MALTA COMMUNICATIONS AUTHORITY

Decision Notice

Analysis of the market for the provision of wholesale fixed access in Malta

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1 Executive Summary

The Malta Communications Authority (hereafter "the MCA") is hereby publishing its final decision (hereafter "the Decision") on the market definition, competition assessment and regulatory approach concerning the wholesale fixed access market in Malta.

- The Decision follows a national consultation exercise held between the 21st of February and the 11th of April 2025. Three operators participated in the exercise, each providing their own submission, namely GO Plc (hereafter "GO"), Melita Limited (hereafter "Melita") and Epic Communications Limited (hereafter "Epic").

- A draft of this Decision (hereafter "the Draft Measure") was also notified to the European Commission (hereafter "the EC"), the Body of European Regulators for Electronic Communications (hereafter "BEREC") and the national regulatory authorities (hereafter "the NRAs") in other Member States under the procedures set in Article 32 of Directive (EU) 2018/1972 of the European Parliament and of the Council establishing the European Electronic Communications Code (hereafter "the EECC").

- On October 14, 2025, the MCA notified its Draft Measure to the EC regarding the Wholesale Local Access (hereafter "the WLA") market in Malta (being Market 1 per 2020 Recommendation). The EC registered this notification as Case MT/2025/2606: market for wholesale local access provided at a fixed location in Malta. This follows the MCA's withdrawal of its previous draft measure after the EC's 2024 veto in Case MT/2024/2484. The EC had no comments on the market definition and the competitive assessment but recommended the MCA to carefully monitor the evolution and sustainability of competition, as well as the viability and the effectiveness of commercial agreements. In the Decision, the MCA has taken due account of the EC's comments.

More details on the MCA conclusions and decision concerning the market definition, competition assessment and regulatory approach are highlighted in this document, alongside the MCA's response to the submissions made by GO, Melita, and Epic for each chapter of the Decision.

1.1 The retail provision of fixed broadband in Malta

Three operators currently supply retail fixed broadband services in Malta. GO and Melita operate nationwide fixed broadband networks, with Melita offering hybrid fibre coax (hereafter "cable-based" services) alongside fibre in some locations and GO delivering services over its fibre network. Epic is also an active participant in the market through regulated virtual unbundled local access (hereafter "VULA") to GO's fibre-to-the-home (hereafter "FTTH") network infrastructure, while having an own FTTH network on a small footprint

The MCA defines the relevant retail fixed broadband market as encompassing the following:

- fixed broadband supplied over the copper Very high-bit-rate Digital Subscriber Line network (hereafter “VDSL network”);
- fixed broadband supplied over FTTx / FTTH networks; and
- fixed broadband data supplied over the Cable Service Interface Specification 3.1 network (hereafter “DOCSIS 3.1 network”).

The relevant product market consists of mass market broadband irrespective of the type of contract (two-year contract vs month-on-month / bundle vs stand-alone) and irrespective of the type of client (business vs residential).

Broadband supplied over fixed wireless access technologies and over mobile access technologies is not deemed to form part of the relevant product market. High-quality connectivity services are also excluded from the relevant market.[1]

The geographic scope of the retail fixed broadband market is national due to the comprehensive coverage and national standardized offerings of GO and Melita. Both providers offer broadband services across Malta and Gozo without regional distinctions in pricing or service plans.

While Epic has deployed its own FTTH infrastructure in selected areas and offers tailored broadband plans in these localities, it otherwise relies on regulated VULA access to GO’s FTTH network to reach most of the areas serviced by GO. These localized differences, though present, are insufficient to justify a geographic segmentation of the retail market, considering also the nationwide pricing and the availability of services from GO and Melita.

As for retail competition dynamics, the MCA’s assessment shows that the retail fixed broadband market in Malta has shown gradual improvements for the end-user, in terms of service quality, prices and pricing flexibility (such as outlined within the Gigabit segment), and the range of choices available.

From an investment standpoint, the presence of three operators, each investing in and expanding their infrastructure, helps to maintain retail competitive pressure. GO and Melita’s significant investments in nationwide infrastructure, including their self-supplied wholesale access networks, are key factors contributing to the current level of competition in the retail market. Meanwhile, Epic’s presence via its own infrastructure in some areas plays a role in disrupting and enhancing the competitive landscape.

[1] The MCA published a Decision concerning the relevant wholesale market for the provision of dedicated capacity in Malta in 2022, with a finding of competition and the withdrawal of *ex ante* remedies. Link: https://www.mca.org.mt/consultations-decisions/mca-decision-concerning-wholesale-market-provision-dedicated-capacity-malta

1.2 A national wholesale fixed access market

The wholesale product market

The relevant wholesale product market for fixed access encompasses the provision of the following:

- wholesale local loop unbundling (hereafter "LLU") and sub-loop unbundling (hereafter "SLU") over the copper VDSL network;
- FTTx VULA;
- wholesale IP-Bitstream access over fibre; and
- wholesale IP-Bitstream access over cable.

Self-supply of wholesale access is considered to form part of the relevant market.

This definition is based on a substitutability assessment, considering direct pricing pressures at wholesale level and indirect retail pricing pressures, given that demand for wholesale fixed access services is derived from demand within the downstream retail fixed broadband market.

More specifically regarding the above:

- The inclusion of LLU and SLU largely reflects GO's migration of its existing retail copper VDSL clients to fibre, thus driving fibre adoption. The number of retail copper VDSL clients declined further over the past months, with the share of this technology segment to the fixed local subscriber base dropping from 3.6% at the end of 2024 to 1.2% at the end of June 2025.
- As is the case with FTTx VULA, wholesale IP-bitstream access over fibre may also be accessed at an aggregated level (at exchange level) or at a disaggregated level (at the location of the Optical Line Terminal or OLT). In addition, fibre-based bitstream may also support multicast functionalities.
- Cable IP-bitstream wholesale access may not offer the same degree of flexibility and customisation as FTTx VULA or other Layer 2 solutions. However, both FTTx VULA (a Layer 2 access product) and cable IP-bitstream (a Layer 3 access product) can provide national coverage through a single point of interconnection, enabling access seekers to deliver retail broadband products that are substitutable for FTTH broadband. This capability is supported by Malta's small geographic size and the extensive nationwide backhaul infrastructure established by all three operators.

Furthermore, a small but significant and non-transitory increase in price (hereafter "SSNIP") imposed by a hypothetical monopolist on FTTx VULA would likely lead to higher retail broadband prices for fibre-based services. Given that the cable network provides retail fixed

broadband services that are available nationwide and are substitutable for those offered over fibre, such a price increase could prompt end-user switching to cable-based services.

The MCA concludes that the wholesale market is deemed national in scope due to the ubiquitous presence of GO's and Melita's access network infrastructure, covering almost all dwellings across Malta and Gozo. This universal coverage ensures that wholesale access services can reach any part of the national territory.

