

National

Traditional telephone directory may not be printed again

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The traditional telephone directory could be ditched and replaced free of charge by a new 118 enquiry service, similar to the present 118 service.

The Malta Communications Authority is looking into the possibility of stopping the directory after a recent survey showed that the 118 enquiry service is used more than both the printed and online directories.

The MCA commissioned a survey among consumers to gauge the people's attitude towards the directory.

More people use the online directory, 1.5 per cent, on a daily basis, compared to the printed version, 1.3 per cent, and the 118 service, 0.5 per cent.

However, on a monthly basis, more people use the enquiry service, 20.8 per cent; another 15.3 per cent use the printed directory and 8.3 per cent use the online directory.

Since the number of telephone operators increased over the past three years, the MCA launched a consultation process to review and overhaul the whole communications sector.

Almost 60 per cent said they never used the printed directory. About 47 per cent of respondents, mostly people aged between 50 and 64 years, said they either did not use it or referred to it rarely, no more

than twice a year. In fact, 15.5 per cent said the printed directory had completely lost its relevance.

The last edition of the directory was printed in 2004. Two years later, Go came up with an online version, which includes all the numbers of mobile and fixed lines that are public.

The MCA believes that a printed directory that includes mobile numbers would be impractical because of the constant shift from one mobile network to another. It suggested including the mobile numbers in the online directory.

However, even use of the online directory was low when compared to the use of the 118, according to the study. Over 67 per cent of all replies and 94 per cent of people aged 65 years and over said they never used the internet service.

As a result, the MCA is looking into the possibility of obliging all operators to provide a number of free calls each week to a similar service.

Almost all of those interviewed for the MCA survey, 82 per cent, agreed with this option. Of these, 54.5 per cent said one free call a week was "reasonable" and 15.4 per cent believe that one call a month was enough. Only 15.4 per cent said that all enquiry calls should be free.

Go's 1182 and 1187 enquiry service receives several thousands of requests on a daily basis, according to a company spokesman. But the

company would not release statistics for commercial reasons.

Stopping the printed directory would mostly affect people aged 50 years and over, according to the study. However, providing a number of free calls would be an adequate solution to almost 76 per cent of people aged 50 and over.

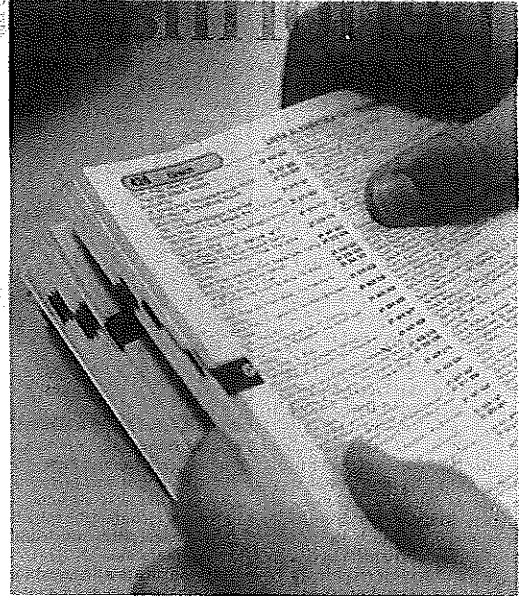
Nationalist MP Jean Pierre Farrugia does not agree with the idea. "Elderly people will be the worst to be affected. They don't have access to the internet and the directory is outdated so they spend a lot of money on 118 calls," he said.

Recently, through a parliamentary question, Dr Farrugia called on Communications Minister Austin Gatt to order the printing of an updated edition of the directory because the last one dated back to 2004.

Dr Gatt said that a consultation process would examine the communications sector. Meanwhile, he added, there was always the online directory, which was free and updated.

Dr Farrugia argued there was still a demand for the printed directory. "People still use it. They are spending money on 1182 because the directory is so outdated. Why is it such a hassle to print it," he wondered.

The MCA study also examined the possibility of charging a fee for the directory. Over half, 66 per cent, said they would not buy it and 26



per cent said they would buy it only if it cost less than €5.

Almost 47 per cent believe all subscribers should receive a free copy of the directory and 32 per cent said that at least people with a low income should receive a copy. The MCA is proposing three solutions:

providing one printed directory free of charge to all customers, a number of free calls to a 118X service and that the electronic comprehensive directory, covering both fixed and mobile local numbers available on the internet, would remain available.

