

Strategic Plan Update for 2014 - 2016

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TABLE OF CONTENTS

1.	PURPOSE.....	1
2.	CONTEXTUAL BACKGROUND AND OUTLOOK	2
3.	KEY CONSIDERATIONS	7
4.	MISSION AND UNDERLYING PRINCIPLES.....	8
5.	STRATEGIC OBJECTIVES.....	9
6.	INDIVIDUAL STRATEGIC OBJECTIVES – OUTLOOK / KEY TASKS / NEW THRUSTS	10
7.	EXPECTED OUTCOMES	20
8.	ENSURING QUALITY AND CONTINUITY IN DELIVERY.....	21

1. PURPOSE

This document represents a rolling update of the Malta Communications Authority's (MCA's) strategic direction for the period 2014 – 2016. It validates the established strategic direction and factors in new developments that are seen to have a significant impact during the plan period.

2. CONTEXTUAL BACKGROUND AND OUTLOOK

At face value one could consider the backdrop characterizing 2014 as more or less a continuation of the contextual fabric that has coloured the previous year. In certain aspects this is the case. The momentum towards next-generation access networks remains squarely on centre-stage, as do the issues characterising competition in the electronic communications and postal sectors. On the 'demand' side, bridging the digital divide remains the central focus. These are not necessarily the only elements that make for continuity.

Inevitably, new challenges come up, whether due to the new developments that the external environment – both local and international - constantly blows in, or as a result of the assumption of additional responsibilities that are essentially complementary to the Authority's mission and objectives. These challenges are particularly evident in the electronic communications sphere where, among others, the need to constantly monitor developments on the 'horizon' is such that the Authority is giving fresh impetus to the matter.

In the electronic communications sector, the development of ubiquitous high speed networks and services remains the challenge for policy makers, regulator and operators alike. It is heartening to note progress in this area as evidenced by statistics in terms of both coverage and uptake of high speed broadband. This bodes well for the sector and the economy in general. As far as the 'demand side' is concerned the Authority has, during 2013, zeroed in further on problem areas in the digital divide on both domestic and business fronts. Evidence would suggest that this course of action needs to be sustained.

Bridging the digital divide impacts in part the eCommerce programme. This is geared towards the enhancement of uptake, both as regards incoming as well as for outgoing eCommerce. The emphasis, however, is placed on the latter, as the means to enhance overall economic performance.

The electronic communications activity for 2014 is framed within the context of the Digital Malta Strategy.

2013 has been a very busy year on the postal regulation front and the coming plan period should see a consolidation of the regulatory framework that has been painstakingly set up and that is currently in the course of implementation. No doubt, a major challenge will be posed by sustainability issues that put into question the breadth of existing universal service obligations in light of changing usage patterns.

The Authority's ability to rise to the operational challenges posed by its work programme remains hinged on the flexibility and efficiency with which it can muster and manage resources. This, in itself, is a major challenge. Beyond the capacity considerations, cashing in on the efficiencies enjoyed in electronic communications and postal sector regulation, by widening the scope of the regulatory mandate, is a logical course of action. This expanded role is likely to characterise the organisation's activity for the coming year and beyond.

Electronic Communications

The EU's Europe 2020 targets provide a sounding board relative to the Country's progress towards economic and social prosperity. While obviously not an end unto themselves, these targets give an indication of where resources may need to be focused and strategies reviewed. They also give a measure of relative success in national strategies in the development and regulation of electronic communications.

Malta's standing in the various Europe 2020 tables remains rather similar to last year's, namely that it is progressing well on the 'supply side', that is in the provision of the necessary high speed network infrastructure and services, but less so on the 'demand side', which deals with citizen and business uptake of ICT. Whereas the MCA's mandate concerns mainly the 'supply-side', the 'demand-side' aspect is, in part, also addressed by the Authority, by way of ICT awareness-raising and training that it carries out.

