Malta Communications Authority

Strategy Update 2022 – 2024

16th November 2021

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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 2022 – 2024. 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

Developments under way underscore the need for ongoing strategic review of the MCA's activity. The Authority has been tasked with new mandates in the regulation of Digital Services. In anticipation of such an eventuality, the Authority has for quite some time been following the ongoing debates at EU level and advising Government accordingly, whilst addressing internal requirements. The widening of the Digital Services regulatory portfolio is now confirmed and entails new responsibilities and concomitant organizational development. Meanwhile, the Authority considers the widening of its role as a demonstration of trust on the part of Government in its ability to organize and deliver efficiently at the required standards.

Inevitably, the emergence of dominant players upsets the balance of economic power between contracting parties. The fallout is on competition dynamics, privacy of transactions, data protection, security and resiliency of communications networks, the respective liabilities of contracting parties…and the list goes on. It is as yet early days to chart out a clear path in the new order of things, but such a course of action needs to take place and the Authority is braced to undertake the new challenges ahead.

Change remains driven not just by global economic events but also by environmental issues. These remain at the fore, with COVID-19 still occupying centre-stage over a year after its first appearance. All the relevant sectors that are the subject of this Strategy Update are somehow affected in one way or another. For one, the speed at which change in communications sectors is happening has been precipitated by the COVID-19 pandemic, as physical communication has been largely supplanted by virtual contact, at least for the time being. Online communication has emerged as one of the most effective defences put up by humanity to beat the epidemic. Largely as a result of this, communications networks have been thrown under the spotlight. Features such as efficiency, robustness, ubiquity and future-proofing have taken on renewed importance, in step with the criticality of networks in such dire times. The effects have also been felt at the retail service level in line with changes in societal behaviour patterns.

Another serious – but hardly recent – global issue stems from climate change. This has now precipitated into an emergency that is spurring World powers into new modes of 'clean' economic interaction, as a host of natural disasters during 2021 have sounded a shrill wake-up call. Here, too, the communications sector is seen as an increasingly critical player in the struggle, not simply in terms of addressing its own carbon footprint but also as a catalyst for other sectors to achieve the necessary environmental efficiencies.

On the electronic communications front, exciting developments continue to shape the Maltese communications landscape. All in all, these developments, mainly in the electronic communications sector, bode well from both supply and demand side perspectives, as gigabit capacity from multiple players continues to increase on both fixed and mobile networks with the multiplicity of networks pointing to a paradigm shift, albeit over an appreciable span of time.

The overall pressure towards digitization has become all-encompassing as virtual meetings, electronic commerce and the digital transformation of billing practices, among others, become mainstream. In turn, logistics in the delivery of e-commerce products are booming as the 'last leg' in the process becomes key.

As eCommerce and digital platforms assume market power and influence over consumers, to the extent that their activities need to be carefully monitored in order to ensure a level playing field and a safe digital environment, the digital environment becomes the new competition and consumer-rights regulatory arena. Hence the need for national and supranational jurisdictions to cast a critical eye and regulate proceedings wherever necessary.

In the case of the postal services sector, the effects of the COVID-19 pandemic have also left their mark by precipitating ongoing trends, with resulting steeper declines in postal volumes. The situation in Malta was exacerbated by the temporary closure of the Malta International Airport, last year, resulting in significant overall delays in deliveries including those of eCommerce products, which have become an important segment of postal revenues. Other factors, such as Brexit and new third country customs policies, as well as UPU issues, compounded the problem. It remains to be seen how long the transition to normality will take, given the number of unknowns entailed.

All these factors point to heightened activity facing the Authority. Such additional activity will come about mainly, but not solely, due to its new mandates. As indicated in the previous Strategy Update, these policy areas were being tracked in prior years, in anticipation of a possible assignment. This is now confirmed and the MCA can move on to the next step, that is bringing the new policy areas to operational fruition.

Main Developments

The Global Environment

The COVID-19 pandemic maintains a high profile, albeit as a relatively known quantity now that the initial shock has been absorbed by the communications sector. Thanks to the speed with which vaccines have been developed and rolled out, the current outlook is somewhat more optimistic than last year's, although imponderables stubbornly persist. Along with the development of vaccines, electronic communications channels have consolidated their position as the second prong in the global pincer movement against COVID. Global electronic communications systems have therefore saved the day so far and should continue to make a precious contribution until such time as COVID is defeated. It is also plausible to expect that now-established behaviour patterns in social and economic spheres will prevail as the new normal even when the emergency is over.

Whilst the electronic communications sector appears to have weathered the effects of the COVID-19 pandemic, the impact on the postal sector appears to have been overall negative, combining with other international developments, such as the global crisis in logistics and transport facilities, which have led to increases in costs and lead times.

Climate change is another global issue. The electronic communications sector should be instrumental in combating this global threat. Here too, the application of digital solutions towards rationalizing processes and maximising the application of data, will serve to reduce the carbon footprint, well beyond carbon savings within the communications sector itself. Thus, the application of digital

solutions across economic sectors should result in sizeable benefits. It will also open opportunities for the players involved. As for the communications sector itself, it is obliged to meet the requirement of carbon neutrality, along with all other sectors, by 2050, in line with relevant milestones on the road towards this target. These onerous obligations necessitate a rethink in modes of operation, not just through individual energy-saving solutions but also through measures such as infrastructure sharing and other relevant modes of collaboration, albeit in full respect of competition rules.

