers keeping staff updated on developments on an ongoing basis as a fundamental component of its information management activity.

Financial autonomy represents another important pillar in the maintenance of the MCA's status as an independent and effective regulator as well as to achieve desired targets in the case of other mandated non-regulatory activities. The MCA will follow principles of good governance, ensuring that it has adequate finances to meet its mandate and that it delivers the best possible service to stakeholders. In so doing this organisation will also ensure that it is fully accountable for its activities and related incomes and expenditures.

The MCA will continue to ensure that financial reporting reflects the activities carried out and the related sources of funding. The Authority will dedicate the necessary resources towards maintaining its accountability framework to the highest standards.

In order to be able to deliver its programme the MCA requires the collaboration and timely input of other institutional players, not only in the areas of HR and Finance but also in the case of tendering requirements and in instances where projects span a number of government bodies. In the same spirit the MCA will provide timely and quality input to institutional players whenever such is reasonably required.