Overall, there are no major 'supply-side' issues, nonetheless the deployment of Next Generation Access Networks (NGANs) needs to be sustained if Malta wants to retain a place with the front-runners in an increasingly competitive global environment. From a regulatory point of view, this Authority's mission remains that of providing the necessary regulatory clarity to electronic communications players at such a delicate juncture. This has been the main objective throughout the current year and should remain such during the forthcoming plan period. Regulatory clarity serves to facilitate market entry and investment in the field. Beyond regulatory clarity, the proportionate application of regulation itself remains a key tool to promote competition and thereby market entry and investment.

The MCA's activity in promoting regulatory clarity has centred on both asymmetric and symmetric regulatory activity. In the former case the Authority's analysis of Market 4 and resultant VULA remedy has been its foremost activity. Initiatives relative to symmetrical regulation, such as the articulation of infrastructure access and in-house wiring rules, are also under way and should serve to facilitate the roll-out of NGANs by clarifying the 'rules of engagement' for such activity, with the intent of maximising economies in deployment and minimizing disruption caused by works, thanks to infrastructure sharing. This work is expected to be finalised in 2014.

User-centric initiatives have dwelt mainly on the need for undertakings to provide the necessary information in user service contracts. Another key initiative has been in the provision of information to consumers as to their rights in their contractual relationship with service providers. The provision of information has, however, gone beyond purely informing users of their rights and has also dealt with assisting them in making informed choices. The MCA intends to focus further on the provision of information to users as a means of ensuring that they enjoy the benefits of competition to the fullest possible. The Authority will also continue to address specific consumer issues that may arise during the plan period.

The MCA will continue with its assessment of the Universal Service Provider (USP)'s claims for past years, whilst casting a critical eye on the validity of the existing Universal Service Obligation (USO) arrangements, in light of present day user requirements.

Another area of activity that is of direct relevance to consumers is the implementation of the next phase of roaming regulation, that is the so-called ‘decoupling’ solution, which allows users to choose separate service providers with respect to calls and data services.

On the wireless front, following the successful re-assignment of 2G spectrum, the scene is being cleared for the consolidation of LTE (4G). This would constitute another important step towards the ubiquitous provision of NGA by Maltese operators. This year will see an intensification of regulatory activity by the MCA on this front.

One important task in this respect will be the making available further spectrum for LTE. This, in turn, necessitates the migration of the multiplex reserved for Maltese General Interest (GI) TV channels from Ch66 to an alternative channel. This task, which involves the same institutional partners who participated in the successful Digital Switchover exercise, presents both technical and consumer-related complexities, with the former presenting the biggest challenge. Prior to this stage of the initiative, the clearing of an alternative channel to accommodate the Maltese GI multiplex has been the result of substantial discussion and negotiation with neighbouring states. Such discussion is ongoing but should hopefully come to a successful conclusion in relatively short order. The mediation of the EU Commission has been instrumental towards Malta’s exercising its rights to utilise this alternative channel.

The Authority’s mission in the regulation of electronic communications is conditioned by the overarching regulatory framework set by the EU. This is currently facing yet another significant change that could impact the sector throughout Europe. The MCA is analysing proposals by the EU Commission for further harmonisation of the European Single Market and will be participating intensely in the debate as to the final form which this new Framework will take. The MCA will need to be deeply involved in the debate in the interest of Maltese operators and service-users alike.

The MCA’s international obligations will, first and foremost, entail participation in BEREC and RSPG plenaries and work-groups. These organisations are the main interlocutors with the EU Commission on the development of the regulatory framework and a primary source of peer information and best practice. Beyond BEREC and RSPG, participation in EU, ITU and CEPT fora will be sustained as necessary in the interests of the Maltese electronic communications sector.

The electronic communications scene remains heavily influenced by technology developments and regulation is subject to constant update in order to retain currency. Developments such as the utilisation of the 800 MHz band – and at a later stage possibly the 700 MHz band - for LTE, issues posed by Over-The-Top (OTT) services, Net Neutrality and the Cloud all raise challenging prospects over regulatory treatment.