EU Policy Direction

These environmental considerations are encapsulated in major EU communications issued in 2020 and 2021. In last year's Strategy Update, reference was made to the Communication titled 'Shaping Europe's Digital Future' and specified that *"The Authority's strategic direction also dovetails with the European Commission strategic considerations on relevant policy areas. These are articulated in the Commission's latest strategy document titled 'Shaping Europe's Digital Future'[1] and namely gigabit connectivity in fixed and mobile networks, security, resilience and access to infrastructure. These strands collectively constitute the fundamental framework on which all of the digital goals of European Member States, as also highlighted in the same Communication, depend."*

Earlier this year the Commission issued another important communication, which it terms as building on the 2020 communication. The latest Communication, titled Europe's Digital Compass, focuses on the decade up to 2030 and in relation to the 2020 Communication, which is more principles based, presents more distinct targets that must be reached during the stated period. No doubt, COVID has been a key determinant in the drafting of this 'shorter and sharper' strategy, which justifiably infuses renewed urgency in the need for targeted progress along all communications fronts. At the same time the 2021 Digital Compass reiterates the vision and key strategic objectives articulated in the 2020 Digital Future strategy. It emphasizes four cardinal points for mapping the EU's trajectory, namely:

1. A digitally skilled population and highly skilled digital professionals

2. Secure and performant sustainable digital infrastructures

3. Digital transformation of businesses

4. Digitalisation of public services

The MCA is involved in each of the above pillars, albeit to varying degrees. The more obvious contributions are in the second and third pillars, whereby the Authority is involved by way of its mandates in electronic communications and digital regulation. The Authority still provides an important, albeit 'softer', contribution to the first and fourth pillars, however.

In the case of the education pillar, the Authority does so via its involvement in the eSkills Malta Foundation being one of its founding members. In its own words, the general aim of the Foundation is the expansion and sustainable growth of the ICT skills in Malta through the development of a broad

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[1] European Commission Communication, February 2020.

set of skills from early on in life, throughout their career and employment which will ultimately boost employability, competitiveness and growth in the Digital Economy.

As for the digitalisation of public services, the Authority plays a key role in ensuring the necessary certificates used for electronic signing are qualified to offer equivalence to handwritten (wet) signatures. Another public-sector-related responsibility of a digital nature, incumbent on the Authority, is the oversight of accessibility to Public Sector Websites and mobile applications. These are areas where the MCA will also be active during the coming plan period.

As such, the MCA has already taken the necessary steps for its Strategy and Business Plan tasks to dovetail with the EU strategic direction espoused in its document 'Shaping Europe's Digital Future', as regards the sectors within the Authority's legal remit. The latest EU document places sharper focus on EU-wide deliverables by 2030. These in turn translate into national deliverables as committed to by the Council of Ministers. Thus, despite the targets therein being non-binding, there is strong motivation to achieve them, if anything because they represent the logical course that Malta, along with fellow Member States, needs to navigate towards lasting socio-economic well-being.

Within the new framework being laid out, the European Commission will not only report on digital progress by Member States through a deeply revised Digital Economy and Society Index (DESI) that assesses a country's KPIs against the Digital Decade targets. In its annual report addressed to the EU Council and the European Parliament, the European Commission will also include recommended actions and measures which would take the form of "joint commitments". Member States are expected to adjust their strategic roadmaps to adapt planned actions at national level.

As referred to earlier, the Authority has recently increased its scope vis-à-vis the objectives articulated in both EU documents. The 'Digital Future' document refers to a 'Fair and Competitive Digital Economy' as one of its three pillars, citing among others, the need to 'strengthen the responsibility of online platforms by proposing a Digital Services Act and clarifying rules for online services.' The MCA has now been assigned responsibility to administer the provisions of the said Act, as well as the Platform to Business (P2B) Regulation. The assignment of these new policy areas represents an exciting milestone in the Authority's twenty-year history.

Enhanced MCA Role in Digital Regulation

For some years now, another communications sector has come under increasing scrutiny as market powers shift and industry consolidation accelerates. For the last two years the Authority has been actively following the international debate on Digital Services and Markets, as the risks of domination by a handful of international players became too big for national governments to ignore. The related issues are largely (but not solely) international in nature and the regulatory solutions under consideration need to be aligned accordingly. It is clear that a coordinated approach at an international or supranational level is necessary if remedies are to be effective and this is the approach adopted by the EU27.

In June of this year the MCA was entrusted by Government with the oversight of the Digital Services Act (DSA), which is still 'under construction' at EU level, as well as the now-finalised Platform to Business Regulation. Government has also designated the MCA as the Digital Services Coordinator (DSC) for the DSA which comprises the overall management of the DSA within the member state and

in relation to other competent authorities that will play a part in the enforcement of the DSA when it comes into force. The DSC also acts as the sole liaison with the European Commission in relation to enforcement and policy advice.

The Authority has been the main adviser to Government in its interaction at EU level, thus the assignment, which adds to this organisation's responsibilities, is an ideal fit. It maximises the expertise accumulated within this organization in the various disciplines that will be required to manage the provisions of the DSA at the maximum possible levels of efficiency and effectiveness. Moreover, the Authority has been interacting on related topics for some time now with its fellow National Regulatory Authorities (NRAs) within the Body of European Regulators for Electronic Communications (BEREC), the eCommerce Expert Group and various other fora. BEREC in particular has contributed handsomely towards building the related body of knowledge among NRAs Europe-wide.

Other Developments shaping this Strategy Update

Further to the new Digital Regulation Mandates referred to above, a number of other notable developments are expected to condition the MCA's Strategic Direction in several policy areas:

a)   The launch of a third, nationwide fixed line FTTH Network.

b)   Further launches of 5G networks.

c)   An acceleration in activity towards carbon neutrality.

d)   The increasing importance of passive infrastructure (and its re-use) for ultra-high speed electronic communications networks

e)   Rapid changes in eCommerce and Postal Service activity patterns.

f)   Impending changes in modes of linear television transmission.

g)   Increased consolidation and coordination of rules in various policy areas at an EU level.

As with the new Digital Regulation mandate, these developments of significant strategic importance will also be addressed further on in this section.

General Outlook

The general outlook is therefore one characterized by a number of envisaged developments, notably:

- An expanding mandate into new but related policy areas. The Authority intends to address the necessary organizational requirements via its internal expertise as well as additional resources where necessary.

