THE MALTA CHAMBER

Annex E 12

Post-COVID19 Digital & Media
Think Tank Round Table

This exercise was carried out between June and July 2020.

THE MALTA CHAMBER

Report of Committee Meetings

Meetings held: 3rd June, 2020 at 0930hrs
10th June, 2020 at 1300hrs
17th June, 2020 at 1300hrs
24th June, 2020 at 1300hrs

Participants: Chris Mifsud, MPS, Anton Attard, Mint Media, Jo Caruana, WriteAboutAnything, Pierre Ellul, Falkun Films, Peter Jan Grech, BRNDWGN, Nikil Patil, GO Plc, Chris Peregin, Lovin Malta, Sue Pisani, Studio 7, Ismael Portelli, Mad About Video, Harald Roesch, Melita Plc, Conway Wigg, BPC.

In Attentance: Kevin Mizzi, The Malta Chamber

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Scenario

The RT agreed that Scenario 2 is the most likely scenario, with the exception for Film industry and Events Management who are more inclined towards Scenario 4.

Needs & Recommendations:

Needs

1. There is a dire need to **empower the power of the pen**. Such carries a laudable purpose towards creativity, education and promoting our democratic values. This need is felt from different angles of society, which include Government, Education, Judiciary protection and Regulation. Participants feel that today journalists fear to speak out due to lack of protection which, by consequence, discourages investigative journalism. The industry feels an urgent need to support talented content writers who are willing to fight the fight. Concurrently, time is ripe to nurture a new breed of quality content writers who would be trained to express free thought and creativity from a very young age. The media sector feels that the Government has a strong hold on the sector due to its authoritative and commercial position, which somehow distorts the democratic picture which the sector strives to portray. It is regretted and that several calls under the ambit of Freedom of Information Act remain unheeded, a situation which shows lack of accountability and responsibility. The industry wants to steer away from the culture of power handling and profiteering which has impinged on the neutrality of local news media.
2. Telecom companies compete, collaborate and cooperate to **construct and maintain the digital infrastructure of the interconnected network of networks, which is the internet**. The ecosystem has proved to be resilient during the pandemic despite a huge spike in network data demand. Earlier this month, the European Commission stated that Malta *performs above the EU average in four of the five dimensions of the DESI index. Malta remains a European leader in the availability of fixed broadband (basic, fast and ultrafast), being the only Member State with full coverage of ultrafast networks. It does well in Human capital, mainly because it has a large number of ICT graduates. Maltese internet users score particularly well on online consultations and voting. Maltese businesses rank first on the use of big data. However, Malta scores below average in Digital public services. Although it is a leader in the provision of e-government services, it lags behind in the use of e-government and also in e-health.*[1] In this context, whilst telecoms acknowledge the leaps which Malta registered over a number of years, they need a clear long term Economic Strategic Direction to invest in a more digital enabling infrastructure for a thriving Digital Society which would place Malta as a leader in Digital Transformation.
3. The local **film industry lacks support structures** in all areas from script writing, film development, production, post-production and promotion (amongst others); contrary to small states like Iceland, for example, Malta lacks realistic funding strands for (a) Full-length feature films (b) Documentaries (c) Short films, (d) Television fiction (e) Co-Productions (f) overall promotion of film product and (g) training and professional development. There is a complete lack of cohesive strategy and vision to help the audiovisual sector – film/TV/commercials/etc. – develop, flourish and grow.
4. **Events Management are highly volatile to pandemic outbreaks**. Resilience of such industry clusters requires self-insured mechanisms to invest without disproportionate risks because, contrary to bigger players in the international sphere, none of the local companies are self-insured.

[1] Digital Economy and Society Index (DESI) 2019 Country Report Malta, page 3.

5. Caution was raised on **uncompetitive salary practices** which are putting up the costs on customers, rendering the industry uncompetitive. This is mainly done to keep skilled employees from being poached by gaming companies whose salaries are way above what the media and digital industry in Malta can afford to offer.