In part, these developments account for the debate under way at EU level over the changes to the regulatory framework. Either way, the MCA will need to explore the issues and form an opinion as to the best way forward on such matters.

eCommerce

Malta, along with a number of smaller Member States, is a net 'importer' of eCommerce goods. This is not surprising, given the size of Malta. Meanwhile statistical evidence suggests that Malta does not lag behind other Member States in the number of Malta-based companies indulging in sales through eCommerce. Nonetheless, increasing the element of outgoing eCommerce has its advantages. Working towards increasing this figure, therefore, remains an ideal objective.

Securing public trust in eCommerce is another determinant in increasing eCommerce uptake. This remains another objective for the MCA to follow, via the implementation of eSignatures regulation and the institution of a trust-mark awareness campaign. In its bid to spread best practice in the use of e-commerce by Maltese businesses and to keep interested parties informed of regulatory and technical developments, the MCA has been carrying out a bi-annual eCommerce forum. The intention is to continue with this successful formula.

Postal Services

The Maltese postal sector passed a significant milestone at the commencement of the current year, namely full liberalisation. In the run up to liberalisation, the Government had, with the assistance of the MCA, consulted on and thereafter legislated on a regulatory framework based on the concept of Significant Market Power (SMP). In line with the principles and broad methodology enunciated in legislation, the MCA thereafter put the detail around the concept and embarked on a planned programme of market analyses.

The analyses will establish whether or not MaltaPost retains SMP on the various postal markets in which it operates. The analyses are meant to protect consumers and the development of competition in general, as much as they are meant to protect MaltaPost via deregulation where markets are found to be competitive.

Beyond the competition aspects, the overall sustainability of the Universal Postal Service needs to be questioned and revised if necessary, particularly in the light of rapidly changing behaviour patterns on the part of users. It will therefore be necessary to ensure that Universal Service Obligations placed upon the incumbent are proportionate and up to present day requirements.

The distinction between Universal Postal Service and express mail services should be clarified further. This is an issue that is being faced in all jurisdictions and it is expected that beyond the work undertaken by the MCA there will be further clarification at European level.

Information Society

A recent Eurostat survey confirmed the findings of previous MCA surveys when it comes to the number of Maltese who are not sufficiently motivated to take up the use of the Internet. The numbers are rather worrying, even more so in light of a widening divide, as users take up high speed internet with all the advantages that it offers.

The divide is apparent not only in the domestic segment but also hits business sectors, with quite a number of business users in particular segments showing disinterest in the potential advantages to be had in using the Internet as a business tool.

The MCA has sought to tailor its activities to attack more intensely the specific problem areas. The focused approach has produced encouraging results and is expected to be sustained throughout this year. The objective is to encourage as many non-users as possible to recognise the benefits of the Internet in assisting them either in their personal life or business requirements.

3. KEY CONSIDERATIONS

The underlying context to the Strategic Update for the period 2014 - 2016 provided in **Section 2** effectively translates into the following key considerations:

- Facilitating the introduction of high speed electronic communications networks remains a prime element of the MCA's work programme.
- Access obligations in the electronic communications sector will continue to be observed in an NGAN environment.
- Regulatory measures will continue to support both infrastructure and service-based competition, in the new high speed environment.
- Wireless broadband (WBB) will increasingly gain in popularity and work will focus on facilitating access to spectrum for WBB and high speed technologies.
- The drive towards such high speed access raises the risk of a widening chasm between digital 'haves' and 'have-nots'.
- ICT training programmes will be targeted specifically at the most vulnerable groups and individuals in order to bridge the digital divide.
- Heightened EU/BEREC activity in the shaping of electronic communications policy increasingly engages NRAs in the debate at international level.
- Consumer protection will be addressed through a mix of information and enforcement.
- Broadband quality of service and related Net neutrality issues will be addressed in line with EU/BEREC principles.
- The main challenge in a liberalised postal market will be ensuring the sustainability and currency of the universal service in an openly competitive environment.
- Maltese enterprise needs to embrace ICT more, particularly eCommerce, if it is to compete at equal arms with overseas e-enabled counterparts.
- The progress of innovation in the ICT sector merits closer attention in terms of forecasting its impact on the electronic communications sector, as well as with regard to investment opportunities that may present themselves.
- Wider public awareness of the MCA means better dissemination of information to users as to their rights.