1.3 A market tending towards effective competition

The MCA applies the Three Criteria Test (hereafter "3CT") as mandated by Article 67(1) of the EECC to assess competition in the wholesale fixed access market. The 3CT assessment underscores the following:

- An assessment of structural and regulatory conditions indicates that market entry materialised. Established operators continue to demonstrate nationwide availability and investment in very high-capacity networks (hereafter "VHCNs"), while Epic demonstrates an ability to deploy FTTH and compete on an infrastructural level in certain areas. Operators in Malta have also to an extent leveraged the physical infrastructure of non-electronic communications network providers to pursue deployment of new network infrastructure. A notable example is the use of Enemalta's[2] aerial infrastructure for "last drop" connectivity.

- Melita and GO deliver retail broadband services on a national scale via self-supplied wholesale fixed access on their respective networks. Also, new and existing access seekers have the option to leverage alternative wholesale inputs, such as Melita's IP-Bitstream cable access and/or GO's FTTx VULA, to offer retail fixed broadband services.

- Competitive conditions in the wholesale fixed access market could further improve during the review period, as the newer entrant, Epic, may also expand its fibre network footprint at least in those areas with the highest population density. Of note is that Melita is deploying its own FTTH infrastructure.

- It is plausible that GO would continue providing wholesale fixed access inputs commercially to third parties, even absent regulation. A similar scenario emerged in the 2022 withdrawal of regulation that was in place on GO for the wholesale dedicated capacity market. Also, GO repeatedly outlined its interest to continue offering FTTx VULA commercially once existing wholesale *ex ante* regulation is rolled back.

Additional constraints on market behaviour may arise from external regulations or measures that, while not directly part of the relevant market, influence it or its associated retail markets.

[2] Enemalta is the energy services provider in the Maltese Islands, entrusted with the distribution of electricity and the development of the national electricity distribution network.

Examples include obligations under Articles 44, 60, and 61 of the EECC or requirements from the European Union (hereafter "EU") and the EU Gigabit Infrastructure Act[3] (hereafter "GIA"), which replaces the Broadband Cost Reduction Directive[4] (BCRD). These frameworks also serve to facilitate infrastructure development and competition, ensuring that market dynamics continue to evolve to the benefit of all stakeholders.

1.4 A structured exit from ex ante regulation

The wholesale fixed access market in Malta is tending towards effective competition.

- In assessing the first criterion of the 3CT, the MCA identified significant infrastructure-based competition emerging, with operators investing and expanding their networks, thereby reducing the market's structural barriers.

- Regarding the second criterion of the 3CT, market demand dynamics and competitive constraints were found sufficient to prevent any single operator from holding a position of significant market power (hereafter "SMP") at this stage.

The market structure, competitive dynamics, and availability of commercial alternatives have evolved substantially since the last market analysis in 2013, rendering the original SMP findings and remedies no longer proportionate or necessary under EU law and local regulatory norms.

Therefore, with effect from the date of publication of this MCA Decision, the *ex ante* SMP designation imposed on GO under the 2013 MCA Decision titled *"Market 4 - Wholesale Unbundled Infrastructure Access Market"*[5] *(hereafter "MCA WUIA Decision")* is being lifted.

At the same time, the MCA considers that Epic's wholesale business model and retail service offerings are built upon VULA as a primary wholesale input. Hence, the MCA's decision to remove ex ante regulatory remedies is subject to a 24-month sunset period to ensure continuity for current end-users while creating incentives for timely commercial agreement negotiations. An abrupt withdrawal of all *ex ante* remedies without an appropriate transition period could disrupt retail service continuity for end-users.

[3] Regulation (EU) 2024/1309 of the European Parliament and of the Council of 29 April 2024 on measures to reduce the cost of deploying gigabit electronic communications networks, amending Regulation (EU) 2015/2120 and repealing Directive 2014/61/EU (Gigabit Infrastructure Act)

[4] Directive (EU) 2014/61/EU

[5] Link to MCA Decision: https://www.mca.org.mt/sites/default/files/decisions/final-decision-market-analysis-of-the-wholesale-infrastructure-access-market-market-4-060313.pdf

Accordingly, with effect from the date of publication of this MCA Decision:

(i) The existing local loop unbundling (LLU) and sub-loop unbundling (SLU) remedies applicable to GO's copper infrastructure, the associated co-location obligations at GO's facilities, and all other associated operational support systems (OSS) procedures and regulatory accounting obligations, are withdrawn.

No active access beneficiaries, or seekers, are currently utilizing, or have indicated intent to utilize, these copper-based remedies. The copper network is in the final stages of being progressively retired as GO's FTTH deployment now covers more than 97% of dwellings in Malta. Maintaining regulatory obligations for remedies with no actual or anticipated usage would represent regulatory overreach and unnecessary administrative burden.

(ii) A 24-month sunset withdrawal period for the FTTx VULA remedy will commence.

The sunset period provides for a structured transition from ex ante regulated wholesale access to commercial negotiated wholesale arrangements, supported by ex post competition safeguards. The 24-month duration affords Epic and GO with adequate time to negotiate and establish sustainable commercial wholesale access agreements. Epic can also explore alternative wholesale access routes (e.g. Melita's IP-Bitstream) or accelerate the deployment of its own FTTH infrastructure.

(iii) During the sunset period, existing FTTx VULA access will remain available at prices no higher than the prevailing regulated rates.

The implementation of a FTTx VULA price cap, which is set at the currently regulated price, ensures continuity for current users while providing incentives for timely commercial agreement negotiations.

(iv) The VULA-associated Economic Replicability Test (ERT) framework and regulatory accounting obligations will no longer be applicable.

The removal of ERT and regulatory accounting requirements reduces GO's ongoing compliance burden, freeing resources for commercial engagement.

(v) GO will not be required to accommodate requests for new VULA lines during the sunset period. If GO decides not to process such new requests it shall give prior notice, observing the notification requirements and processes set out in the terms and conditions of existing wholesale agreements, which will remain in force for the duration of the sunset period unless commercially agreed.

Access to existing connections at their current VULA profile will be guaranteed during the sunset period, unless changes are commercially agreed, while the price cap protection for Epic in relation to existing VULA subscriptions immediately obviates the need for ongoing regulatory pricing review or detailed cost accounting. Thus, the twenty-

four (24) month sunset period serves as both a safeguard for access recipients and an exit strategy for the incumbent, enabling an orderly transition without the procedural complexity of active regulatory supervision.

This Decision is issued by the MCA pursuant to the Electronic Communications (Regulation) Act (Cap. 399 of the Laws of Malta), having regard to Regulation 54 of the Electronic Communications Networks and Services (General) Regulations (S.L. 399.48) and shall apply from the date of publication.

1.5 Continued market monitoring

Within the context of this Decision and the transition to full withdrawal of *ex ante* remedies from the wholesale fixed access market, the MCA will maintain ongoing monitoring to assess market readiness and the emergence of sustainable commercial wholesale relationships.

