

Digital Economy and Society Index¹ 2016²

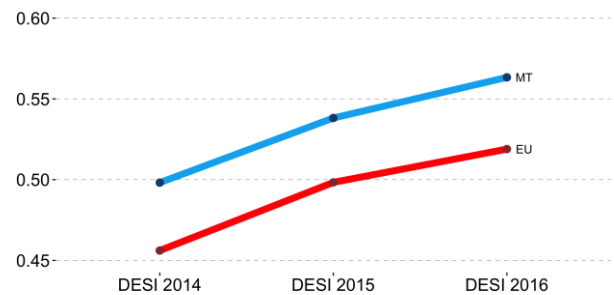
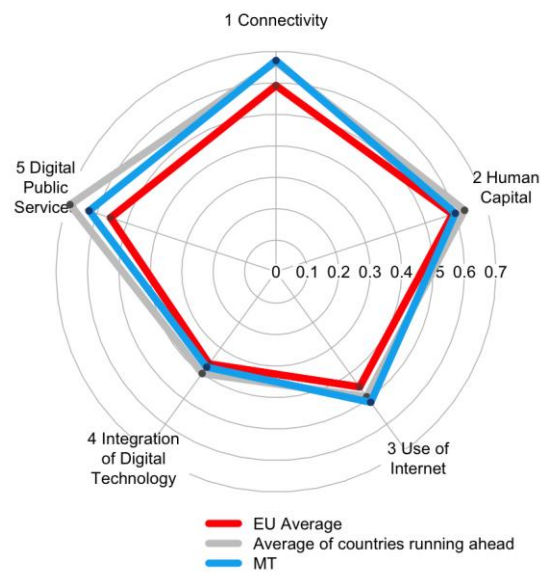
Country Profile

Malta

In DESI 2016, Malta has an overall score³ of **0.56** and ranks **11th** out of the 28 EU Member States. Malta is particularly strong broadband deployment and take-up. All Maltese households are covered by fixed broadband and all networks provide at least 30 Mbps. In addition, more than half (58%) of broadband subscriptions provides speeds of at least 30Mbps. As for the weak points, Malta is lagging behind in the assignment of radio spectrum for mobile broadband and in making government data available.

Malta's DESI score is above the EU average and the country developed faster than the EU over the last year, which places it in the **running ahead⁴** cluster of countries.

	Malta rank	Malta score	Cluster score	EU score
DESI 2016	11	0.56	0.58	0.52
DESI 2015	12	0.54 ⁵	0.57	0.5



¹ The Digital Economy and Society Index (DESI) is a composite index developed by the European Commission (DG CNECT) to assess the development of EU countries towards a digital economy and society. It aggregates a set of relevant indicators structured around 5 dimensions: Connectivity, Human Capital, Use of Internet, Integration of Digital Technology and Digital Public Services. For more information about the DESI please refer to <http://ec.europa.eu/digital-agenda/en/digital-agenda-scoreboard>

² The DESI 2015 is constructed from indicators referring mostly to the calendar year 2014 (except when data is not available for that calendar year, in which case the latest prior data was used).

³ DESI scores range from 0 to 1, the higher the score the better the country performance.

⁴ In the DESI 2016, Malta is part of the running ahead cluster of countries: countries who score above the EU average and whose score grew faster than that of the EU as a whole (in comparison to the DESI 2015). Other running ahead countries are Austria, Germany, Portugal, the Netherlands and Estonia.

⁵ The DESI 2015 was re-calculated for all countries to reflect updates and corrections to the underlying indicator data (which took place between May 2015 and January 2016). As such, country scores and rankings may have changed from the previous publication. For further information please consult the DESI methodological note.

1 Connectivity

1 Connectivity	Malta		Cluster score	EU score
	rank	score		
DESI 2016	9	0.67	0.67	0.59
DESI 2015	9	0.65	0.6	0.57

Connectivity is the DESI 2016 dimension, where Malta performs best. With an overall Connectivity score of 0.67, the country ranks 9th among EU countries and above the EU average. All Maltese households are covered by fixed broadband and all networks are NGA (i.e. they provide at least 30 Mbps).