4. MISSION AND UNDERLYING PRINCIPLES

The MCA's mission statement is stated hereunder:

- **To regulate the electronic communications, e commerce and postal sectors for sustainable competition, customer choice and value for money, and**
- **To facilitate the development of an environment that is conducive to investment, innovation and continued social and economic growth.**

In carrying out its mission the MCA is committed to performing in a manner that is transparent, proportionate, non-discriminatory and objective. The MCA's mission statement embodies a set of principles, which the Authority holds central to all the activities that it carries out, and namely that:

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

5. STRATEGIC OBJECTIVES

The MCA's Strategic Objectives for the period covered by this Plan update remain the same as those in the preceding Update.

The MCA's Strategic Objectives are the following:

Electronic Communications

- T1 - Regulating for lasting competition in the Electronic Communications Sector.
- T2 - Ensuring that electronic communications undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.
- T3 - Contributing to the development and implementation of electronic communications regulatory policy at an international level.
- T4 - Facilitating innovation and investment in ICTs.

eCommerce

- E1 - Facilitating eCommerce uptake and the use of electronic signatures.

Postal Services

- P1 - Regulating a liberalised postal services environment that ensures ease of entry to new undertakings and sustainable competition.
- P2 - Ensuring that postal undertakings provide a transparent, value-for-money service to users whilst adhering to incumbent social obligations.
- P3 - Contributing to the development and implementation of Postal regulatory policy at an international level.

Information Society

- IS1 - Achieving widespread e-literacy, digital inclusion and the use of ICTs as a tool to improve quality of life for all citizens in particular, disadvantaged groups.
- IS2 - Encouraging the use of e-Business models by local enterprises as a means to improve competitiveness.

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

6. INDIVIDUAL STRATEGIC OBJECTIVES – OUTLOOK / KEY TASKS / NEW THRUSTS

The MCA's major thrusts for 2014, categorised by Strategic Objective, may be seen below:

Strategic Objective T1

Regulating for lasting competition in the Electronic Communications Sector.

Outlook 2014

- Facilitating the deployment of NGA networks via regulatory clarity
- Maintaining conditions for a multi-player scenario in an NGA environment
- Enhancing our regulatory remit with respect to competition matters

Key Tasks 2014

- Continuation of NGA regulatory work-strands with a view to providing further regulatory clarity, mainly via:
 - Infrastructure Access Market (Market 4) – Implementation of access remedies
 - Finalisation of co-location and in-house wiring frameworks
- Clearing the 800 MHz band
- Exploring ex-Post regulation as part of the MCA mandate
- Ongoing tasks such as market analyses, roaming, review of frequency plan

New Thrusts

- The assumption of additional regulatory responsibilities presents a one-stop-shop in sector regulation, frees MCCA resources to alternative uses and maximises the MCA expertise in the field

Key Performance Indicators

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

Strategic Objective T1 – Key Performance Indicators

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

*Note: Government FTTH project is addressed under objective T4 (Innovation)

Strategic Objective T2

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

Outlook 2014

- Additional focus on empowerment of consumers via information
- Strengthening of MCA powers vis-a-vis consumer protection
- Migration of General Interest TV channel

Key Tasks 2014

- Enhancing provision of information to consumers via social media and any other relevant medium
- Assumption of additional powers vis-a-vis consumer protection
- Start of migration of General Interest TV transmission
- Implementation of the EU roaming (decoupling) regulation
- Review of USOs
- Other key ongoing tasks such as monitoring of spectrum licence conditions and interference resolution

New Thrusts

- Key thrusts remain the same as for 2013

Key Performance Indicators

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

Strategic Objective T2 – Key Performance Indicators

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

Strategic Objective T3

Contributing to the development and implementation of electronic communications regulatory policy at an international level.

