
Strategic Plan Update for 2013 - 2015

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1. Purpose

This document represents a rolling update of the Malta Communications Authority's (MCA's) strategic direction for the period 2013 – 2015. It validates established strategic direction and factors in any new developments that are seen to have a significant impact during the plan period.

2. Contextual Background and Outlook

The work schedule for the coming year in the area of electronic communications regulation remains heavily influenced by the thrust towards high speed networks, coupled with the need to ensure that competition under new conditions remains healthy and vibrant. The MCA's strategic direction via-a-vis electronic communications regulation is also influenced by consumer related issues that go beyond purely contractual and quality of service considerations and into more fundamental aspects such as the provision of the free Internet.

As regards other policy areas under the MCA's purview, the impending full liberalisation of the Postal Sector in 2013 remains a key event, which has necessitated a careful overhaul of the postal regulatory framework, taking into account the state of transformation of the sector. What follows now is the implementation of that framework on the ground.

The split between ongoing regulatory activities and new initiatives remain more or less the same as last year and the Authority needs to retain adequate resources to cater for its substantial programme of work.

The successful completion of its programme will, beyond the effective management of available resources, also depend on the quick turnaround of tender processes and recruitment approvals and the extent of financial resources at hand. Whilst the latter is a reflection of government's priorities, within the bounds of its financial position, the other two factors depend on the efficiency of the institutional players concerned. All these factors present an important context which can make or break the MCA's performance during the period in question.

Electronic Communications

In the case of electronic communications there is a wider supranational context that is embodied in the Europe 2020 Digital Agenda. The relevant scoreboard synthesizes the positive as well as the more problematic areas of development as far as electronic communications and the wider ICT area are concerned.

The Digital Agenda scoreboard presents progress by the EU27 against a series of 'supply side' and 'demand' side targets that have been set. At a glance the scoreboard reveals that Malta has so far done quite well in terms of rolling out the required infrastructures and services. Gaps in the take-up of broadband by speed, in mobile broadband and voice penetration, as well as in the percentage of population who have never used the internet, are among the areas where Maltese statistics fall below the European Average.

Due note is taken of the fact that the majority of these issues are of a 'demand-side' nature and are being addressed via the adoption of several measures identified under the relevant Information Society strategic objective (IS1).

As for the positive Malta indicators that the Digital Agenda scoreboard portrays, the challenge will be to stay the course and reach the desired targets within envisaged timeframes. Ultimately, the stated purpose of the Digital Agenda is "to obtain sustainable economic and social benefits from a Digital Single Market based on fast and ultra fast internet and interoperable applications". The need for steady progress towards high speed broadband clearly constitutes a high profile contextual backdrop to this Strategic Update.

In Malta, the three major operators have been actively launching new services on the market, in search of new revenue streams. The official launch of an FTTH public offering in 2012, in the wake of the deployment of high speed cable broadband, IP TV and more attractive mobile broadband offerings during the course of 2011, are eloquent reflections of a sector that presents an appreciable degree of dynamism.

To what extent the momentum towards a ubiquitous FTTH environment will be sustained, will be dictated largely – but not exclusively - by financial and technology considerations.

Government has taken a clear stand to the effect that it deems the swift deployment of an FTTH network an indispensable component for sustained economic and social development. Thus, Government is ready to contribute to such a development, and has tasked the MCA with assisting it in issuing the relevant calls for expression of interest in carrying out such a development. The MCA is also tasked with assisting Government in assessing the resultant responses, on the basis of which a call for tenders for the implementation of the project will be drawn up. The MCA is also assisting Government in seeking the necessary clearance from the EU Commission in conformity with state aid rules.

On the premise that the EU Commission will give the green light from a State Aid perspective, assisting Government with the selection of the best partner and the drawing up of an implementation plan are key MCA deliverables for 2013.

A regulatory framework for NGAN will need to be in place irrespective of any possible Government contribution, in whatever form or shape, towards its deployment. Among others, the MCA will be actively working on the relevant remedies, following an SMP finding Market 4, as well as on symmetrical elements considered as necessary components towards successful NGAN deployment.

The nature and extent of such regulation will, nonetheless, be dependent on what shape Government's role in the deployment of NGAN's would eventually take and notably what conditions would ultimately be binding on successful partners in the Government-sponsored initiative.