- New initiatives spelt out in the European Electronic Communications Code (EECC) that has been transposed into Maltese Law. These will launch largely in 2022, although preparatory work on a number of these is already under way. Other EU- and BEREC-related activity is expected to assume added prominence in line with the trend towards consolidation. This is

expected to accelerate as a result of the BEREC-oriented approach taken in the EECC as regards the making of rules and guidelines, in relation to new and updated policies.

- A number of key MCA initiatives that will come to fruition or enter implementation stage in the coming Plan year. In a number of instances this will mean the setting up of concomitant internal monitoring and other ongoing processes to ensure continuity and currency.

- Environmental factors, which will continue to exercise pressure on existing and new initiatives, which in turn will increasingly need to be tested against such criteria as carbon neutrality, resiliency, redundancy and security.

- Changing competition and resultant consumption patterns, which will also have a bearing on this Strategy Update.

- The drive towards Gigabit Connectivity and the need to ensure that eCommerce and other Information Society Services, which are among the main users of Gigabit Connectivity, thrive in such an environment.

- The challenges being faced by the universal postal service and the need to ensure a sustainable service which caters for the needs of end-users in a modern society.

- The longer-term population behaviour patterns vis-à-vis communications brought about by COVID.

Sectoral Outlook

Electronic Communications

Overall usage statistics and operator financials are indicative of a sector in a good state of health. The Pandemic has had an overall neutral to positive effect on the sector albeit not in an entirely linear fashion. Operators have continued to deploy new services, notably 5G mobile and a third FTTH network, all of which are indicative of a dynamic environment, with still-lucrative margins. The EU's Digital Economy and Society Index (DESI) has highlighted Malta's overall progress and position in the context of the EU27, with gigabit connectivity offered by one major network operator on a national basis.

Not all is rosy however, and there have been references in the relative Country report to broadband prices being relatively high, to the tune of 18% above average, notwithstanding overall price/quality improvements. Allowing for constraints in arriving at a single comparative index from a plethora of products and prices, it is still reasonable to expect that such is the case, at least in the case of fixed-line Broadband. Having said this, one expects that the consolidation of three-way competition will gradually lead to improved conditions to users, as has already been witnessed in the case of mobile data prices. However, progress towards this desired state of affairs needs to be carefully monitored and corrective action taken wherever necessary.

The arrival of a new fixed-line operator should therefore serve to move the scene towards a more competitive scenario. At the same time, deploying a national infrastructure is no mean feat and it will take some time for widespread coverage to come about. As for potential bottlenecks to ubiquitous service provision, the scope of potential instruments now widens from wholesale broadband access at the active level to the availability of passive infrastructure through which deployment can come

about speedily and cost-effectively. Such infrastructure need not belong to Electronic Communications operators but could also be owned or managed by Utilities.

Maltese electronic communications operators have, throughout the years established bilateral agreements for the sharing of passive infrastructure. However, from information at hand it results that these arrangements are not universal. The Authority will need to shed light on the relevant situation, in order to gain a clearer picture as to the extent of collaboration among the various players and the resultant impact on competition dynamics.

The Authority is also aware that electronic communications operators have longstanding arrangements with utilities over infrastructure access and that these arrangements continue to develop over time, even more so as utilities nowadays bury empty ducts whenever they undertake trenching for whatever purpose. These are all steps in the right direction. The Authority now needs to understand the extent of such activity in order to establish a clear idea of availabilities and gaps in the system, before pronouncing itself further on the competitive situation in the wholesale broadband access market. There may also be scope for consolidation and better coordination at the passive infrastructure level. This is something that the Authority will also be going into. Among others, the recently set up Utilities Services Advisory Committee, established as per article 22 of Cap 81, would be one ideal vehicle in terms of setting out the related policies for infrastructure access, notably for the proliferation of ultra-high-speed broadband.

The long-term collaboration between utilities and operators pre-dates the Broadband Cost-Reduction Directive (BCRD), transposed in the Utilities and Services Act (Cap 81) in 2016. The MCA has not been requested by any Electronic Communications Undertaking to intervene in any formal access discussions between operators under the relevant provisions and presumably this is due to the mentioned collaboration between the various entities involved. Nonetheless the Authority needs to ultimately promote access arrangements by whatever tools that are at its disposal. It is to be noted that the EU Commission is in the process of strengthening the provisions of the BCRD in order to make it more effective. The MCA will be following the proceedings and providing the necessary advice to Government on the draft proposals.

There is more to the re-use of passive infrastructure than speeding up deployment of ultra-high-speed broadband. The re-use of passive infrastructure also represents an effective carbon-saving measure as it prevents energy-wasteful infrastructure works. This is one of the several measures that need to be taken for the sector to achieve carbon savings. The Authority needs to tailor its regulatory measures with the intent of enhancing such savings and will be outlining these measures prior to eventual adoption.

Electronic communications are also seen as a catalyst for savings on carbon emissions beyond the immediate obligations of the communications sector. Thus, the proliferation of 5G and Internet of Things (IoT) are seen as a game-changer in the global fight against climate change in that they enable the adoption of smart remote systems across areas such as agriculture and traffic management, with resultant savings.

Towards the second half of 2020, the Authority was looking towards a possible launch of 5G towards the end of 2021. In essence, the MCA managed to finalise the assignment framework for pioneer bands earlier than anticipated. Meanwhile the actual launch to market by operators has also happened

earlier, facilitated by the MCA's test and trial framework and a competitive environment in high-speed mobile data. Three operators in the mobile market have made a significant difference and the effects of competition are significantly more vibrant than in less 'populated' sectors. The growth in supply has resulted in a quite spectacular increase in mobile data usage, in direct proportion with the rise in competition and more attractive public offers. Meanwhile a fourth application for a 4G data network is being assessed.