Outlook 2014

- Shadowing the draft regulations laying down measures to:
 - complete the European single market for electronic communications and
 - reduce the cost of broadband deployment
- EU/BEREC and other international commitments are seen to increase

Key Tasks 2014

- Advice to Government on the draft Single Market and Cost of Broadband regulations (work started in 2013) and on other EU matters
- Finalisation of the international co-ordination process, leading to rights of use of a frequency channel, as a replacement to Channel 66.
- Interaction at BEREC and RSPG in pushing MCA position on the draft regulations
- Preparation for 2015 World Radio Communications Conference
- Participation in EU meetings, BEREC work-groups and in other fora

New Thrusts

- Key thrusts remain the same as for 2013 but the EU single market proposal takes priority

Key Performance Indicators

- The MCA will continue to monitor progress in relation to this objective:

Strategic Objective T3 – 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 T4

Facilitating innovation and investment in ICTs.

Outlook 2014

- Continued logistical assistance to Government in the implementation of FTTH national roll-out project
- Consolidation of forward-looking function vis-a-vis innovation in electronic communications
- Promotion and support of Government's policies vis-a-vis innovation in ICTs

Key Tasks 2014

- Assisting Government in driving the next phase of FTTH implementation
- Setting up of an internal structure to oversee technology developments and related challenges and opportunities
- Follow up research with identified actions on Cloud Computing and digital media
- Forward-looking research relative to:
 - TV transmission
 - OTT services
- Work with MITA towards attainment of a Digital Economy Strategy
- Assisting Government in establishing feasibility of an additional International link

New Thrusts

- Key thrusts remain the same as for 2013, with renewed emphasis on monitoring of innovative and potentially disruptive technologies

Key Performance Indicators

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

Strategic Objective T4 – Key Performance Indicators

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

Strategic Objective E1

Facilitating eCommerce uptake and the use of electronic signatures.

Outlook 2014

- Increased uptake of eCommerce with emphasis on the 'supply side'
- Increased public confidence in e-commerce

Key Tasks 2014

- eCommerce Strategy – implementation of relevant actions
- Implementing the eSignatures regulation

New Thrusts

- Key thrusts remain the same as for 2013

Key Performance Indicators

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

Strategic Objective E1 – Key Performance Indicators

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

Strategic Objective P1

Regulating a liberalised postal services environment that ensures ease of entry to new undertakings and sustainable competition.

Outlook 2014

- Management of liberalised framework after a full year of liberalisation under the new regulatory framework

Key tasks 2014

- Continued monitoring of MaltaPost's (Universal Service area) performance under a price control framework which allows a fair rate of return
- Monitoring of sector competition developments

New thrusts

- Key thrusts remain the same as for 2013

Key Performance Indicators

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

Strategic Objective P1 – Key Performance Indicators

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

Strategic Objective P2

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

Outlook 2014

- Assessing the sustainability of the Universal Service

Key Tasks 2014

- Undertaking a periodic review of QoS requirements incumbent on the USP
- Carrying out a study of the USO in light of present day user requirements
- Monitoring of the USP's activities on an ongoing basis

New Thrusts

- Sustainability of the USO presents a renewed challenge

Key Performance Indicators

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

Strategic Objective P2 – Key Performance Indicators

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

Strategic Objective P3

Contributing to the development and implementation of Postal regulatory policy at an international level.

Outlook 2013

- Contributing actively to any EU/ERGP discussion on the shaping of the postal regulatory framework

Key Tasks 2013

- Providing advice to Government on EU and other international matters
- Monitoring EU progress on harmonisation of regulatory Framework
- Maintaining firm contact with ERGP working groups
- Active participation in EU, European Regulators Group for Postal Services (ERGP) and other international fora in representation in the capacity of National Regulatory Authority for postal services or on behalf of the Maltese Government
- Providing statistical and other relevant information to EU and other international fora to which the MCA is affiliated
- Collaborating with peer regulators on one-to-one basis or collectively in the relevant organisations

New Thrusts

- Key thrusts remain in line with those for 2013

Key Performance Indicators

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

Strategic Objective P3 – Key Performance Indicators

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

Strategic Objective IS1

Achieving widespread e-literacy, digital inclusion and the use of ICTs as a tool to improve quality of life for all citizens, in particular, disadvantaged groups.

