

PRESS RELEASE / 14 April 2025

Market developments for electronic communications and post – a review of outcomes for 2024 based on latest Q4 figures.

MCA publication reference: MCA/R/25-5603

The telecommunications sector in Malta continued its positive trajectory in 2024, with sustained investment in digital infrastructure underlying growth across key service segments. Mobile telephony, fixed broadband, and television services all registered an increase in subscriptions, reflecting the expanding demand for high-speed connectivity and data-rich service offerings.

Mobile telephony subscriptions were up by 2.3% year-on-year. Notably, the increase in take-up of post-paid plans remained strong whilst fewer subscriptions for pre-paid plans were recorded. This is a result of more consumers seeking plans with better mobile data allowances. The shift towards post-paid plans also contributed to a rise in mobile traffic volumes, reinforcing the sector's role in data communications apart from being a widely used platform for voice services. Meanwhile, inward mobile number portings declined by 7.9% year-on-year, suggesting a stabilizing competitive landscape.

Fixed broadband also saw steady growth, with subscriptions increasing by 1.8% year-on-year. The ongoing rollout of Fibre-to-the-Home (FTTH) remained a key market development, with one of the major operators continuing to transition customers, in large numbers, from legacy copper-based services to fibre infrastructure. This shift supported the broader adoption of gigabit connectivity, catering to the rising demand for ultra-fast and reliable internet access.

The television segment also exhibited an upward trend in take-up, with subscriptions growing by 2.4% year-on-year. IPTV services remained a significant growth area, as operators leverage improved broadband infrastructure to enhance their offerings.

Conversely, fixed telephony showed a decline, with subscriptions contracting by 1.8% year-on-year, marking another consecutive drop for this segment. The volume of fixed-line calls also decreased, underscoring the diminishing role of traditional telephony in everyday communications. The number of fixed telephony portings saw a notable 31.4% decline, reinforcing this trend. However, the business segment remained a key user base, with some operators introducing enhanced fixed-line services tailored to enterprise needs.

In 2024, the postal sector experienced a 3.8% decline in mail volumes, with decreases across all categories of universal service mail. The largest year-on-year drop in volumes, at 15.6%, was recorded under the single-piece letter mail category. However, inbound cross-border mail outside the scope of the universal service saw significant growth, driven by a 30.7% increase in parcel deliveries, reflecting the continued expansion of e-commerce.

Fixed broadband

The fixed broadband subscription base experienced a growth of 1.8% year-on-year, reaching 240,162 subscriptions by the end of 2024.

With all operators now offering and actively expanding their FTTH services, FTTH subscriptions saw a significant 41.5% year-on-year increase. Melita, the most recent operator to begin FTTH deployment in Q4 2023, holds the smallest market share. Epic follows with 7.9%, while GO leads with 91.1%. GO's continued investment in FTTH infrastructure is evident in a 75.2% year-on-year decline in copper-based subscriptions, as the operator continued migrating its subscribers to FTTH technology. Indeed, GO is expected to reach 100% fibre coverage by the end of 2025.

The market share of fixed broadband subscribers with gigabit connectivity increased from 14.2% in 2023 to 20.0% in 2024, with 47,930 subscribers having gigabit connectivity by the end of the reporting period. Given that FTTH connections typically offer higher speeds than legacy networks, this shift is naturally fostering a growing demand for faster connectivity. Mirroring this is the year-on-year increase in subscribers falling within the "greater than or equal to 500 Mbps but less than 1 Gbps"¹ speed category, which holds the greatest market share, accounting for 33.3% of all local fixed broadband subscribers.

¹ Data between Q1 2022 and Q3 2024 has been revised due to reclassification of some subscriptions across speed categories by one of the operators.

On the whole, fixed broadband is a prominent service within all electronic communications services (ECS). Despite a slight decrease in the fixed broadband average revenue per user (ARPU), which decreased from €269.46 in 2023 to €267.36 in 2024, fixed broadband remains the main source of revenue for local operators. This decline may be due to local operators' implementation of several changes to their product line-ups, including (but not limited to) the provision of periodic discounts, the migration of subscriptions to higher-allowance plans with little or no fee increases, and the increasing of data allowances without higher monthly access fees.

Mobile telephony

Mobile telephony remains the most widely adopted electronic communications service, with a penetration rate of 133.4% by the end of 2024, up from 133.0% in 2023. The total subscription base reached 766,620, reflecting a 2.3% year-on-year increase.

A significant milestone was reached in the first quarter of 2024, when post-paid mobile subscriptions surpassed pre-paid ones for the first time since data collection by the MCA began. This shift highlights the growing consumer preference for plans that offer better data access and connectivity over and above traditional voice services. The trend continued throughout the year, with post-paid subscriptions accounting for 53.4% of the total mobile market by the end of 2024, up from 49.9% a year earlier.

The rise in post-paid plans aligns with increasing domestic mobile data consumption, which grew from 118,059 million MB in 2023 to 138,613 million MB in 2024. A peak was observed in the second quarter of 2024, with mobile data usage reaching 36,496 million MB, before gradually declining quarter by quarter, ending at 32,210 million MB in Q4.

Despite the ongoing decline in mobile traffic call volumes, outgoing mobile call minutes increased by 1.9% year-on-year. This increase could also be attributed to the growing adoption of post-paid plans, which often include unlimited on-net and/or local calls, allowing consumers to make longer calls without concerns about additional charges, leading to a more relaxed approach to call duration.