The Authority has always professed the need for publicly available electronic communications services to expand beyond a two-horse race. The situation that has arisen in the provision of mobile telephony is a tangible result of such a policy. A similar result may plausibly be obtained when the third fixed line network, launched earlier this year, will achieve critical mass. Whilst the Authority has worked towards the introduction of a third service-based provider in fixed-line, high speed broadband services, infrastructure-based competition should overall result in a better outcome.

The announcement of the deployment of a third network and relevant commercial offering in April 2021 has meant that the wholesale broadband market analysis, commenced in 2020, has had to be reviewed on the eve of publication, given that the relevant forward-looking finding of joint dominance needs to be reassessed in view of this development. The question now is whether there is in effect still a bottleneck in the wholesale market and whether and to what extent it needs to be addressed. Whilst in the previous analysis the emphasis was on access to third party networks at the active layer, the scope of the exercise now includes the ease of new fibre deployment.

Moreover, access at the active level may still be required and could subsist over a span of time. This makes for a complex problem that necessitates a rather painstaking analysis. Among others, the Authority will need to get a clearer grasp of the various duct and overhead routes open to operators in the deployment of fibre networks. It will also need to determine whether there are any geographical areas in Malta where a different regulatory approach may be necessary. In the case of ducts and overhead routes, the access provider could be both an electronic communications service (ECS) operator or a Utility. The MCA is exploring the extent to which relevant information is available so as to be able to proceed further.

Beyond the market analysis exercise the Authority will address other tools as necessary, among which the provisions of the BCRD, insofar as they relate to the relationships between electronic communications network operators and access seekers. The Authority intends to contribute to the continued reduction of administrative and physical barriers so that deployment of ultra-fast fixed line networks proceeds at the necessary speed. The inter-authority advisory committee, established under Cap 81, mentioned earlier on, should serve a very useful purpose in this regard.

The BCRD is currently in course of being reviewed by the EU with a view to improving its effectiveness to date. The Authority will be providing the necessary input to Government in addressing the relevant EU proposals.

Meanwhile, the Authority is aware that comprehensive information on available passive infrastructure will serve other important purposes and will be required not just by this Authority but also by Government in the pursuit of several key policy objectives. The Authority intends to actively explore requirements under the EECC or other related legislation, that can serve the purpose of promoting the

re-use of existing electronic communications infrastructure and thus speed up the deployment of fixed and mobile ultra-high-speed networks.

The presence of multiple ultra-high-speed networks is good news from the angle of resiliency and redundancy. At the same time the maintenance of open, safe and secure communications necessitates that individual networks, in turn, enjoy the necessary levels of security. The Authority has embarked on a host of regulatory initiatives in this area, set at ultimately ensuring the highest level of a secure quality service to the user. In the process Authority has also undertaken a significant level of investment in technical expertise and monitoring systems in order to maintain the highest possible standards of oversight and keep abreast of ongoing developments. Such investments include the upgrading of EMF monitoring equipment and the purchase of software for mapping of broadband infrastructure, as required by the EECC, now transposed into Maltese Law. The mapping requirement being referred to here refers to the establishment of a database that is capable of providing operator broadband speeds at all points of Malta. The previous reference to the prospective mapping of passive infrastructure is a different, albeit related, proposition.

These and other related activity support the long-term objective of ensuring, to the extent possible, robust networks and services. It cannot be otherwise, given the extent of reliance on such networks by all facets of society and the economy, which the Pandemic has amplified in dramatic fashion.

The robustness of public electronic communications networks also depends on the attainable levels of cyber-security. In line with the EU Commission's relevant recommendation, the MCA completed a national risk assessment of 5G network infrastructures. The Authority, in ensuring the security and integrity of networks and services, including those enabled by 5G technologies, is the entrusted entity in Malta to pursue the Commission's recommendation national risk assessment on the cybersecurity of 5G. In view of the recent 5G deployments, the MCA will continue to assess the 5G risk posture, identifying any associated risks and mitigation measures accordingly.

The Authority also intends to set up a national emergency telecommunications plan (NETP) that sets out a strategy to ensure communications availability during the disaster mitigation, preparedness, response and recovery phases, by promoting coordination across all levels of government, between public and private organizations, and within communities at risk.

Spectrum management is another area where the Authority has worked hard to ensure the maximum possible outcome from this scarce resource. Reallocation and reassignment of the necessary spectrum bands intended for high-speed broadband has largely taken place or is in progress. Spectrum availability is not a bottleneck as far as the deployment of high-speed data services is concerned. The existence of currently unassigned bands is reflective of lower market demand with respect to other EU jurisdictions. This is essentially due to Malta's geographical dimensions and demographics and has nothing to do with delays in harmonisation. As such there are no issues vis-à-vis spectrum assignment. Nevertheless, the necessary work intended to make available the relevant spectrum for ultra-high speed mobile broadband will continue as planned. In the process, a discussion on the eventual switch-off of older mobile generations will need to be broached.

Whilst Government revenue from spectrum is seen as a priority, the importance of spectrum as a public policy tool carries, as a minimum, equal importance and the MCA's overall spectrum management approach reflects a careful balance between these two priorities.

A host of important re-assignments will continue in the coming plan year in support of a number of key services, notably 5G and Digital Audio Broadcasting (DAB). In all instances the principles adopted will be in support of competition, quality of service delivery, efficiency in utilization and full respect for environmental considerations.

Digital Services

As indicated in the beginning of this section the MCA has been given the mandate to administer the provisions of the EU Digital Services Regulation[2] and the Platform to Business Regulation. The Authority has also been tasked with responsibility for relevant parts of the Consumer Protection Cooperation Regulation (CPC Regulation), under the overall purview of the MCCAA. These tasks are in addition to those already assigned to the Authority in this policy area, such as the eIDAS Regulation, the eCommerce Directive, the Geo-Blocking Regulation and the Web Accessibility Directive, as transposed into Maltese law.