	Malta		EU	
	DESI 2016 value	rank	DESI 2015 value	DESI 2016 value
1a1 Fixed BB Coverage % households	100% (June 2015) →	2	100% (December 2014)	97% (June 2015)
1a2 Fixed BB Take-up % households	80% (2015) ↑	5	79% (2014)	72% (2015)
1b1 Mobile BB Take-up Subscribers per 100 people	63 (June 2015) ↑	21	53 (December 2014)	75 (June 2015)
1b2 Spectrum % of the target for spectrum to be harmonised at EU level	37% (December 2015) ↓	27	38% (December 2014)	69% (December 2015)
1c1 NGA Coverage % households, out of all households	100% (June 2015) →	1	100% (December 2014)	71% (June 2015)
1c2 Subscriptions to Fast BB % of subscriptions >= 30Mbps, out of fixed BB subscriptions	58% (June 2015) ↑	5	55% (December 2014)	30% (June 2015)
1d1 Fixed BB Price % individual gross income spent for the cheapest standalone Fixed Broadband subscription (lower values are better)	n.a.	-	n.a.	1.3% (Access cost: 2015; Income: 2014)

Malta has a universal broadband coverage, and the whole of the population can have access to fast broadband (at least 30 Mbps). The take up of fixed broadband is well above the EU average. The majority of consumers have already migrated to fast broadband services.

Nevertheless, Malta needs to improve its performance in mobile. Despite the fact, that 4G services are available to close three quarter of the population; the take up of mobile broadband is below EU average. This may be the outcome of the limited harmonisation of spectrum bands.

2 Human Capital

2 Human Capital	Malta		Cluster score	EU score
	rank	score		
DESI 2016	15	0.6	0.63	0.59
DESI 2015	17	0.53	0.72	0.58

With a Human Capital score of 0.6, Malta ranks 15th among EU countries, and ranks a bit higher than a year ago (17th).

	Malta				EU DESI 2016 value
	DESI 2016 value	rank	DESI 2015 value	rank	
2a1 Internet Users % individuals (aged 16-74)	74% (2015) ↑	16	70% (2014)	18	76% (2015)
2a2 Basic Digital Skills % individuals (aged 16-74)	52% (2015)	15	n.a.	–	55% (2015)
2b1 ICT Specialists % employed individuals	4.6% (2014) ↑	10	4.2% (2013)	12	3.7% (2014)
2b2 STEM Graduates Graduates in STEM per 1000 individuals (aged 20 to 29)	15 (2013) ↑	18	11 (2012)	24	18 (2013)

In order to fully develop its digital economy and society, Malta needs to engage its citizens to use the Internet. Although 74% Maltese are regular internet users, up from 70% a year ago, but, Malta still scores below the EU average. Moreover, 22% of the Maltese population has never used the internet (EU average: 16%).

Malta shows a mixed picture in digital skills: only 52% individuals have at least basic digital skills (EU average 55%), while ICT specialists have a relatively high share in the workforce (4.6% compared to 3.7% in the EU).

STEM (Science, Technology and Mathematics) graduates play an important role in exploiting the opportunities offered by digital technologies in businesses. Malta ranks 18th on this indicator, below the EU average.

3 Use of Internet

3 Use of Internet	Malta		Cluster score	EU score
	rank	score		
DESI 2016	11	0.51	0.49	0.45
DESI 2015	12	0.47	0.47	0.43

In terms of the use of Internet services, Malta scores 0.51 and ranks 11th among EU countries.

	Malta				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
3a1 News % individuals who used Internet in the last 3 months (aged 16-74)	81% (2015) ↑	11	74% (2014)	14	68% (2015)
3a2 Music, Videos and Games % individuals who used Internet in the last 3 months (aged 16-74)	56% (2014)	9	56% (2014)	9	49% (2014)
3a3 Video on Demand % households that have a TV	9.5% (2014)	26	9.5% (2014)	26	41% (2014)
3b1 Video Calls % individuals who used Internet in the last 3 months (aged 16-74)	45% (2015) ↑	10	39% (2014)	17	37% (2015)
3b2 Social Networks % individuals who used Internet in the last 3 months (aged 16-74)	78% (2015) ↑	4	72% (2014)	4	63% (2015)
3c1 Banking % individuals who used Internet in the last 3 months (aged 16-74)	61% (2015) →	13	61% (2014)	12	57% (2015)
3c2 Shopping % individuals who used Internet in the last year (aged 16-74)	66% (2015) ↑	11	63% (2014)	10	65% (2015)

Maltese Internet users engage in a broad range of online activities. They read news online (81%), listen to music, watch films and play games online (56%) as well as use the Internet to communicate via voice or video calls (45%) or through social networks (78%). For all of these activities, engagement among the Maltese is higher than the EU average. Malta outperforms the EU also in online banking and shopping.