The EC Comments Letter on Case MT/2025/2606 endorses the 24-month sunset period as appropriate for commercial agreement transition, acknowledging positive retail dynamics from Epic's VULA-enabled entry but noting its competitive disadvantage vis-à-vis GO and Melita. The EC comments on the need for ongoing MCA monitoring of competition sustainability, viability of commercial agreements, retail prices/choices, and market developments, standing ready for a new market analysis or in case making use of interim measures in accordance with Article 32(10) of the EECC if needed.

The MCA remains committed to ensure that the market remains fair and conducive to innovation and investment while safeguarding the interests of end-users. Should the MCA identify factors and / or indicators suggesting that commercial wholesale arrangements are not emerging as anticipated, or that access seekers face genuine barriers to securing viable wholesale access agreements, the MCA may conduct a new market analysis prior to the 24-month sunset conclusion.

1.6 Structure of the document

Additional details on the reasoning behind the MCA findings leading to the MCA's Decision are found in the following sections:

- **Section 2** outlines the regulatory backdrop to this analysis, with a focus on the EU policy for carrying out an SMP assessment for electronic communications markets. This section also outlines the current *ex ante* regulatory regime underpinning the markets under investigation.

- **Section 3** provides an analysis of the provision of retail fixed broadband in Malta, starting with the definition of the relevant retail market. In this regard, the focus is on the capabilities of fixed and wireless technologies and implications for substitution in the provision of retail fixed broadband services in Malta. The latter part of this Section

outlines the prospects for competition in the relevant retail market, based on an assessment of end-user choice, quality of service and price.

- **Section 4** outlines the definition of the relevant wholesale fixed access market. The MCA starts by identifying the focal product of the market and takes into account national circumstances when evaluating the substitutability between different forms of wholesale access that are currently supplied in Malta. The MCA then determines the geographic scope of the defined wholesale market.

- **Section 5** comprises an assessment of competition of the defined wholesale fixed access market based on the 3CT.

- **Section 6** outlines the MCA's approach for a structured exit from *ex ante* SMP obligations, in view of findings on the competition assessment for the defined wholesale market.

2 EU Policy and Regulatory Background

The MCA is responsible for the regulation of the Maltese electronic communications sector and the supervision of compliance with the sector's regulations. This Section provides a general overview of the main legislative tools and regulatory norms followed by the MCA to carry out these tasks (see sections 2.1 to 2.3 below).

This Section also provides a summary of the current regulatory remedies that apply on the designated SMP operator (namely GO) in the 'Unbundled Infrastructure Access Market' (ex-Market 4 of the 2007 EC Recommendation) that was published on the 6th of March 2013 (see section 2.4 below).

2.1 The European Electronic Communications Code

The EECC underpins the regulation of the electronic communications sector in Malta. The Directive 2018/1972 of 11 December 2018 establishing the EECC entered into force on 20 December 2018.[6] Malta transposed the EECC into national legislation in October 2021.

The overarching objective of the EECC is to promote investment through sustainable competition, encourage efficient and effective use of radio spectrum, maintain the security of networks and services, and provide a higher level of end-user protection.

The EECC effectively sets the regulatory framework for market reviews, such as the obligation to carry out periodic reviews of certain electronic communications markets. In this context, the MCA seeks to satisfy various economic and legal tests throughout the execution of its market analysis function and adopts a standard three-stage approach for its market analyses. Specifically, the MCA first defines the relevant market, then carries out an assessment of competition and finally outlines its regulatory approach, such as by imposing remedies where SMP is determined.

2.1.1 Transposition of the EECC into national legislation

The EECC was transposed into national legislation in October 2021, with Malta adopting the provisions of the EECC through various laws and regulations[7]:

- The Malta Communications Authority Act (Chapter 418).
- The Electronic Communications (Regulation) Act (Chapter 399).

[6] Link to EU Directive 2018/1972: http://data.consilium.europa.eu/doc/document/PE-52-2018-INIT/en/pdf

[7] Link to all relevant legislation: https://www.mca.org.mt/regulatory/legislation

- The Utilities and Services (Regulation of Certain Works) Act (Chapter 81).
- The Electronic Communications Networks and Services (General) Regulations (hereafter ”ECNSR”) as per subsidiary legislation (hereafter “S.L.”) 399.48.
- European Communications, the Single European Emergency Call Service (‘112’ number) and The European Harmonised Services of Social Value (‘116’ numbering range) Regulations (S.L. 399.47).

2.1.2 The EECC and market review process

The EECC is transposed in Maltese legislation and requires the MCA to carry out periodic reviews of electronic communications markets. The procedural aspects relating to market analysis and SMP are reflected in the ECNSR.

The market review process is carried out in three stages, with each stage elaborated by the ECNSR regulations as described below:

- Regulation 54 of the ECNSR stipulates that the MCA tailors its market definition (Stage 1 for the purposes of the current analysis) on national circumstances, taking utmost account of all applicable guidelines and in accordance with the procedure referred to in article 4A of the Malta Communications Authority Act and regulation 21 of the ECNSR.
- Regulation 51(2) of the ECNSR focuses on the SMP assessment (Stage 2 for the purposes of the current analysis) and states that:

  ‘An undertaking shall be deemed to have SMP if, either individually or jointly with others, it enjoys a position equivalent to dominance, namely a position of economic strength affording it the power to behave to an appreciable extent independently of competitors, customers and ultimately end-users’.
- Regulation 51(3) of the ECNSR states that national regulatory authorities (hereafter ”NRAs”):

  ‘shall take into the utmost account the guidelines on market analysis and the assessment of SMP published by the EC pursuant to regulation 52.’.
- Regulation 51(4) of the ECNSR states that:

  ‘*where an undertaking has SMP on a specific market, the Authority may also designate that undertaking as having SMP on a closely related market, where the links between the two markets allow the market power held on the specific market to be leveraged into the closely related market, there by strengthening the market power of the undertaking. In such instances the Authority may consider remedies aiming to prevent the application of such leverage in the closely related market pursuant to regulations 56, 57, 58 and 61’.*

- Regulation 54(8) of the ECNSR focuses on the implementation of *ex ante* remedies (Stage 3 for the purposes of the current analysis) and underlines that:

  'Where the Authority determines that, in a relevant market the imposition of regulatory obligations in accordance with sub-regulations (1) to (5) is justified, it shall identify any undertakings which individually or jointly have SMP power on that relevant market in accordance with regulation 51. In doing so the Authority shall impose on such undertakings appropriate specific regulatory obligations in accordance with regulation 55 or maintain or amend such obligations where they already exist if it considers that the outcome for end-users would not be effectively competitive in the absence of those obligations.'

- Where regulatory obligations already exist in the market(s) under investigation, a new finding of SMP would lead the MCA to maintain or amend the existing regulatory conditions accordingly. If, on the other hand, the finding of SMP cannot be ascertained, the MCA would have to withdraw such regulation, in accordance with regulation 54(6) of the ECNSR, subject to an appropriate period of notice given to all parties affected by such withdrawal.