Future earmarking of the 800 MHz band for purposes other than TV transmission remains dependent on the migration of the free-to-air platform from its current location. In turn, this will depend on the collaboration of neighbouring states in the international coordination of frequencies. It is hoped that Italy, in particular, will ultimately coordinate a number of frequencies with Malta in full respect of ITU policies and regulations. Discussions with Italy are ongoing and a resolution will hopefully be reached within respectable timeframes.

Another contextual backdrop to this Strategic update is to be found in sector performance data. Rising subscriptions for mobile telephony, commercial TV and broadband indicate a sector that is still in expansion, albeit at varying rates.

Public take-up of mobile data services also continued to rise, in line with international trends. Nonetheless available statistics indicate that the overall take-up is still less than the European average and there is substantial scope for expansion under the right conditions.

Further to the raw numbers, price per unit indicators for individual services were, in the main, either static or falling during 2012, overall indicative of a consistently better deal to consumers.

From the quality and customer care aspects, work remains ongoing. Notable among QoS issues is that related to broadband delivery, which goes beyond the question of technical reliability and increasingly into the aspects of Net neutrality and the maintenance of the free Internet.

Contractual provisions on the part of operators, set at retaining customers in the face of competition, may also give rise to barriers to switching, to the detriment of both customers and competition. This is another feature that increasingly characterises the relationship between operators and their clients.

The tightening up on quality of service aspects is a Europe-wide phenomenon, in line with a significant number of provisions introduced in the latest update of the EU electronic communications framework, granting additional powers to the NRA vis-a-vis quality of service delivery.

Beyond trends in existing policy areas, the contextual background to this Plan is also characterised by new developments that tend to broaden the MCA's mandate. Increasingly, issues having nominally to do with the wider ICT sphere tend to impinge, in one way or another on the electronic communications 'layer', and raise the need for analysis and follow-up, where necessary.

It is reasonable to expect that 2013 will continue to witness an increasing rate of activity on the international front, as the trend at EU level towards harmonisation, in the application of the electronic communications regulatory framework, becomes more intense.

The extent of activity generated by the EU, mainly in the electronic communications sphere, has continued to escalate, particularly with regard to the discussion over the development of Next Generation Access Networks (NGANs). Other areas such as roaming, net neutrality and network and information security have also been the focus of intense discussion and policy proposals generated by the Commission. This, in turn, has triggered a good deal of dialogue within the Body of European Regulators for Electronic Communication (BEREC), of which the MCA is a member.

BEREC has become the main interlocutor with the EU Commission over the challenges facing Europe in the development of the Information Society and the policy/regulatory direction that needs to be taken in order to address them.

Continuing work on inter-operator regulation, such as wholesale pricing (FTR, MTR, leased line/Ethernet circuits) and roaming decoupling, will also take place. Such activities are increasingly influenced by EU/BEREC input.

Electronic Commerce

On the e-Commerce front, inward e-Commerce figures remain high, pointing to the ongoing need to inform consumers on the virtues and pitfalls of using this ever-increasingly popular mode of purchase.

Meanwhile, Maltese enterprise faces an increasing need to go on-line in the face of overseas competition. This is another aspect that shapes the MCA's strategy in this area.

Another element that comes into play in the context of this Strategic Update is the envisaged review of the e-Signatures Directive by the EU Commission via a Regulation, such as to further facilitate cross-border electronic transactions.

Postal Services

The full liberalisation of the postal sector on the 1st of January 2013 is the most visible element that features as a context in the MCA's strategy in this area. It will be necessary, following the setting up of the necessary legal and regulatory framework, to subsequently implement it on the ground.

In parallel with the setting up of the 'liberalised' framework, the necessary pricing review needs to take place in order to ensure the sustainability of the Universal Service Provider. The need for such a price review has not been triggered by liberalisation, in that the push comes from overseas, given the hike in terminal dues payable by Maltapost, notably to its main overseas counterparts.

Such a price review is fundamental to the maintenance of a sustainable universal service. At the same time it is necessary to continuously validate the need to maintain the current obligations in light of rapidly changing trends on the part of service users.

Increasing e-substitution impinges negatively on mail flows as regards correspondence. At the same time the physical delivery of items generated by e-commerce is rapidly on the rise. There is therefore an increasing change in product type delivered, that is, from items of correspondence to packages.