However, regarding the use of video on demand, Malta's score of 9.5% is well below the EU average of 41%.

4 Integration of Digital Technology

4 Integration of Digital Technology	Malta		Cluster score	EU score
	rank	score		
DESI 2016	13	0.37	0.4	0.36
DESI 2015	11	0.38	0.36	0.33

In the Integration of Digital Technology by businesses, Malta scores 0.37, and ranks 13th among EU countries. Malta's businesses still need to better exploit the possibilities offered by Electronic Information Sharing, eInvoices and eCommerce of SMEs.

	Malta				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
4a1 Electronic Information Sharing % enterprises (no financial sector, 10+ employees)	30% (2015) ↓	19	31% (2014)	16	36% (2015)
4a2 RFID % enterprises (no financial sector, 10+ employees)	6.2% (2014)	5	6.2% (2014)	5	3.8% (2014)
4a3 Social Media % enterprises (no financial sector, 10+ employees)	26% (2015) ↑	5	24% (2014)	5	18% (2015)
4a4 eInvoices % enterprises (no financial sector, 10+ employees)	7.9% (2015) ↓	22	8.8. (2014)	18	n.a.
4a5 Cloud % enterprises (no financial sector, 10+ employees)	n.a.	-	9.7% (2014)	13	n.a.
4b1 SMEs Selling Online % SMEs (no financial sector, 10+ employees)	16% (2015) →	14	16% (2014)	11	16% (2015)
4b2 eCommerce Turnover % turnover of SMEs (no financial sector, 10-249 employees)	4.2% (2015) ↑	25	3.5% (2014)	26	9.4% (2015)
4b3 Selling Online Cross-border % SMEs (no financial sector, 10+ employees)	12% (2015) →	4	12% (2013)	3	7.5% (2015)

A true digital economy is one where businesses take full advantage of the possibilities and benefits offered by digital technologies, to improve their efficiency and productivity, as well as to reach costumers and realise sales.

To that end, Malta still has a large potential for improvement. For example, eCommerce represents only 4.2% of the turnover of SMEs, and only 7.9% of enterprises use eInvoices.

On the bright side, 26% of enterprises use social media and the percentage of SMEs selling online to other EU member states is also high (12%).

5 Digital Public Services

5 Digital Public Services	Malta		Cluster score	EU score
	rank	score		
DESI 2016	11	0.63	0.69	0.55
DESI 2015	10	0.64	0.66	0.54

In Digital Public Services Malta scores 0.63, and ranks 11th among EU countries. Malta is well above the average in the sophistication of online public services and in online service completion⁶. Nevertheless, the percentage of eGovernment users is low.

	Malta				EU DESI 2016 value	
	DESI 2016 value	↑	rank	DESI 2015 value		rank
5a1 eGovernment Users % individuals returning filled forms, out of Internet users in the last year (aged 16-74)	28% (2015)	↑	18	27% (2014)	19	32% (2015)
5a2 Pre-filled Forms Score (0 to 100)	92 (2015)	↑	2	87 (2014)	2	49 (2015)
5a3 Online Service Completion Score (0 to 100)	100 (2015)	↑	1	99 (2014)	1	81 (2015)
5a4 Open Data Score (0 to 700)	145 (2015)	↓	26	245 (2014)	25	351 (2015)

Modern public services offered online in an efficient vehicle for reducing public spending and drive efficiency gains for enterprises, citizens, and the public administration itself.

Malta scores very well in the availability and sophistication of eGovernment services. However, use by citizens does not match the ambition of the supply side: with only 28% of internet users fully engaging with the public authorities on line.

Moreover, Malta scores low in making government data available.

⁶ See indicators 5a2 and 5a3. The Pre-filled Forms indicator measures the extent to which data that is already known to the public administration is pre-filled in the forms that are presented to the user. The Online Service Completion indicator measures the extent to which the various steps in an interaction with the public administration can be performed completely online.