- Regulation 54(7) also foresees the possibility of regulatory obligations being withdrawn from an already regulated market and states that:

  'The Authority shall ensure that parties affected by a withdrawal of obligations done in accordance with this regulation, receive an appropriate notice period, defined by balancing the need to ensure a sustainable transition for the beneficiaries of those obligations and end-users, end-user choice, and that regulation does not continue for longer than necessary:

  Provided that when setting such a notice period, the Authority may determine specific conditions and notice periods in relation to existing access agreements.'

Regulation 54(1) of the ECNSR also states that the MCA shall determine whether a relevant market defined in accordance with regulation 52 is such as to justify the imposition of the regulatory obligations. In doing so, the MCA may seek the advice of the competent authority responsible for competition ('National Competition Authority' or 'the NCA').

2.2 The 2020 Recommendation on relevant markets

The European Commission Recommendation on relevant product and service markets within the electronic communications sector susceptible to *ex ante* regulation (hereafter referred to as the "2020 EC Recommendation") lists two markets in which *ex ante* regulation might be warranted:

- **Market 1**: Wholesale local access provided at a fixed location

- **Market 2**: Wholesale dedicated capacity

The latest version of the Recommendation was published in December 2020[8], following earlier versions published in 2003, 2007 and 2014.

2.2.1 Focus of the current analysis

The analysis focuses on Market 1 of the 2020 EC Recommendation, which pertains to the wholesale local access (hereafter “WLA”) provided at a fixed location.

The analysis seeks to determine the scope of the relevant market, with the market definition based on a substitutability assessment. The substitutability assessment and the geographic scope of the market depend on an evaluation of local technological deployments. Other than the technical specifications, focus is also on market dynamics and hence the substitution patterns observed at wholesale and retail levels, via direct and indirect constraints.

Based on a detailed evaluation of the evolving nature of the defined market and observed competition pressures, the analysis outlines whether SMP regulation is warranted. Such regulation would only be necessary when competition deficiencies characterise a market. If, on the other hand, competition at the retail and wholesale level is deemed sustainable without regulatory intervention, wholesale regulation should be lifted. This aligns with the "modified greenfield approach" emphasizing market-driven solutions.

The 2020 EC Recommendation and the Staff Working Document accompanying this Recommendation[9] makes several statements that are relevant to the current investigation. These are considered throughout this analysis in the following sections.

2.2.2 Taking into account national circumstances

The 2020 EC Recommendation seeks to promote harmonisation across the EU by ensuring that the same product and service markets are subject to a market analysis in all Member States. However, this should not stop NRAs from defining markets that differ from those identified in the 2020 EC Recommendation, where this is justified by national circumstances.

The MCA takes utmost account of the 2020 EC Recommendation and the national circumstances when defining relevant market(s) for the wholesale provision of fixed access in Malta.

[8] Link to Commission Recommendation of 18.12.2020 on relevant product and service markets within the electronic communications sector susceptible to *ex ante* regulation in accordance with Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the EECC:
https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32020H2245

[9] Explanatory Note to the 2020 EC Recommendation:
https://ec.europa.eu/newsroom/dae/redirection/document/72442

2.3 The SMP Guidelines

The EC issues guidelines on market definition and the SMP assessment:

- The first set of SMP guidelines was published in 2002 under the EU regulatory framework for electronic communications networks and services.

- In 2017, the EC initiated a review of these guidelines, in view of the adoption of the EECC. The new SMP guidelines applying to the telecoms sector were officially published on 26th April 2018[10], alongside the EC Explanatory Note[11].

The MCA takes into account these SMP Guidelines when carrying out the market analysis to determine whether an undertaking has SMP in the defined market(s) for the provision of wholesale fixed access in Malta. This in accordance with the procedure referred to in regulation 54(2) of the ECNSR, and pursuant to regulation 52 of the ECNSR.

Based on the SMP Guidelines, the current analysis encompasses three steps as per below:

- **Define the relevant market(s)**

  Assess demand and supply-side substitution and apply the so-called 'hypothetical monopolist' or 'SSNIP test'. This test determines whether or not it is profitable for a hypothetical monopolist of a focal product to impose a SSNIP above the competitive level (typically 5 to 10%). Ultimately the sustainability of a SSNIP on the focal product would depend on whether alternative products are sufficiently substitutable for the focal product itself. A similar framework of assessment is applied in the case of the geographic definition on the market, as a means to ultimately analysing competitive conditions for the purposes of determining whether *ex ante* regulation is required or not. The focus with regard to the geographic market definition is on whether a common pricing constraint could be determined.

- **Assess competition and market power**

  Assess several criteria to determine whether or not an undertaking can behave to an appreciable extent independently of its competitors, customers and end-users. These criteria include market shares, barriers to entry / expansion, control of infrastructure not easily duplicated, economies of scale / scope, vertical integration and potential

[10] Communication from the Commission - Guidelines on market analysis and the assessment of SMP under the EU regulatory framework for electronic communications networks and services:
https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52018XC0507(01)&from=EN

[11] Staff Working Document - Guidelines on market analysis and the assessment of SMP under the EU regulatory framework for electronic communications networks and services:
https://digital-strategy.ec.europa.eu/en/library/staff-working-document-guidelines-market-analysis-and-assessment-smp-under-eu-regulatory-framework

competition amongst others. An undertaking shall be deemed to have SMP in the market(s) under investigation if, either individually or jointly with others, the MCA determines that it enjoys a position equivalent to dominance, namely a position of economic strength affording it the power to behave to an appreciable extent independently of competitors, customers and ultimately end-users.

- **Regulatory approach**

  Regulatory intervention would be necessary if SMP is identified in the market(s) under investigation. Conversely, if no SMP is found in a relevant market, regulatory intervention would not be required. This implies that if a market currently under regulation is found to lack SMP at the time of the current assessment, existing regulations would need to be withdrawn.

2.4 Previous market analyses and regulatory decisions

The MCA remains committed to monitoring and assessing Malta's wholesale fixed access markets as part of its regulatory mandate. This proactive oversight has led to the current review - marking the third assessment in five years - in response to dynamic market conditions that require re-evaluation.

2.4.1 Enhancing market entry and service-based competition

With regulatory oversight in place for several years, the MCA had already recognized the potential long-term risks of an oligopolistic market structure in Malta even before 2008. It consistently emphasized the importance of enabling wholesale fixed access to support prospective new entrants. While acknowledging emerging signs of increased retail competition, the MCA maintained that a degree of regulatory intervention remained essential to safeguard competitive market dynamics and ensure better outcomes for consumers.

These concerns were also addressed in 2012 - 2013, when the MCA successfully demonstrated to the EC that regulatory measures were necessary in the wholesale market for unbundled infrastructure access.[12]

[12] For the wholesale unbundled infrastructure access market, the MCA defined the relevant product market as comprising wholesale unbundled access, including shared access to metallic loops and sub-loops made available for the purpose of providing broadband and voice services. The relevant geographic market was deemed to be national in scope.