In regulatory terms this is a fast-growing policy area and inevitably so, as the virtual world catches up rapidly with the bricks-and-mortar one and market power shifts accordingly. The emergence of dominant platforms has set in motion the relevant regulatory mechanisms set at ensuring that competition and fair terms subsist also in the digital world. There are also issues of security and legality that are being addressed so that the digital environment can succeed in winning over more and more users, who can access this huge market-place with the necessary confidence and peace of mind.

As for existing mandates the MCA is in the process of finalizing its eCommerce Strategy in collaboration with other institutional players. The Authority has also progressed substantially in setting up the necessary notification processes under the eIDAS Regulation and these are fully operational. Meanwhile, the Authority prepares for the review of the eIDAS Regulation at EU level and is assisting the Government in reviewing the EU Commission proposals as they unfold.

The Authority's assessment role under the Web Accessibility Directive has been fully operational for the last year or so and notable progress in accessibility has been registered following relevant assessments carried out on a number of Government Websites. The audits will continue into the coming years. Meanwhile, as the transposition of the European Accessibility Act proceeds, it is expected that the Authority will also play a part in web accessibility, this time with respect to private sector websites. This would present a significantly bigger challenge than the regulatory task in hand, but the experience gained so far will act in good stead for the Authority should it be assigned the relevant role.

The new policy areas inevitably present fresh challenges in terms of organization and implementation. Their adoption clearly indicates that Digital Regulation now carries a significantly higher profile on the MCA's agenda. The MCA had the following to say last year on the matter:

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[2] Also known as the Digital Services Act.

"On the Digital Services front, activities such as following the drafting, at EU level, of the Digital Services Act, which includes the review of the eCommerce Directive as well as the eIDAS Regulation review, will necessitate the application of the relevant human resources".

An internal 'ad hoc' multi-disciplinary team was set up to follow the raft of regulations being drawn up at EU level and mainly the Digital Markets Act (DMA), Digital Services Act (DSA), and the Platform-to-Business (P2B) Regulation. Very briefly the scope of respective regulations is as follows:

- Digital Markets Act (DMA) – Establishes 'a level playing field to foster innovation, growth, and competitiveness, both in the European Single Market and globally'. It established ex-ante regulation of digital platforms designated as 'gatekeepers'.

- Digital Services Act (DSA) – its aim is 'to create a safer digital space in which the fundamental rights of all users of digital services are protected'. Whilst building on the e-Commerce Directive, the scope of the DSA is broader and is meant to address new challenges online. It will complement the DMA and other legislation (e.g., P2B and sector-specific rules on content moderation)

- The Platform-to-Business Regulation (P2B) - examines the imbalance of power, and the potential for online intermediation services and search engines to act unilaterally, transforming from gateways to gatekeepers. Such issues may stem at a national as well as at an international level.[3]

The team's brief was to report back with a high-level evaluation of the potential impact of these proposed laws on the Authority's activities, as well as make recommendations about which roles and functions the Authority could possibly take on in relation to these new regulatory frameworks. The team finalized its report before the assignment of the DSA and P2B mandates to the MCA were confirmed[4].

This work has turned out to be an extremely useful first assessment on the Authority's additional roles to its existing Digital Regulation mandate under Strategic Objective 5: Supervising the Provision of Digital Services. The preparatory exercise has also enabled swift identification of primary resource requirements and their organization and scope.

These newly-assigned regulatory tools dovetail well with the other responsibilities – and the established expertise - that the MCA carries vis-à-vis electronic communications, eCommerce and postal services, all of which are inter-related.

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[3] Note – The MCA is responsible only for relevant parts of the P2B Regulation.

[4] The DMA mandate has not as yet been assigned to MCA or any other entity. It is, however, assumed that even if it does not lead it, the MCA will at some point be involved in the management of this regulation.

Postal Services

Globally, the ongoing decline in letter mail continues to be countered by the large increases in packets and parcels brought about by burgeoning eCommerce services denoting deep structural changes within the sector. This is one of the reasons why the EU is actively working on a new directive, although progress is less marked than anticipated. It is expected that a draft directive will be made available sometime in 2022, but this is not as yet confirmed.

In the meantime the Authority's strategic direction for postal services regulation in Malta continues more or less along the same lines, that is, ensuring that the universal service remains sustainable, whilst at the same time facilitating competition across the sector, wherever it may emerge.

The rise in competition in the provision of express mail services, largely addressing eCommerce has on the one hand resulted overall in interesting sectoral developments. At the same time letter mail, and in particular bulk mail, has registered drops, in line with trends in past years. In terms of the previous Strategy Update the trend is confirmed and plausibly exacerbated as a result of COVID-induced behaviour patterns. At one point, pandemic-related administrative measures resulted in serious problems with continuity of service, particularly when Malta International Airport was closed for a number of months. This bottleneck was hopefully a one off, but still merits a closer assessment for future reference. At the same time it is likely that the slowdown in incoming eCommerce (also as a consequence of Brexit and new rules on customs duty for incoming items from non-EU countries) contributed to the rapid increase in local eCommerce during the same period. It now remains to be seen whether and to what extent the promising rise in eCommerce and concomitant local express services, will subsist in the post-Covid era. On the flipside, some time needs to elapse for a clearer picture on the mentioned lingering issues in incoming eCommerce to emerge and the Authority will continue to monitor the situation as it develops.

The ongoing trend in volume declines in the universal letter mail service is likely to necessitate corrective action in the size and extent of the related universal service obligation, as has been stated in previous strategy updates. The forthcoming review of the Postal Directive is also likely to address this matter.

Policy Shaping

This strand cuts horizontally across all MCA activities and effectively permeates throughout the organization. One key source of policy input is the EU, with its multiple initiatives, culminating in the latest developments addressed throughout this document. But policy input is not solely a 'top-down' matter and the MCA remains committed to addressing policy issues that it identifies in the course of its day-to-day business.