Brussels calls for revision of mobile call rates decision

The European Commission is not satisfied with the way the Malta Communications Authority is calculating mobile termination rates used by local operators in the mobile industry and wants a revision of a decision taken last May.

According to Brussels, the MCA's ruling "does not promote efficiency".

The MCA decided that the mobile termination rates (MTRs) of operators in Malta should change every year by the same percentage as the average European rates, except when the European average falls or rises by more than 10 per cent. In that case, the change for rates in Malta would be capped at 10 per cent.

The Commission is contesting this type of calculation and insists that MTRs should be set at the real and actual cost faced by an efficient operator providing the service.

The Commission has invited MCA to revise its decision and to calculate MTRs in Malta on the basis of the termination rates applied in member states where such rates are linked to the costs of an efficient mobile phone operator. The Commission feels this would help ensure Malta's future compliance with the recently-adopted Commission Recommendation on Termination Rates, which says that termination rates in the EU should be set at the level of the cost of an efficient oper-

ator by the end of December 2012 at the latest.

Brussels also asked the MCA to notify other national regulators and the Commission of any future termination rates the MCA will set following its final decision in the matter.

A spokesman for the MCA said the Commission's letter had not yet been received but would be acted upon once it reached the authority.

MTRs are the wholesale fees charged by operators to connect a call from another operator's network and which finally are part of everyone's phone bill.

In Malta, Go Mobile charges a termination rate each time it receives a call from a Vodafone or Melita network subscriber and vice versa.

The Commission considers local MTRs to be high in EU terms and do not reflect actual costs.

The average termination rate charged by Maltese mobile networks and eventually passed on to customers in their monthly bills stood at 9.5c last year, higher than the EU average and among the highest in all the 27 EU member states.

According to last May's MCA decision, as from last month local networks had to reduce their MTR tariffs to a maximum of 8.6c. However, the Commission is still not satisfied with this new tariff and wants a revision.

According to a new set of guidelines issued by the Commission to all national regulators last May, MTRs at national level should be based only on the real costs that an efficient operator incurs to establish the connection. According to the Commission, these should come down to between 1.5c and 3c per minute by 2012.

In 2008, MTRs varied widely in the EU from 2c per minute in Cyprus to 15c per minute in Bulgaria, averaging at 8.55c per minute across the EU. These rates are 10 times higher than fixed termination rates.

The EU Executive said that higher MTRs made it harder for fixed and small mobile operators to compete with large mobile operators.

Brussels had warned that divergences, and differing regulatory approaches, undermined the EU Single Market and Europe's competitiveness.

A Commission study had concluded that eliminating price distortions between phone operators across the EU would lower consumer prices for voice calls within and between member states, saving business and household customers at least €2 billion between 2009 and 2012 and help investment and innovation in the entire telecoms sector.

SmartCity Malta project 'proceeding according to plan'

Work on SmartCity Malta is proceeding as planned and will pick up speed in the coming months.

SmartCity Malta directors said they had endorsed the plans and had given the go-ahead for the development and financing of the entire Phase One, which included further office blocks, retail blocks and a residential cluster, all surrounding the lagoon.

The board noted the steady advances in the development of the necessary infrastructural works for the first phase, which would enable SmartCity Malta to provide the highest levels of infrastructural services to its prospective business partners, spanning from sustainable utility services to best-of-breed telecommunications services.

Referring to the outcome of a recent board meeting, SmartCity CEO Fareed Abdulrahman, said: "We are all keen and impressed by the prospects of SmartCity Malta and are confident that, regardless of all the hurdles that a development of this size needs to go through, SmartCity Malta will be a great success and will encompass the vision of Malta to becoming a Smart Island".

To date, SmartCity Malta demolished all the factories in the previous industrial estate in Riccasoli, cleaned the site, constructed an administrative block for its operations and, last November, commenced the construction of SCM01, which is expected to be handed over to the first business partners in SmartCity Malta in 2010.

With a minimum investment outlay of \$300 million, SmartCity Malta would transform Malta into a state-of-the-art ICT and media business community based on the successful clusters of Dubai Internet City, Dubai Media City and Dubai Knowledge Village, its developers said.

SmartCity Malta is the largest ever foreign direct investment in the ICT and media sectors ever made in Malta. The project will offer the infrastructure to develop a self-sustaining knowledge-based township comprising office space, residential and lifestyle elements.

The project is expected to generate 5,600 jobs and create a total of 158,830 square metres of office space to host ICT and media operators.