GO was designated with SMP in this market, and regulatory remedies were imposed on this operator, including the obligation to offer a Layer 2 wholesale access product referred to as FTTx VULA, allowing an access seeker to virtually connect to subscribers over GO's fibre network.

The relevant MCA Decision on Market 4/2007 is available on the following link: https://www.mca.org.mt/sites/default/files/decisions/final-decision-market-analysis-of-the-wholesale-infrastructure-access-market-market-4-060313.pdf

Due to the lack of interest from market players on acquiring unbundled copper lines, and the potentially closure of local exchanges, the regulatory focus of the MCA market analysis also encompassed the imposition of regulated access via the fibre network based on FTTx VULA at the very early stages of deployment.

The implementation of the VULA remedy came into force in February 2016, after a specific consultation exercise, as per the publication of the MCA decision entitled '*Virtual Unbundled Access to Fibre-to-the-Home, Response to Consultation and Decision*'.[13] This decision established the technical and economic specifications, as well as a methodology for setting wholesale charges for virtual unbundled access to the fibre network and effectively opened up access to GO's FTTH technology.

The year 2018 was a pivotal moment for competition in Malta's fixed broadband market, when in October of that year, Vodafone Malta Limited (hereafter "Vodafone", which was rebranded to Epic later in November 2020) informed the MCA that it had entered into an agreement with GO to utilise the VULA access offer.[14] This agreement marked a significant step forward in the practical implementation of regulated VULA access.[15]

Through this regulated wholesale arrangement, Vodafone was able to launch retail fixed broadband services over GO's fibre network, positioning itself as a disruptor in retail market dynamics by leveraging wholesale access-based competition.

Alongside the MCA 2013 WUIA Decision (formerly Market 4 under the 2007 Recommendation on relevant markets), the MCA issued its 2013 WBA Decision (formerly Market 5 under the 2007 Recommendation on relevant markets).[16] In this decision, the MCA defined the relevant market as encompassing both self-supplied wholesale broadband products provided over copper, cable, and wireless networks, and wholesale access products offered via existing broadband networks to third-party internet service providers. The MCA concluded that this market was competitive due to the active presence of both Melita and GO, each of which could offer wholesale bitstream access for retail broadband services. This market was also assessed by the MCA in 2006, when an analysis of market dynamics initially led to a preliminary conclusion of joint dominance. However, the MCA was unable to substantiate this finding with the EC, given the high burden of proof required for a joint dominance conclusion and what it

[13] See link: https://www.mca.org.mt/consultations-decisions/virtual-unbundled-access-fibre-home-response-consultation-and-decision

[14] This agreement materialised a few months after Melita and Vodafone Malta called off their proposed merger, which was first announced in May 2017.

[15] Of relevance in this respect is that the MCA constantly monitors the VULA wholesale charges, Key Performance Indicators (KPIs) and Service Level Agreements (SLAs) and Service Level Guarantees (SLGs) associated with the VULA offer.

[16] Link to MCA Decision on Market 5/2007:

https://www.mca.org.mt/sites/default/files/attachments/decisions/2013/final-decision-market-analysis-of-the-wholesale-broadband-access-market-market-5-060313.pdf

considers as the limitations of the regulatory framework in addressing market failures that may arise due to oligopolistic market structures, such as in the case of a duopoly.

2.4.2 An evolved competitive and investment landscape

After October 2018, the MCA's analytical focus had to adapt to Malta's evolving telecom landscape, which, while more competitive with three active players, continued to require *ex ante* regulatory intervention - primarily through the VULA remedy mandated by the MCA 2013 WUIA Decision.

For several years prior to the regulated VULA agreement, competition in the retail and wholesale broadband markets had been defined mainly by two established players: GO, the incumbent, and Melita, its primary competitor. This explains why the MCA issued a consultation in 2020 presenting evidence of long-term market trends that in its views supported a finding of joint SMP between GO and Melita. The regulated wholesale agreement between GO and Epic was deemed to be at its infancy, with the market still largely characterised by GO and Melita. In the view of the MCA, the market still merited *ex ante* regulatory oversight, as not doing so would have raised potential risks to the evolving scenario for competition.

Following the conclusion of its consultation exercise, the MCA took note of Epic's July 2020 announcement regarding the eventual launch of rollout of its own FTTH infrastructure in select areas across Malta. In response, the MCA sought additional details from Epic regarding its deployment strategy and the potential impact of this initiative on the competitive landscape, particularly in driving a transition from service-based to infrastructure-based competition and what this meant in terms of the relevance of regulated wholesale access via FTTx VULA. Epic eventually launched its own commercial fixed broadband in April 2021, and a few weeks later the MCA withdrew its 2020 market assessment, after a notification to the market on why the MCA was taking such an action.[17]

The MCA recognized the potentially transformative impact of Epic's evolving role on market competition, particularly its influence on the investment incentives of established operators. Given this shift, the MCA considered it necessary to reassess its regulatory approach, focusing

[17] The MCA notified the market on 21 June 2021 that it would be withdrawing its 2020 Consultation by way of a report titled '*Notification of reassessment by the MCA of the wholesale fixed broadband access market in Malta*'.

Link to MCA June 2021 Notification:

https://www.mca.org.mt/sites/default/files/MCA%20VHC%20BB%20competition%20preliminary%20considerations.pdf

The afore-mentioned document was followed by another MCA publication in December 2021, titled '*Market potential and regulatory aspects concerning VHC broadband competition in Malta*'.

Link to MCA December 2021 Notification:

https://www.mca.org.mt/sites/default/files/MCA%20VHC%20BB%20competition%20preliminary%20considerations.pdf

on the ability of both new and existing operators to sustain investment and how best to facilitate the continued evolution of competitive market dynamics to benefit end-users.

Over several months, GO made substantial progress in its FTTH rollout, Melita announced further network expansion, including a pilot fibre deployment project, and Epic remained committed to its own FTTH infrastructure investments. This gradual shift toward infrastructure-based competition was seen as the emerging market paradigm, one that needed to fully materialize to ensure long-term, sustainable competition. However, the MCA deemed it essential to create a market environment conducive to such a transition, ensuring that all operators - including new entrants - had the necessary incentives and ability to continue investing and expanding their networks.

These evolving market dynamics prompted the MCA's 2022 assessment, which identified a significantly altered competitive landscape characterized by both increased competitive pressures and new complexities. This shifting environment required a forward-looking regulatory approach that balanced investment incentives with the need to maintain effective competition at both the wholesale and retail levels.

By 2023, with Epic's infrastructure plans more concretely defined, the MCA launched a new consultation, broadening the scope of its broadband market assessment to consider the use of passive infrastructure access (hereafter "PIA"), to further facilitate FTTH deployment as a subsequent measure to VULA.

The MCA's draft measure based on its 2023 consultation document was eventually notified to the EC by the end of the year. The EC, however, did not agree with the conclusions of the draft measure and issued a Decision outlining its position. In response, the MCA formally notified the EC of its decision to withdraw the draft measure in May 2024, in line with the provisions of the EECC. Ultimately, the 2020 and 2023 market analyses were withdrawn without final decisions by the MCA, reflecting the complexities and evolving dynamics of the market.