This e-generated turnover is increasingly attracting the attention of postal operators offering services currently classified as express mail services. As a result the definitional boundaries between the universal service and express mail are blurring somewhat in the case of parcels and packages. The rise in competition in the postal sector is another feature underlying this strategic update. The trend can be expected to increase when Maltapost's reserved area disappears completely on the 1st of January 2013.

Information Society

The publication of two strategy documents dealing respectively with the networked enterprise and a networked society, effectively charts out the strategic direction in this area for the next three years. The focus of citizen training is focused on raising awareness on the benefits and practical applications of ICT and in continuing to convince more people to get online, thereby increasing the current, appreciably high, levels of digital literacy. As for business, the MCA's strategic direction is driven by the need for the Maltese business sector to increase its competitiveness by resorting more intensively to e-solutions. A host of new initiatives are envisaged that will engage better the business community in a bid to promote e-solutions.

3. Key Considerations

The underlying context to the Strategic Plan period 2013-15 provided in Section 02 effectively translates into the following key considerations:

- The drive towards high speed electronic communications networks remains a prime focus of the MCA's strategy.
- The drive towards such high speed access needs to take into account the demand side of the equation, including the risk of a widening chasm between digital 'haves' and 'have-nots'.
- Access obligations in the electronic communications sector will continue to be observed in an NGAN environment.
- Wireless broadband will increasingly gain in popularity and needs to be given the necessary space to develop.
- The resolution of International coordination problems can pave the way for the utilisation of the digital dividend.
- Improved Network security and resiliency remain a key deliverable.
- 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, particularly as far as barriers to switching in the electronic communications sector are concerned.
- Broadband quality of service and related Net neutrality issues will be addressed taking into account any EU/BEREC work currently being undertaken.
- The main challenge in a liberalised postal market will be balancing the sustainability of the universal service with 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.
- Wider ICT issues such as Internet Governance, IPv6 and cloud computing, need to be constantly monitored with a view to ascertaining their cost/benefits to the local economy.

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 implies a number of principles, which the Authority needs to hold central to all the activities that it carries out. The updated list may be seen below:

- 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 and sundry 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 and, in so doing, ensure Malta's interests are adequately represented in such fora.
- 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 in the achievement of Government's policy objectives.

5. Strategic Objectives

The MCA's Strategic Objectives for the period covered by this Plan update remain the same in terms of number and general direction. They do at times present some changes due to either a revised mandate (this is solely in the case of Objective T4) or to better reflect the current state of play. This is, for example, the case with Objective P1, where work now goes beyond the achievement of full liberalisation.

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.

e-Commerce

- 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 2013, categorised by Strategic Objective, may be seen below:

Strategic Objective T1

Regulating for lasting competition in the Electronic Communications Sector.

Outlook 2013

- Creating the right environment for the deployment of Next Generation Access networks.

Key Tasks 2013

- Continuation of NGA work-strands with a view to providing further regulatory clarity to market and institutional players.
- Application of remedies in relation to analyses of the Wholesale (physical) network infrastructure access market and leased lines markets.
- Continued implementation of cost models in relation to Fixed and Mobile termination rates.
- Implementation of 'decoupling' provision in EU roaming regulation.
- Maximisation of available radio spectrum, with focus on the digital dividend.

New Thrusts

- Key thrusts to remain the same as for 2012.

Key Performance Indicators

The MCA will continue to monitor progress vis-a'-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.

Strategic Objective T2

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

Outlook 2013

- Introduction of further consumer protection initiatives.

Key Tasks 2013

- Ensuring that undertakings provide services as contracted, in compliance with the laws administered by MCA, and taking remedial action where necessary. This action will be supported a series of measures, such as:
 - Reviewing operator contractual provisions that may serve as barriers to switching;
 - Providing clarifications and/or interpretation to new requirements under the new framework where necessary;
 - Providing information to end users relative to their rights in relation to operator practices.
- Implementing a mechanism to measure Broadband QoS.
- In conjunction with BEREC, exploring the way forward on Net Neutrality.
- Continued monitoring of harmful interference/radiation patterns and market surveillance in accordance with R&TTE.
- Reviewing requirements under the new framework in relation to disabled users.
- Review of USOs in the electronic communications sector.
- Introducing guidelines for security and Integrity of Networks and following implementation by operators.

New Thrusts

- Fact-finding on disabled users' needs in light of new Framework requirements set.

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 variations.
- 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 2013

No major international events in 2013.

EU expected to step up activity towards harmonization of various areas.

MCA participation in BEREC expected to increase in view of policy recommendations being addressed therein.