Recommendations

1. Media plays a crucial role in shaping a healthy democracy. It is the backbone of a democracy. Media makes us aware of various social, political and economic activities happening in the country and around the world. It is like a mirror, which shows us or strives to show us the bare truth and harsh realities of life. It is a key player to contribute towards a much-needed improved reputation of our country. For this reason **support for industry should be based on transparent rules on Government advertising which should be project-based and in line with EU regulatory obligations. Media should be free of any direct or indirect obligations by the powers that be.** Support towards media houses should be in a fair manner, in the interest of society, democracy, business and more importantly, our citizens. Media sector in Malta has been punching above its weight for a long time to uphold its contribution to democracy and the time is ripe to be supported also with a more active collaboration by players within the industry rather than struggle to limited resources.
2. **Political Parties should not occupy TV media space**. There is an inevitable tendency that political parties stifle the free market on several grounds because of their position of power and business concept which runs on a non-commercial basis. It is a known fact that Malta media industry is the lowest per capita funded by Governments in Europe. That said, advertising is limited and any funds spent on political channels as a form of obligation / indirect party support / party patronage, renders a more limited pool for the independent players to tap and consequently renders private stakeholders uncompetitive. This practice adds little value to the audiences in terms of quality. Political media stations are also a proxy to funding political parties which goes against their funding obligations. For this reason there is a role for Broadcasting Authority in regulating this market against the intangible power leverage which exists. Enforcement would become more effective if implemented under scrutiny of a better representation in its board which would include a wider spectrum of society, not just political parties, with its major yardstick being Quality, Ethical decency, Fairness, Impartiality and Competitiveness. Whilst acknowledging media as a fundamental pillar of democracy in our National Constitution, it should be consequently acknowledged that TV media licences to occupy such a large space owned by political parties should be prohibited.
3. Malta can be one of the first countries for smart cities, healthcare and advance connectivity enabling various industry verticals to grow. **Telecom companies are eager to contribute towards the vision with a clear understanding of Government goals and direction. This is necessary to overcome investments uncertainty and support the long-term digital economy growth effectively.** Impediments to the expansion of digital infrastructure should be addressed, which include (a) infrastructure – connectivity supporting 5G, IoT and Blockchain (b) Capital – nurturing a flourishing ecosystem of start-ups in broadband and (c) Education and skilling – greater access to global coaching.
4. **Media can play a key contribution to the country towards the initiation of a national discussion on a fast-growing school of thought that believes citizen wellbeing – rather than economic growth – should be the primary focus of government spending**. This school of thought is mainly driven by countries like New Zealand & Bhutan. The vision is not one that focuses solely on GDP growth but rather it supports goals like (a) mental health (b) transformation of the economy for a low-carbon future; and (c) boost productivity and digital innovation. A cost-benefit analysis is required to assess this well-being

policy impact. Measuring increases in well-being and human happiness should be an obvious outcome for an economy that works for society not vice versa. Key Performance Indicators include health, natural environment and enjoyment or access to it, peace, security, education and social cohesion. Better resources for media will mean a better service for society from this perspective as well. Media is the crucial link between the Government and business / society to communicate and implement this vision.

5. **The film Industry needs to be supported at various levels.** Contrary to what happens in other countries, our National Broadcaster is not at all linked to the film industry. Structures need to be put in place so that the National Broadcaster is obliged to get on board projects which are supported by the Malta Film Fund or other official funding strands. This happens in most other countries which have a developed film industry. Consultation with stakeholders is absolutely necessary for the growth and development of the industry as well as putting the film industry on the national agenda. The potential of this sector needs to be fully tapped into because it bears prospects of significant returns for the country in the long term. Local indigenous talent needs be nurtured with a strategy of developing a sustainable and more secure local industry which would eliminate the current sporadic nature of the film servicing industry which has been prioritised over everything else. Such a cohesive approach towards the industry can be enshrined in a future standalone Ministry for Arts & Culture supporting the value-added potential within our creative industries with a vision towards quality productions, festivals and attraction of foreign professionals to collaborate in both film and television.

6. A **fund for event management companies** should be set up to help the industry against risks of financial and operational devastations caused by pandemic outbreaks. Commitments which are required to be carried by such cluster are hefty with thousands of active workers and freelancers directly affected by the closure of productions. The fund would be subject to quality criteria and require a diligent qualification process. The main purpose of the fund is to provide insurance for event organisers against projects / events whose planning starts months or even years before they actually happen. There is a considerable lacuna in this sense at the moment. It is also recommended that the Government steers away from competing with industry on events organisation due to its competitive position of power with private industry.

7. **Educational formation** is a horizontal need which can be addressed by formalising internships together with other competent private stakeholders. Jobs+ Programme is a positive platform for talent recruitment which can become more adequate and effective. More focused marketing is required for industry players to tap its resources. Other efforts should be directed towards career promotion to attract more talent in an industry which is becoming more specialised and sophisticated. **Freelancers** should be supported to improve their resources with added training and better security towards entrepreneurial risk.