Further details on the MCA's 2020 and 2023 market analyses, are provided in the following sub-sections to offer a clearer understanding of the regulatory considerations in this changing landscape.

2.4.2.1 The November 2018 - June 2021 round of analysis

In 2020, the MCA undertook a comprehensive review of Malta's retail fixed broadband market, recognizing the market's entrenched structure dominated by two vertically integrated operators, GO and Melita. Each of these operators was at the time deemed to maintain its own extensive infrastructure, as is the case today, allowing them to supply a suite of retail electronic communications services. Given the financial and operational challenges involved for any new network deployment, including high sunk costs, the MCA considered it very unlikely that a third player could replicate GO and Melita's network coverage on a nationwide scale in the short term.

The market context prevailing at the time suggested that sustainable competition could, therefore, develop through access-based models in a joint dominance scenario, whereby both GO and Melita would provide access to third parties. The MCA took into account Malta's experience with service-based competition over two decades, with third-party access generally occurring only under regulatory pressure rather than on a commercial basis. The MCA also put into focus the sustained reliance on regulatory interventions, emphasizing the need to explore a "Greenfield scenario" - an analysis of how the market might function without regulatory oversight. This approach was intended to assess whether the market could maintain competition independently or alternatively if GO and Melita's established positions would inhibit competitive entry, limit end-user choice, and risk higher prices.

In its 2020 analysis, the MCA defined the retail fixed broadband market to include products supplied over GO's copper-DSL and fibre networks as well as Melita's HFC DOCSIS 3.1 network. The findings indicated GO and Melita with similar competitive positions. The MCA determined that the two operators held joint SMP in the retail fixed broadband market, noting that neither had a marked advantage over the other.

Expanding this approach to the wholesale level, the MCA defined the wholesale fixed broadband access (WFBA) market to include:

- Unbundled access (including shared access) over GO's copper network;
- Virtual unbundled access to GO's copper network;
- Bitstream access over GO's copper network;
- VULA to GO's fibre network;
- Bitstream access over GO's fibre network; and
- Bitstream access over Melita's DOCSIS 3.1 network.

Similar to the retail analysis, the MCA found that neither GO nor Melita exercised individual SMP at the wholesale level. However, absent regulatory intervention and based on information available at the time, the MCA concluded that GO and Melita's joint SMP would likely enable them to exert control over the wholesale market, potentially restricting competition.

Following the announcement of Epic's FTTH rollout shortly after the MCA's 2020 consultation exercise, the MCA considered that this new infrastructure deployment could significantly reshape the competitive landscape, thus meriting a re-evaluation of its earlier findings. Consequently, the MCA notified the market of its decision to withdraw the 2020 assessment and to initiate a fresh analysis that would consider recent developments and take a more comprehensive view of network elements likely to impact market dynamics.

The new forward-looking analysis would take into account new market developments and the regulatory framework to foster sustainable competition in Malta's evolving fixed broadband sector.

Meanwhile, the MCA also encouraged longstanding players, Melita and GO, to proactively open their networks to third-party access on a commercial basis through VULA and/or

bitstream access, thereby fostering service-based competition. The MCA's position was clearly articulated in June 2021, in its '*Notification of Re-Assessment by the MCA of the Wholesale Fixed Broadband Access Market in Malta*', whereby it was stated:

> *'commercial agreements - including agreements on wholesale access, co-investment agreements and/or reciprocal access agreements between operators - which comply with the principles of competition law and are entered on a lasting basis would serve to improve competitive dynamics and may ultimately address current and / or potential competition concerns at the related retail market, as well as weigh on any regulatory remedies that the Authority may deem adequate for the purpose of maximizing consumer welfare. The new European Electronic Communications Code places significant weight to these kind of agreements and provides guidance to NRAs accordingly.'*

2.4.2.2 The July 2021 - April 2024 round of analysis

In its 2023 consultation on market analysis findings, the MCA built upon its earlier 2020 analytical and consultative exercise while responding to the evolving dynamics in Malta's fixed broadband market. The MCA recognized that a full transition to infrastructure-based competition could only happen gradually, requiring sustained investment and innovation from market operators. Hence, the MCA underscored that while the goal is to achieve a sustainable competitive landscape driven by independent network infrastructures, the realities of Malta's fixed broadband market necessitate a balanced regulatory approach. The MCA's analysis, supported by a WIK study, indicated that while economic conditions may allow for the deployment of a third independent infrastructure across certain regions[18] (with each region comprising several localities), this outcome remains uncertain in practice.

The consultation emphasized the ideal outcome of a three-player market scenario, given past experience for Malta in other electronic communications markets, such as in the mobile telephony segment, wherein investment in own infrastructure by all operators sustained competition. Such a scenario, the MCA argued, would offer better prospects for stronger long-term competitive dynamics and long-lasting benefits for end-users. However, the MCA also recognized that the transition to this three-player infrastructure-based model cannot occur uniformly or immediately across all the national territory. A complete reliance on infrastructure-based competition was in fact not deemed feasible in the short term, given the observed pace of FTTH deployment and given the high costs of network deployment and the geographic and economic constraints of Malta's small market.

More specifically, the analysis made the following considerations:

[18] Malta comprises six regional districts each comprising several localities - Northern Region, Western Region, Northern Harbour Region, Southern Harbour Region and Southeastern Region, Gozo - with varying population densities (see **Annex 2**).

- **Epic's access to FTTx VULA**: Epic relies on regulated access to GO's FTTx VULA services to reach end-users in areas beyond its own FTTH footprint. This access enables Epic to serve customers it would otherwise be unable to reach, thus promoting a competitive environment even in localities without widespread infrastructure duplication and / or with low take-up of Gigabit broadband.

- **Melita's historical access to GO's physical infrastructure**: Melita benefits from historical access agreements with GO, which allowed it to expand its own network coverage. Similarly, for Epic, the materialization of access to GO's physical infrastructure would effectively expand its FTTH network in regions that are not yet or would unlikely be economically viable for standalone network builds.

Based on market observations and developments at the time, the MCA argued that without regulated access to GO's virtual and physical infrastructure, competitive service delivery or take-up would be underserved.

The MCA consultation thus emphasized the critical role of regulation in ensuring the best competitive outcomes across all of Malta's national territory and thus identified the wholesale market for virtual and physical access as a focal point for regulatory intervention. A key factor for the analysis was GO's extensive ownership and control of over 93% of the country's available duct infrastructure and a 98.9% share of wholesale VULA-based services, including those used for self-supply. The MCA excluded from the market definition infrastructure that is owned by non-ECN providers, whilst it considered that access stemming from swap agreements between Melita and Epic did not exert significant competitive pressure on GO's entrenched position.

