



MALTA COMMUNICATIONS AUTHORITY


Market Developments for Electronic Communications and Post

A Review of Outcomes for Q2 2025

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 (+356) 2133 6840  info@mca.org.mt  www.mca.org.mt

 Valletta Waterfront, Pinto Wharf, Floriana FRN1913, Malta

Malta's telecoms sector continues to move forward strongly, with steady progress on both meeting consumer needs and EU digital goals. The 2025 EU target of giving every household access to high-speed internet (100 Mbps or more) has already been met locally. Malta is now pushing ahead toward the 2030 goal of gigabit connectivity for all homes. By mid-2025, almost one in four fixed broadband subscribers were already on gigabit plans, with the share up to 23.3% from 17.0% a year earlier.

On the mobile side, more people are choosing post-paid plans to meet their data connectivity requirements. Although mobile data usage has increased significantly in recent years, shifts in user behaviour and other factors have occasionally fluctuated. In fact, mobile data consumption in the first half of 2025 was slightly lower than recorded in the same period a year earlier, similar to trends observed in other EU counterparts.

Fixed telephony continues to see fewer household users, with subscriptions declining year-on-year, though take-up of specialised business solutions is growing slowly. At the same time, Pay-TV sees continued evolution, with IPTV subscriptions rising by 10.9% thanks to more flexible, app-based and on-demand viewing options.

Postal services in Malta continue to mirror EU-wide trends, with traditional letter mail volumes declining significantly. In the first half of 2025, postal mail volumes were down 11.1% compared to volumes recorded during the same period in 2024. A total of 12.4 million letters were sent, with the steepest reductions occurring in bulk and registered mail. The universal service area has been most affected by this structural decline. At the same time, parcels and other items linked to e-commerce are driving growth outside the universal service area, with such items now representing 18.3% of total mail volumes, up from 14.2% a year earlier.

Fixed broadband

Fixed broadband access has continued to grow steadily, with subscriptions rising by 1.1% over the past 12 months to reach 242,157 by mid-2025. Growth was concentrated on Fibre-to-the-Home (FTTH) connections, while copper (-85.5%), cable (-2.2%), and fixed wireless (-10.7%) networks saw declines. FTTH connections now account for 47.2% of the local broadband market, slightly surpassing cable at 44.8%.

The market has also seen a notable shift toward higher-speed tiers. By mid-2025, 56.2% of subscribers were on plans above 500 Mbps, up from 47.7% a year earlier. Gigabit subscriptions grew by 38.4% year-on-year, reaching 23.3% of the subscriber base. This increase reflects rising demand from both households (for streaming, gaming, and smart home applications) and businesses, which require reliable, high-capacity connectivity for cloud services and other digital operations.

These developments have also influenced operator revenues, with average revenue per user (ARPU) increasing from €132.37 in the first half of 2024 to €137.03 in the first half of 2025.

Mobile telephony

Mobile access remains nearly universal, with penetration rising from 134.1% in Q2 2024 to 136.1% in Q2 2025. Growth has been led by post-paid subscriptions, now comprising 54.8% of all mobile subscriptions, up from 51.5% a year earlier. This shift highlights the increasing preference for data-rich, flexible mobile plans.

Despite the rising subscriber base, usage patterns showed declines in the first half of 2025: outgoing voice calls and minutes fell by 4.8% each, while domestic mobile data consumption dipped slightly from 72.0 billion MB to 70.1 billion MB. Reflecting these changes in consumption, ARPU decreased modestly from €76.76 to €75.28, though mobile services continue to underpin Malta's connectivity landscape.

Pay-TV

The Pay-TV market continues to evolve, with subscriptions increasing by 2.9% year-on-year, reaching 198,984 by June 2025. While cable remains the leading access technology, accounting for 50.1% of subscriptions, IPTV is rapidly gaining ground, now representing 49.2% of the market.