Key Tasks 2013

- Providing advice to Government on EU and other international matters.
- Participating, on an ongoing basis, in EU and other international fora.
- Interacting with EU bodies, in particular the Council, the European Parliament and the Commission on regulatory and policy matters, as required.
- Providing statistical and other relevant information to EU and other international fora of which Malta is a member.
- Collaborating with peer regulators, both informally on a one-to-one basis and formally via IRG/BEREC.
- Cooperating at BEREC level in order to establish common positions on EU regulatory proposals, exchange of information and establish best practice.
- Addressing other telecom-related international commitments incumbent on the MCA,

New Thrusts

- Key thrusts remain the same as for 2012 but more intense participation at BEREC level may be necessary.

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 2013

- Promotion and support of Government's policies vis-a-vis innovation in ICTs.
- Ongoing research and monitoring of technology developments.

Key Tasks 2013

- Supporting Government in NGA and broadband policy direction.
- Issuing test & trial licences to operators who wish to use designated spectrum for test and trial purposes.
- Monitoring of international technology developments, and assessing their implications vis-a-vis the Maltese regulatory context.
- Addressing deliverables in Broadband strategy, particularly:
 - Reviewing policy on undersea cable operations in Maltese waters;
 - Reviewing status of IPV-6 preparedness.
- Promoting Internet Governance.
- Exploring the potential & regulatory implications of Cloud Computing.
- Sourcing out possibilities for Galileo pilot projects.

New Thrusts

- This Strategic Objective has been widened to embrace a number of new policy initiatives in the wider ICT environment.

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 2013

- Ensuring that Information Society Service Providers respect the rules and securing increased public confidence in e-commerce.

Key Tasks 2013

- Reviewing the effectiveness of local trust mark.
- Running of sector monitoring mechanisms.
- Raising public awareness via targeted events and measuring usage via surveys.
- Providing advice to Government on the impending proposal for an eSignatures Regulation by the EU Commission.
- Providing for mechanisms to regulate Certification Services Providers.

New Thrusts

- Key thrusts remain the same as for 2012

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.
- Uptake of electronic signatures.

Strategic Objective P1

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

Outlook 2013

- Managing a newly liberalised environment via measures contemplated in the review of the Postal Regulatory framework.

Key tasks 2013

- Putting into place the legislative framework necessary for a fully liberalised environment.
- Carrying out analysis of competition in postal markets.
- Finalising tariff realignment requirements.
- Monitoring of sector activities in the new scenario.

New thrusts

- Planned implementation continues along the lines envisaged in preceding years.

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 2013

- Assessing the sustainability of the Universal Service will be a main focus of MCA activity in reaching this objective.

Key Tasks 2013

- Undertaking a periodic review of QoS requirements incumbent on the USP.
- Carrying out a study on the cost-behaviour of the USO.
- 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 will be taken into account in an assessment as to the degree of success to which this strategic objective has been achieved.

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

- Ongoing participation at relevant international fora, primarily ERGP.

Key Tasks 2013

- Providing advice to Govt on EU and other international matters.
- 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 2012.

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 2013

- 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 number of Internet users is a priority activity.

Key Tasks 2013

- The Authority will implement a series of tasks captured in the Network Society document. These tasks fall under the following main thrusts:
 - Thrust 1 – Inspiring everyone to get online;
 - Thrust 2 – Facilitating Access and opportunity;
 - Thrust 3 – Building digital skills and competencies for a networked society;
 - Thrust 4 – ICT as a social equaliser;
 - Thrust 5 – Contributing to better policy.

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 2013

- 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.

Key tasks 2013

- The Authority will implement a series of tasks captured in the Network Enterprise document. 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.

New Thrusts

- The envisaged programme goes beyond awareness and into capacity building and a more pro-active approach to sector growth.

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. Ensuring Continued Regulatory Capacity

In order to ensure 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. A substantial number of internal processes has now been automated. Meanwhile further deployment of online services is expected to take place in 2013.

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 will provide full accountability of its activities and disbursements as required by law.

As the MCA is increasingly tasked with functions that do not flow directly from its regulatory mandate, the need for funding, from sources other than administrative charges, increases proportionately. The main source of such alternative funding is Government. The MCA ensures that financial reporting reflects the activities carried out and the related sources of funding. The MCA will dedicate the necessary resources towards ensuring that its accountability framework is maintained 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.