When assessing market susceptibility to *ex ante* regulation, the MCA applied the 3CT and concluded that the wholesale market defined as encompassing virtual and physical access warranted *ex ante* regulation due to: (i) structural barriers in the form of substantial economies of scale and historical advantages accrued by GO when it was a state-owned entity, coupled with the high sunk costs of network deployment; (ii) limited scope for effective competition, in view of the high costs and market constraints that hindered end-to-end infrastructure-based competition, particularly in less densely populated areas and for new entrants; and (iii) the ineffectiveness of *ex-post* competition law alone at addressing the potential risks to competition posed by GO's entrenched dominance and Malta's unique market dynamics.

Hence, the MCA's assessment concluded that GO held SMP in the defined wholesale market, based on:

- GO's dominant control over physical infrastructure and wholesale FTTx VULA services. GO's ownership of critical duct infrastructure, with sufficient extent and capillarity, was deemed indispensable for competitors' operations and expansion.

- Barriers to entry for the newer entrant, Epic, particularly as this operator's small retail market share of just 1.5%. This fact was viewed as reflective of the difficulties any new

entrant would encounter to build market share and generate returns on investment, thus emphasizing the substantial financial and logistical challenges involved in establishing an independent FTTH network.

The MCA had already recognized during the July 2021 - April 2024 market analysis that a full transition to infrastructure-based competition would be gradual and uneven across Malta, albeit supported by multiple infrastructure players and growing telecom and non-telecom commercial negotiations for access. It is within this context that the MCA proposed at the time to relax regulatory obligations in regions where three network operators had deployed their network infrastructures.

2.4.2.3 The EC's Veto Decision and the current analysis

The EC raised serious doubts on the MCA's notified draft measure concerning Case MT/2024/2484 concerning the wholesale fixed market for physical and virtual infrastructure access (hereafter "PVIA") in Malta.

Upon concluding the notification procedure and considering feedback from stakeholders, including expert input from BEREC, the EC issued a formal Decision vetoing the proposals in the MCA's notified draft measure (Case MT/2024/2484).[19]

In support of its Decision, the EC emphasized the following points:

- **Two operators are likely sufficient for effective competition**

  The EC argued that Malta's market, characterized by two operators of comparable size and coverage - Melita and GO - has the potential to sustain effective competition. It stated: "*Wholesale regulation is not justified if effective retail competition is ensured. In recent years, the Commission has been indicating that the presence of three networks as one of the conditions for deregulation seems to be conservative... On this point, the Commission disagrees with BEREC's opinion which suggests that the presence of at least three networks is conducive to effective competition*."

- **Market conditions tend toward effective competition**

  The Commission highlighted that the Maltese market demonstrates characteristics conducive to competitive outcomes, noting: "*As a matter of fact, given the current degree of investments, retail prices, and already existing infrastructure-based competition, the market appears to tend towards effective competition."* This perspective contrasted with BEREC's viewpoint, which emphasized that, "*The MCA found that, following years of stagnation with similar offers from the incumbent and cable operators, since Epic's market entry, the retail broadband market has begun to*

[19] Link to EC Decision on Case MT-2024-2484: https://circabc.europa.eu/ui/group/2328c58f-1fed-4402-a6cc-0f0237699dc3/library/1a030215-dbfd-42fb-97fa-45b7101eec05/details

show some signs of dynamics... In BEREC's view, an effectively competitive market may require the presence of more than two operators (supported, when appropriate, by ex ante regulation)."

- **Insufficient Evidence of Ineffective Competition and Market Power**

  The EC also concluded that the MCA had not sufficiently demonstrated a lack of effective competition through the 3CT. Moreover, it suggested that the MCA had not adequately substantiated its designation of SMP for GO, particularly given its exclusion of the cable network from the defined wholesale market.

The EC's Decision represented a notable divergence from the MCA's interpretation of Malta's market dynamics and the appropriate regulatory approach. The EC strongly favoured a market-driven model and expressed contrasting views about the need for further *ex ante* regulation in the Maltese context.[20]

The MCA acknowledges that the EU regulatory framework is designed to promote sustainable competition, and sectoral growth. The MCA consultation published in 2025 reflects the MCA's ongoing commitment to adapting to evolving market conditions and regulatory thinking while ensuring that Malta's regulatory framework for electronic communications remains relevant, proportionate, and effective. Through this approach, the MCA aims to balance the need for regulatory intervention with the broader goal of fostering sustainable competition and innovation in the sector.

[20] On paragraph 88, the European Commission states that '*The assessment of market power in a wholesale market, which includes nation-wide cable infrastructures, could potentially lead to the following conclusions: (i) none of the operators has SMP; (ii) one of the two operators (GO or Melita) is dominant; (iii) both operators are jointly dominant or (iv) both operators are dominant in their separate wholesale markets. Such market power at wholesale level would also be reflected in market dynamics at the downstream retail level where the wholesale inputs provided are used to supply consumers*'.

Nonetheless, on paragraph 85, the EC underlines that '*Wholesale regulation is not justified if effective retail competition is ensured. In the recent years, the Commission has been indicating that the presence of three networks as one of the conditions for deregulation seems to be conservative, while the criteria identified should be appropriate to reflect the competitive conditions in a given settlement with a sufficient forward-looking approach[47]. On this point, the Commission disagrees with BEREC's opinion which suggests that the presence of at least three networks is conducive to effective competition. Such a high threshold for deregulation, in particular in the national circumstances of Malta, could lead to the continuing regulation instead of progressively reduce ex ante sector-specific rules, if justified by the level of effective competition in the market.*'

3 The Relevant Retail Market

Retail service providers deliver fixed broadband services in Malta[21], either through their infrastructure or, if required, by purchasing wholesale access inputs from another operator.

The first step in the current assessment is to define the relevant retail market. This process requires the MCA to evaluate both demand-side and supply-side substitution patterns, analysing how end-users and providers respond to changes in functionality, price, and availability across various technologies.

- The MCA examines evidence of demand-side substitution by assessing the extent to which customers (or end users) view services offered via different technologies as interchangeable. This involves identifying whether breaks in substitution exist, particularly in terms of functionality and price.

- On the supply side, the MCA considers the ability of service providers to shift production or adapt services in response to changes in market conditions, thereby influencing market boundaries.

3.1 Methodology and Framework

The MCA's approach aligns with the 2020 EU Commission's Recommendation and revised SMP Guidelines, employing a forward-looking analysis to define the market in both product and geographic dimensions. A key component of this methodology is the application of the Hypothetical Monopolist Test (hereafter "HMT Test").

The HMT Test evaluates substitutability by simulating the response to a SSNIP of 5–10% for the focal product. This test examines how competitive pressures, through demand-side or supply-side substitution, might constrain a hypothetical monopolist from profitably implementing such a price increase.

By assessing end-user reactions and the capacity of suppliers to adapt, the HMT Test determines whether specific products and services belong to the same market. This analysis ensures that the MCA accurately identifies the retail fixed broadband products under investigation, forming the basis for a thorough competition assessment. Within the context of the HMT Test:

- Demand-side substitutability encompasses the assessment of end-users' ability or willingness to switch to alternative products in response to price changes of the product

[21] Other services such as fixed telephony and television are also dependent on such access and are typically offered in a bundle with fixed broadband.

under investigation, determining the range of products considered mutually substitutable by retail end-users and wholesale customers.