As of last year, the Authority's policy-shaping role has been identified as a strategic objective unto itself, given its essential nature in ensuring that regulatory frameworks stay current and produce effective results. It is also recognized that the Authority's multiple regulatory remits are becoming increasingly complex and demand dedication and expertise. Ongoing developments demand an increase in focus in the shaping and review of policy, as a host of international and national events keep raising the need for constant policy update.

Now that the primary objective of the transposition of the EECC has been finalized, the Authority's focus turns towards other key policy areas, notably the drafting of national legislation to transpose, where applicable, the Digital Services Act and Digital Markets Act, as well as the review of the eIDAS regulation, and the eCommerce Directive and the review of the Postal Services Directive, among others.

In the meantime, now that the EECC has been fully transposed, the attention turns to BEREC, which is responsible for the articulation of detailed rules and best practice guidelines in several areas of the EECC. The Authority will also be following the progress of local transposition of the European Accessibility Act, given the synergies that lie with the Authority's already established role of responsible authority for accessibility to Government websites and mobile apps.

The MCA is cognisant of the fact that regulatory policy at the European level is shifting towards ensuring higher levels of EU-wide harmonisation where supra-level institutions and EU bodies, such as BEREC, are increasingly playing a more important role. The Authority is therefore devoting more resources to its participation within these international bodies and fora.

Research and Development

The Authority intends to consolidate activities that have to date been in developmental mode. It has also identified other areas that merit review, potentially for eventual moulding into the Authority's work-programme.

The MCA will continue to support fixed and wireless broadband research and development, through various modes, mainly via participation in the Broadband Competence Office, the 5G-Zorro and ENTRUSTED research initiatives, and in placing renewed emphasis on the need for deployment of IPV6.

The Authority will also review its role in space communications, with a view to focusing on the more relevant satellite communications services, whilst still retaining an advisory role in space-related areas such as Galileo and Govsatcom.

The MCA will also launch into establishing its role and contribution, together with that of the sectors it regulates, towards making the European Green Deal a success. The Authority has already embarked on relevant research in the current year and intends to continue in research mode throughout 2021 and subsequently develop a strategic and implementation framework to address this valuable initiative. At this juncture, however, this policy area is still considered as developmental and the Authority will continue to work in establishing a way forward together with its peers within BEREC until such time as it is in a position to articulate the relevant strategic direction, later on next year. Meanwhile, it is heartening to note that sector players have already embarked in earnest on initiatives set at achieving carbon neutrality targets.

Next Steps

This outlook serves to set the scene for the Authority's strategic direction during the plan period. Thus, it 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 2022 - 2024, provided in Section 2, effectively translates into a number of key considerations:

- Facilitating the deployment of ultra-high speed fixed and mobile electronic communications networks remains a priority.

- A vibrant, competitive multi-player market remains the key driver for positive market developments.

- The Authority will maintain competitive stimuli in the respective sectors via the right mix of regulation, information and facilitation.

- 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 as well as network resiliency and redundancy.

- Broadband as a universal service presents new opportunities in bridging the digital divide.

- A thorough, ongoing and joined-up assessment of quality of service delivery serves to give better all-round awareness of service levels, leading to lasting improvements.

- Wider end-user-related powers, as advocated by the 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 and enforcement.

- The monitoring of user quality of experience in the use of communications services is a valuable indicator of actual quality of service.

- Spectrum policy and management will serve as a key tool in ensuring lasting efficiency, quality, safety and environmental awareness in electronic communications service delivery.

- Spectrum policy and management will be tailored to the needs of the 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.

- The postal Universal Service Obligation needs recalibration to reflect users' present-day needs.

- The Authority will continue to develop the potential of electronic signatures in order to facilitate any type of electronic transaction between citizens, companies and public administrations.

- The regulation of digital services will be addressed through a mix of regulatory oversight and stakeholder awareness.

- Initiatives to strengthen both the supply and demand sides of eCommerce will be undertaken with renewed vigour, in view of the inherent advantages it presents.

- The Authority will continue developing the necessary framework with a view to enhancing online accessibility, thus contributing to the inclusion 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.

- Active participation in EU and 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.

- Synergies with fellow institutional players will be continuously fostered and strengthened as necessary.

- Environmental considerations, in line with the principles set in the European Green Deal, will be gradually dovetailed in the Authority's work programme.

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

4. Mission and Underlying Principles

The MCA's 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 updates 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-based 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 all 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 the European Electronic Communications Code as transposed in 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 as necessary, in order 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.

No changes to the Authority's Strategic Objectives have been made in relation to the previous update. The new assignments in Digital Regulation are already catered for by Strategic Objective 5. The MCA has been active in this policy area in one way or another practically since inception. This is the main reason why the Authority has been assigned the relevant portfolios.

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, quality service to users in line with incumbent social obligations

3. Maintaining open, safe and secure electronic communications

4. Maximising the potential of radio spectrum

5. Supervising the provision of relevant digital services

6. Safeguarding sustainable competition in the postal sector

7. Ensuring that postal undertakings provide a transparent, quality service to users in line with incumbent social obligations

8. Contributing to the ongoing development and implementation of sector policy

9. Conducting relevant research, exploring and developing emergent policy areas

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

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

The Authority's major thrusts for the period under review, categorised by Strategic Objective, are outlined in this section:

Strategic Objective 1

Promoting and safeguarding competition in the electronic Communications Sector.

Outlook

- Maintaining ideal conditions for multi-player competition in ultra-high speed electronic communications

Key Tasks

- Safeguarding a competitive environment via appropriate SMP and other regulatory measures

- Facilitating infrastructure roll-out and sharing of high-speed networks

- Managing information as the means to promote competition

- Managing the compliance framework

New Thrusts

- Co-ordinating the re-use of passive infrastructures

Key Performance Indicators

The MCA will continue to monitor progress vis-à-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

- Turnover and profitability 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, quality service to users in line with incumbent social obligations.