Outlook 2014

- Continued implementation of public initiatives set at promoting and supporting the widespread use of Information and Communication throughout Maltese society, now captured in publication of 3-year strategy, titled 'Network Society'
- Increasing the tempo and breadth of activities
- Increasing public awareness of opportunities on offer

Key Tasks 2014

- Continue implementation of the five thrusts of the Networked Society Strategy 2012- 2015 (subject to review exercise under way) via the following main thrusts
 - Inspiring everyone to get online
 - Facilitating Access and opportunity
 - Building digital skills and competencies for a networked society
 - ICT as a social equaliser
 - Contributing to better policy
 - Focus on 2 projects concerning digital divide
 - Better employability and workforce adaptability
 - Unite IT (EU funded)

New Thrusts

- The overall thrust for 2013 remains fundamentally unchanged

Key Performance Indicators

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

Strategic Objective IS1 – Key Performance Indicators

- Internet uptake figures:
 - No of Maltese households connected;
 - No of individuals using Internet frequently;
 - No of individuals in employment using Internet frequently;
 - No of individuals aged between 60 and 75 using Internet frequently;
 - No of persons who have never used the Internet.
- Public perceptions on the benefits of ICT for domestic and business use.

Strategic Objective IS 2

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

Outlook 2014

- Raising awareness of businesses and consumers on the benefits of e-Commerce in Malta
- Building capacity in ICT skills
- Researching on ICT contribution to growth opportunities
- Note: All of the above are captured in a 3-year Strategy titled Networked Enterprise. Activities will be framed within context of the ICT Economy Strategy

Key tasks 2014

- The Authority will continue Implementation of the 5 thrusts of the Networked Enterprise 2012-2015 eBusiness Strategy (subject to review exercise under way)
- These tasks fall under the following thrusts:
 - Awareness and motivation
 - Capacity building
 - eCommerce for local and global reach
 - Exploiting opportunities
 - A robust environment for growth
- Continued participation in EU funded projects
- Co-ordination of Galileo pilot projects

New Thrusts

- Research on ICT contribution to growth opportunities will be given further impetus

Key Performance Indicators

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

Strategic Objective IS 2 – Key Performance Indicators

- e-Commerce consumption uptake figures.
- No. of Businesses using ICT:
 - No. of businesses using the Internet;
 - No. of enterprises sharing information electronically with clients and suppliers;
 - No of enterprises selling online.
- Public/Business awareness/perceptions on the benefits of e-Commerce.

7. EXPECTED OUTCOMES

Electronic Communications

- Progress towards deployment of multiple NGA fixed and mobile networks
- Continued improvements in choice and value in retail services
- Overall improvements in customer care
- Uptake of new technologies and services
- Better visibility of future developments and impact on the sector
- Results overall in line with Europe 2020 targets

eCommerce

- Increased volume of eCommerce, inward and outward

Postal

- USP stable and making reasonable profits, while improving QoS
- USO burden in line with present-day requirements
- Competition in one or more areas, or e-substitution exerting pressure on prices
- Postal services consolidated as a solid support to e-commerce

Information Society

- Increased participation (whether in terms of number of users or individual usage) of individual citizens and businesses in information society

Organisational

- Wider breadth of operations
- Improvement in forward looking capabilities

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.

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.

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 in managing contractors with a view to obtaining the best possible value in services received and knowledge transfer.

Organisation

An organisation that operates in a highly dynamic environment needs to have the inbuilt 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 reality.

Physical Resources

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

The MCA also deems information management as being a fundamental resource to this organisation, and will see to setting up new information systems as necessary, as well as maximising the potential of existing ones.

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