A significant trend is the high rate of Pay-TV subscriptions bundled with other services. Around 83% of Pay-TV subscriptions were purchased as part of a bundle. This bundling trend also

reflects promotional incentives such as free TV packages, be it permanent or for a limited period, enhancing the value proposition for consumers.

Despite the increase in subscriptions, ARPU declined from €84.88 in the first half of 2024 to €80.56 in the first half of 2025. This decrease may be attributed to the promotional offers and the growing popularity of bundled packages, which, while appealing to consumers, can impact per-subscriber revenue.

Fixed telephony

Following trends observed in recent years, Malta's fixed telephony sector continued to see a gradual decline. Between the first halves of 2024 and 2025, total subscriptions fell by 1.6%, reaching 255,613 by mid-2025.

The only area of growth within this segment was in enhanced fixed telephony services, which rose by 11.3% over the period. These enhanced subscriptions, primarily targeted at business users, now account for 2.0% of the overall fixed telephony base, up from 1.8% a year earlier.

The declining role of fixed telephony as a primary communication channel is also evident in usage patterns. Outgoing voice calls and call minutes both fell by 22.1% year-on-year, reflecting a continued shift toward mobile and internet-based communication platforms.

Consequently, ARPU edged down slightly, from €48.22 in the first half of 2024 to €47.83 in the same period of 2025, highlighting the ongoing structural changes within the sector.

Bundles

Dual-play subscriptions have gradually declined, while triple-play bundles, combining fixed telephony, Pay-TV, and fixed broadband, have become increasingly popular. By mid-2025, 70.4% of all bundled subscriptions were triple-play packages, reflecting operators' strategies to integrate multiple services and offer added value. These bundles are particularly attractive to consumers due to features such as TV options included at no extra cost.

Among local consumers, fixed broadband remains the service most bundled, with 90.8% of subscriptions purchased as part of a package. Fixed telephony follows at 88.5%, underscoring operators' efforts to maintain relevance by including the service alongside other offerings.

The financial performance of bundles has also strengthened. ARPU for dual-play subscriptions rose from €166.59 in the first half of 2024 to €176.18 in the first half of 2025, while triple-play ARPU increased slightly from €214.69 to €215.98 over the same period. It should be noted that these ARPU figures are reported at the bundle level; disaggregated

ARPU by individual service were presented earlier in the report, reflecting how operators allocate revenues across the bundled components.

High quality dedicated connections

Dedicated internet connections continue to gain traction among enterprises that require high-speed connectivity with guaranteed performance. Between the first halves of 2024 and 2025, the number of national retail connections increased modestly from 1,044 to 1,088, representing a 4.2% year-on-year growth. Most of these national connections, at 35.5%, fall within the 100-500 Mbps range, up slightly from 32.7% in the same period of 2024, reflecting steady demand for mid-tier high-capacity solutions.

International retail connections also grew during this period, rising from 27 to 32 connections. Most international connections remain concentrated in the over 1 Gbps category, with 31.3% of these high-capacity links offering speeds above one gigabit per second, underscoring the need for ultra-fast, reliable connectivity for global operations.

Post

Postal services across the EU have been facing a long-term decline in mail volumes, particularly letters, and Malta mirrors this trend. In the first half of 2025, only 12.39 million mail items were delivered, down from 13.94 million mail items during the same period of the previous year. The decline has been most pronounced within the universal service area, where bulk mail volumes fell by 17.0%, single-piece letters by 11.6%, and registered mail by 9.4% compared to the same period in 2024.

The broader digitalisation of communication continues to reduce reliance on traditional letter mail. However, growth in e-commerce has offset some of this decline, driving an increase in postal items outside the scope of the universal service. These items now represent 18.3% of all mail, up from 14.2% a year earlier, highlighting the evolving role of postal services in supporting parcel and e-commerce deliveries.

Notes

- (i) Data cut-off date: 18th September 2025.
- (ii) Data is preliminary and subject to change.



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