Outlook

- Refining regulatory tools for users to make informed choices

Key Tasks

- Enhancing quality in the provision of publicly available electronic communications services via effective monitoring tools

- Improving the MCA's capabilities vis-à-vis consumer protection

- Ensuring Universal Access to Voice Communications Services and an adequate broadband internet access service

- Updating 'Must-Carry' rules for TV channels qualified as meeting General Interest Objectives

- Improving consumer awareness

New Thrusts

- Implementation of new powers under the transposed EECC

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

Strategic Objective 3

Maintaining open, safe and secure electronic communications.

Outlook

- Enhancing the security and integrity of electronic communications networks

Key Tasks

- Building the necessary network and cyber-security capacity

- Analysing net neutrality practices

- Monitoring security, safety and integrity of public fixed and mobile networks

- Participation in EU and global Internet Governance Fora

- Mapping broadband services as an information tool relative to broadband network capabilities

New Thrusts

- Continued implementation of Broadband Mapping

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

- Extent of 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

- No. of ongoing inspections/site visits (interference, radiation, etc.)

Strategic Objective 4

Maximizing the potential of Radio Spectrum.

Outlook

- Consolidating 5G deployment
- Updating monitoring mechanisms

Key Tasks

- Readying of additional Spectrum for 5G use
- Reassignment of spectrum for Digital Audio Broadcasting
- Ensuring efficient & effective use of spectrum and associated radio-communications equipment
- Managing effectively the spectrum compliance framework
- Reviewing the Satellite filing system

New Thrusts

- Key upgrades to radiocommunications monitoring capacity
- Updating regulatory requirements in line with the EECC

Key Performance Indicators

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

Strategic Objective 4 – 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

- Extent of spectrum availability to market

Strategic Objective 5

Supervising the provision of relevant digital services.

Outlook

- Strengthening regulatory capacity vis-à-vis digital services, in addition to existing measures targeted at increasing public confidence and accessibility

Key Tasks

- Setting up capacity for the Digital Services Act and Platform to Business Regulations

- Organising stakeholder fora, commissioning of surveys of public usage and perceptions of eCommerce, implementing targeted information campaigns

- Maintaining regulatory oversight on existing regulated activities

- Website accessibility continued implementation

New Thrusts

- Setting up for the new responsibilities under the Digital Services Act and the Platform to Business Regulation.

- Assessing the potential requirements of the relevant portions of the European Accessibility Directive relative to the sectors under the Authority's purview, in case these are devolved to the MCA.

- Implementation of projects to further support the eCommerce sector in Malta and particularly from a supply perspective as per the eCommerce Directive

Key Performance Indicators

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

Strategic Objective 5 – Key Performance Indicators

- Changes in eCommerce uptake by businesses and consumers
- Public awareness of their rights with respect to eCommerce
- Service provider awareness of their legal obligations
- Public perception with regard to the security of eCommerce transactions
- Progress in website accessibility
- Progress in utilisation of digital signatures

Strategic Objective 6

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

- Monitoring performance via 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 6 – 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 7

Ensuring that postal undertakings provide a transparent, quality service to users in line with incumbent social obligaitons.

Outlook

- Supporting the continued sustainability, efficiency and quality of the Universal Service

Key Tasks

- Determining the ongoing feasibility of existing universal postal service obligations

- Managing the compliance framework, with focus on quality of service provision

- Ongoing management of the EU regulation on cross-border parcel delivery

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 7 – 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 8

Contributing to the ongoing development and implementation of Sector Policy.

Outlook

- Providing input to Government, notably on major EU proposals, as well as on national matters.
- Contributing to the establishment of positions within BEREC, RSPG, CEPT, RSPG, ITU, ERGP, UPU, HLIG and other international fora

Key Tasks

- Providing Policy Advice to government relative to:

    - The review of the EU Broadband Cost Reduction Directive (BCRD) 2014/61

    - The review of the eIDAS Regulation

    - The review of the EU Postal Services Directive

    - The Digital Services Act package, which also includes the review of the eCommerce Directive, as well as on the Digital Markets Act

    - Space-related topics, notably Galileo and GovSatCom

    - Matters related to Internet Governance

    - Ad hoc EU and other international matters

    - Aspects that are national in scope

- Interacting at various EU-related and international fora (notably WRC-23 and ITU plenipotentiary)

- Assisting the European Commission Monitoring Mission on electronic communications

New Thrusts

- Key thrusts are ongoing, with emphasis on supporting Government in EU Council discussions on the Digital Services Act, for which the MCA now assumes responsibility.

Key Performance Indicators

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

Strategic Objective 8 – Key Performance Indicators

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

Strategic Objective 9

Conducting relevant research, exploring and developing emergent policy areas.

Outlook

- Promoting and facilitating development in relevant communication niches

- Exploring emergent policy areas of relevance to the Authority's mandate

Key Tasks

- Supporting fixed and wireless broadband research and development:

    o Broadband Competence Office capacity building,

    o Funding opportunities,

    o 5G Zorro research project,

    o IPV6 deployment

    o Connecting Europe Facility (CEF)

- Continue addressing the implications of the European Green Deal on relevant sectors and the MCA's regulatory mandate

New Thrusts

- Key Thrusts are ongoing

Key Performance Indicators

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

Strategic Objective 9 – 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 Envisaged Outcomes

MCA progress on 2021 key priorities

Insofar as the key strategic priorities that the Authority identified in its 2021 Strategy Update, it is good to note substantial progress on all fronts as indicated below:

- **MCA Priority:** Continuing with the transposition of the EECC into Maltese Law and the review of existing regulatory operations
- **Progress:** The transposition process was finalised in October 2021, enabling the Authority to move along various regulatory fronts in line with its new powers.
- **Priority addressed in full.**

- **MCA Priority:** Maintaining the necessary level of competition in Electronic Communications Networks and Services
- **Progress:** Market developments are indicative of an increase in the tempo of competition, particularly in mobile services. The situation is more fluid and delicate in fixed line services. The MCA's regulatory activity needs to be sensitive to the growth of multiple competing undertakings, evolving as necessary to address areas where bottlenecks subsist.
- **Priority to continue into 2022**