For several years leading up to 2024, annual mobile telephony ARPU had been on a downward trend. However, in 2024, it recorded a modest 0.8% increase, reaching €156.99. This growth is likely driven by the increasing adoption of post-paid plans, which typically include a fixed monthly fee, contributing to higher overall revenue per user.

Pay-TV

The pay-TV subscription base has reached 194,431 subscriptions, following a 2.4% year-on-year increase in the 12-month period to the end of December 2024.

The two main changes which have been observed throughout the reporting period is the declining number of cable-based connections, which decreased by 4.0% year-on-year, and the prominent increase in IPTV connections, which has risen by 10.4% between 2023 and 2024.

ARPU saw a slight decline from 2022 to 2023, possibly due to the entry of a third operator, Epic, into the market. This increased competition prompted existing providers to introduce discounted plans and additional offers, particularly for bundled services. However, as Epic completes its second year in the sector, ARPU has started to recover, rising from €167.66 in 2023 to €170.57 in 2024.

Fixed telephony

Latest figures confirm the steady decline of traditional fixed-line subscriptions and call volumes, as consumers increasingly favour more flexible and data-centric communication solutions.

Fixed telephony subscriptions contracted in 2024, with both post-paid and pre-paid subscriptions registering year-on-year declines, resulting in an overall reduction of 1.8%. However, a slight uptick was observed in enhanced fixed telephony services, which grew by 2.3% over the same period. This category however accounts for only 1.8% of all fixed-line subscriptions.

Despite the shrinking subscriber base, the annual average revenue per fixed-line user (ARPU) saw a modest increase, rising from €97.55 in 2023 to €98.44 in 2024.²

Bundles

Service providers have actively shaped the market to encourage the adoption of bundled plans, recognizing both their commercial advantages and the benefits they offer to consumers. Bundling allows operators to enhance customer retention and maximize service uptake, while consumers benefit from cost efficiencies, simplified billing, and seamless integration of multiple services. As a

² For services that are predominantly obtained in a bundle, the operators have the discretion of allocating their bundle revenues to each telecom service. This note applies to all ECS.

result, fixed broadband, TV, and fixed telephony are predominantly acquired as part of bundled packages, reflecting the widespread appeal of consolidated service offerings. However, despite the strong prevalence of bundling in these segments, mobile telephony remains an exception, with the vast majority of subscribers continuing to opt for standalone mobile plans.

Fixed broadband remains the service most commonly obtained as part of a bundle, with 90% of all fixed broadband subscriptions included in bundled plans. In contrast, mobile telephony is rarely bundled, with only 0.2% of mobile subscribers opting for a bundled package.

Local operators provide two types of bundles, double play bundles and triple play bundles. In general, 70.1% of all subscriptions in a bundle form part of a triple play plan, making triple play bundle plans (consisting of fixed telephony, fixed broadband and pay-TV services) more prominent within the local sector than double play plans. The margin between these two continued to widen in 2024, as the number of double play subscriptions decreased by 5.9%, while the number of triple play subscriptions increased by 2.7%, year-on-year.

In terms of ARPU, the annual average revenue per double play subscriber increased from €319.04 in 2023 to €332.58 in 2024. On the other hand, the annual average revenue per triple play subscriber decreased from €435.28 in 2023 to €433.13 in 2024.

High quality dedicated connections

Dedicated connections are premium, point-to-point data transmission connections commonly utilised by businesses in Malta, including government entities, banks, and gaming companies.

This business segment is niche for local operators, serving a smaller customer base, typically businesses, with well-defined data connectivity needs. The latter connectivity requirements are distinct to the internet mass market plans that are also available from the major operators in Malta. These dedicated connections offer specific features such as no contention ratio, fully symmetrical speeds, and Service Level Agreements (SLAs).

The total number of retail leased line connections decreased from 337 connections in 2023 to 329 connections in 2024. 91.5% of all retail leased line connections were national (91.7% in 2023), whereas the remaining 8.5% were international connections. Local operators only offered Ethernet Interface (EI) retail leased line connections for international services, with a total of 28 connections

being provided in 2024³. This figure remains unchanged when compared to the previous year. On the other hand, national retail leased line connections consist of traditional interface (TI), EI and Wavelength Digital Multiplexing (WDM) connections, holding market shares of 1.3%, 91.4% and 7.3% of national retail leased line connections, respectively.

Post

In 2024, a total of 26.3 million mail items were delivered in Malta, reflecting a 3.8% year-on-year decline. This decrease was driven by falling mail volumes across all categories within the universal service area. Meanwhile, inbound cross-border mail sent outside the scope of the universal service experienced growth, driven by rising parcel volumes and expanding e-commerce activity.

More specifically, mail items sent within the scope of the universal service decreased by 7.7% year-on-year. This decrease was reported in every type of mail; single-piece letter mail (-15.6%), bulk mail (-4.9%), registered mail (-3.2%) and parcel mail (-2.2%). The majority of the mail items within the scope of the universal service were sent domestically, accounting for 87.8% of the total mail items sent in 2024. This was then followed by 8.6% and 3.6%, which reflected inbound and outbound cross-border mail sent, respectively.

In contrast, mail items sent outside the scope of the universal service increased overall, totalling to almost 4.4 million mail items throughout 2024. This increase was driven by inbound cross-border mail, which saw a significant year-on-year volume increase of 30.7%.

Notes

- (1) Data cut-off date: 25th March 2025;
- (2) Data is preliminary and subject to change.

³ The upcoming Q1 2025 DRS will introduce a new section reporting the number of end-to-end last-mile connections (Dedicated Connections). This will be the first time that such data is reported.