- **MCA Priority:** Implementing the framework for the deployment of 5G and related services mainly via assignment of pioneer bands.
- **Progress:** The regulatory framework has been finalised and spectrum has been assigned. One 5G mobile network is in operation nationally and at least one other deployment expected by the end of 2021.
- **Priority addressed in full.**

- **MCA Priority**: Building further capacity in EMF oversight.
- **Progress:** Significant progress has been made in the articulation of related policy, along with the upgrading of equipment and processes to monitor harmful interference and EMF radiation, all of which should be in place by the end of 2021.
- **Priority to continue into 2022**

- **MCA Priority**: Building further capacity in the security of electronic communications
- **Progress:** Significant progress has been made in the articulation of related policy, particularly in relation to institutional inputs within BEREC and ENISA, alongside the drafting of relevant regulation for consultation by the end of 2021.
- **Priority to continue into 2022**

- **MCA Priority:** Continue improving the accessibility of websites and mobile applications of public sector bodies.
- **Progress:** The process is up and running and 198 Government Websites will have been assessed and reported on by the end of 2021. The MCA ensures that all entities that have been assessed take the required steps to ensure they are in line with the Directive's requirements.
- **Priority addressed in full in terms of setting up (ongoing process to continue into 2022)**

- **MCA Priority**: Updating the eCommerce Strategy
- **Progress**: A draft has been finalised and the input of other Institutional Stakeholders is awaiting for publication to take place later on in 2021.
- **Priority addressed in full**

- **MCA Priority:** Ensuring continued sustainability of the universal postal service in light of fresh challenges.
- **Progress:** The Universal Services Provider remained sustainable throughout the Pandemic, also via Quality of Service concessions and targeted Price increases.
- **Priority addressed in full for 2021**

- **MCA Priority:** Continue enhancing capability to monitor operators' QoS delivery and strengthening consumer powers.
- **Progress:** The re-launch of Telecosts.com and the consultation on a host of measurement parameters will serve to further strengthen capacity in QoS regulation, in the latter case following transposition of the EECC.
- **Priority partially addressed and will continue into 2022**

- **MCA Priority:** Participating in the EU debate relative to the Digital Services Act, other digital dossiers, and the Postal Services Directive.
- **Progress:** The MCA effectively played the role of advisor to Government on the Digital Services Act, the Digital Markets Act and the Platform to Business regulation during the debates at EU level. Government has lately assigned the Authority the mandate to regulate the DSA and the P2B regulation.
- **Priority addressed and will continue into 2022**

- **MCA Priority:** Identifying the MCA's and the Sector's contribution to the European Green Deal
- **Progress:** Initial fact-finding with Maltese operators as to their level of preparedness towards carbon neutrality has taken place with positive results and communicated to the relevant BEREC fact-finding forum with a view to the articulation of a common vision as to the Sector's contribution to carbon neutrality. This represents an important first phase.
- **Partially will continue into 2022**

Thus, practically all priority tasks have shown significant progress along planned lines with a number of notable achievements having been registered. Several of them will continue to feature on the Authority's task sheet given their multi-annual nature. The Authority will continue with consolidation of the relevant regulatory initiatives and will follow progress in terms of both outputs and outcomes in the various policy areas in line with established practice.

The existing policy areas will continue to present an exciting challenge, not least due to the fact that all communications sectors remain in a process of constant development. Local developments serve to give a particular slant to the issues at hand. Overall, prospects of increased competition, quality and variety of services to end-users are positive, rendering the challenge an even more rewarding one from a regulatory perspective.

Fresh Strategic Priorities emanating from the 2022 Workplan:

In addition to the above-listed priorities that will roll over into 2022 and possibly beyond, a number of new priorities have been identified. These are:

- Setting up the organizational capacity and processes for the DSA and the P2B regulation
- Consolidating the Broadband Mapping Project
- Gaining a better understanding of available Physical Infrastructure from information sourced from Electronic Communications Operators as well as other Utilities.

Consolidated List of Priorities for 2022

A consolidated list of priority tasks for 2022, composed of tasks spilling over from 2021 as well as new identified tasks for 2022 is listed below.

- Maintaining the necessary level of competition in Electronic Communications Networks and Services.
- Building further capacity in network integrity and security, and cybersecurity.
- Continue improving the accessibility of websites and mobile applications of public sector bodies
- Continue enhancing capability to monitor operators' QoS delivery and strengthening consumer powers.
- Participating in the EU debate relative to the Digital Services Act and the Postal Services Directive.
- Identifying the MCA's and the Sector's contribution to the European Green Deal.
- Setting up the organizational capacity and processes for the DSA and the P2B Regulation.
- Consolidating the Broadband Mapping Project.
- Gaining a better understanding of available Physical Infrastructure from information sourced from Electronic Communications Operators as well as other Utilities.

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 into 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. Various MCA representatives are also being nominated and considered as Co-Chairs of these expert workgroups. During 2020, two MCA representatives were for the first time appointed to lead one of the workgroups within BEREC and CEPT respectively. Meanwhile, the MCA's CEO took up the seat of BEREC Vice-Chair in 2021. Moreover, during 2021 two officers served as Co-Chairs in BEREC Expert Working Groups, one in CEPT and one in ERGP.

The Authority needs to be in a position where it can compete with other economic players to attract and retain the best and brightest in order to be able to carry out its mandate to maximum effect.

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.

The newly transposed European Electronic Communications Code provides for the strengthening of regulatory independence of National Regulatory Authorities, as a means to enhance performance and results[5].

The Authority's regulatory activity has a clear multiplier effect on Malta's society and economy. The successful delivery of its programme is therefore key to Malta's success.

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[5] In 2022 BEREC will be conducting a study on the independence of NRAs in all Member States, including Malta, and plans to share the findings with the EU Commission and the other EU institutions.