- Supply-side substitutability encompasses an evaluation of whether suppliers would respond to a SSNIP by changing or expanding their production lines to offer the relevant products or services without incurring significant additional costs.

For the purposes of the current assessment, the MCA is considering retail fixed broadband supplied over an FTTx network (including fixed broadband over FTTH) as the most appropriate focal product against which an assessment of substitute products should be carried out. This when considering the emphasis of the Recommendation on the deployment of full fibre networks to homes and businesses and the statement in the EC Explanatory Note to the 2020 EC Recommendation that: '*fibre networks are not only the most advanced technology but also the most cost efficient and carbon efficient solution currently available on the market. All these factors cause a shift in strategy towards fibre installation, with at least regional FttH deployment even in countries in which the incumbent's initial focus was on Fibre to the Cabinet (FttC), very high speed digital subscriber line technology (VDSL), vectoring or G.fast.'* Where alternatives are found to act as an effective substitute for the focal FTTx product, they will be included in the relevant retail product market.

Another consideration in the market definition exercise relates to the geographic dimension of the relevant market, which involves analysing the extent to which the degree of similarity of competitive conditions across the national territory. The geographic dimension of the relevant market helps to define the area where a hypothetical monopolist may be able to exercise market power, influencing the prices and availability of the relevant products and services.

3.2 Context to Malta's retail fixed broadband provision

The retail fixed broadband market in Malta is characterized by the presence of three network operators: GO, Melita, and Epic. This three-player scenario has been a feature of the market since 2018, when Epic entered the fixed broadband market (Monaco Telecom took over by acquisition Vodafone Malta in April 2020 and rebranded to Epic in November 2020)[22], leveraging regulated VULA access imposed on GO through the MCA 2013 WUIA Decision. Epic also operates a fibre network with a limited footprint in select localities. By contrast, GO and Melita have traditionally been the only operators offering broadband services on a nationwide basis, supported by their fixed access network infrastructure.

3.2.1 Market scale and density

Malta, with a land area of just 316 km² and an estimated population of 563,443 as of the end of 2023, presents unique market dynamics. While the small population size naturally limits

[22] Link: https://www.epic.com.mt/press-kit/

economies of scale, the high population density offers a compensatory factor, enabling telecom operators to achieve extensive network coverage without the geographical challenges faced in larger countries.

However, despite these advantages, the sustainability of a third operator like Epic in such a concentrated market remains a critical consideration. A study conducted by WIK-Consult on behalf of the MCA in 2021 examined the viability of deploying FTTH infrastructure across Malta, assessing whether end-to-end infrastructure competition could emerge between operators. The study concluded that, even under a best-case scenario, full duplication of VHCNs, in addition to the current nationwide networks, would only be feasible in regions covering approximately half of the population. In the remaining regions, supporting three VHCN networks may not be economically viable.[23]

This remains a central consideration in the ongoing review, especially as the market transitions toward a more infrastructure-based competitive model.

3.2.2 Network topology and coverage

During the period 2023 to 2024, GO made significant progress in its FTTH deployment, with less than 10% of the national territory remaining to be covered by this operator. Meanwhile, Melita continues to rely on its extensive DOCSIS 3.1 Gigabit-capable network for nationwide service but has initiated its own FTTH investments, achieving coverage that now surpasses Epic's footprint, at 7.7% of all dwellings across Malta.

Some additional detail is provided hereunder:

- GO is using a combination of FTTC and FTTH technologies to connect customers to its network. This network is based on point-to-MultiPoint (hereafter "PtMP") fibre topology[24], with the fibre link ending at each home.[25] GO's FTTH products support download speeds of up to 1Gbps.

[23] A more detailed overview of population density across Malta's regions is provided in **Annex 2** to this document.

[24] FTTH PtMP GPON connects many fibres (typically 32 – 128) at an intermediate point to a splitter, which allows the aggregation of all the different optical signals onto one fibre in the upstream direction from the splitter to the ODF (feeder fibre) and to distribute the downstream optical signal in an equal manner to all fibre links from the splitter to the end-users connected (drop fibres). This architecture requires additional electronic control systems to separate the signals. The OLT at the central sites (Local Exchanges) communicate with the ONU (Optical Network Unit) in the customer premise to manage and control the traffic and signal flows on the shared feeder fibre. Both elements of active equipment should support the same GPON family protocol. Splitters can be cascaded at different locations up to a maximum splitting factor somewhere in the field, which could start within the buildings, but they can also be located behind the ODF in the local exchanges.

[25] There could be instances where GO/Epic deploy fibre links to reach the customer premises (i.e. FTTB). In this case, existing copper wire infrastructure would typically be used to connect the individual homes (flats, apartments, business locations). Such deployment would create some limits on the transmission bandwidth due to copper specific constraints. The MCA is not aware of the extent that GO / Epic are / would be implementing FTTB.

- GO's fibre network is available alongside its legacy copper DSL network. The latter network utilizes legacy copper infrastructure between the street cabinet and customer's premises. Given developments over the past years, GO's focus is evidently on the continued expansion and upgrade of its FTTH network, as well as increasing FTTH coverage, whilst migrating its clients away from its copper DSL platform. Additionally, GO supplies fixed telephony and internet services over fixed wireless access (hereafter "FWA") technology using 4G cellular networks.

- GO extensively owns telecom physical infrastructure. The ubiquity and depth of this infrastructure are critical to the telecoms sector at large, serving as a cornerstone for GO's FTTH deployment and supporting Melita's nationwide DOCSIS cable coverage, even as the latter deploys its own FTTH network.

  The MCA observes that GO's position in this regard is rooted in its history as a state-owned entity during the construction of significant portions of its duct network. As a state-owned monopoly, GO (then known as Maltacom) benefited from unique conditions that allowed it to overcome barriers typically faced during the early phases of such infrastructure development. These advantages, which played a crucial role in establishing GO's infrastructure dominance, cannot be easily replicated by other established operators or new market entrants.

- Melita uses a combination of coaxial and fibre-optic cable to deliver internet and TV services to homes and businesses. The coaxial cable is used to transmit the signal from the street-level cabinet to the customer's home, while the fibre-optic cable connects the cabinet to the main network hub. This infrastructure allows for high-speed internet and TV services, and the use of DOCSIS 3.1 technology allows for even faster speeds and greater capacity.[26] Currently, Melita offers connection speeds of up to 1.2Gbps nationwide and up to 2.5Gbps in areas covering circa 40% of dwellings in Malta.[27] Melita's HFC network may evolve in multiple ways in the near future. Melita has not to date announced any plans to upgrade its existing DOCSIS 3.1 network to

[26] DOCSIS (Data over cable service interface specification) only specifies the bi-directional data (and Voice) communication on a cable-TV network. It does not cover the TV-signal transmission. The cable-TV infrastructure originally was based on pure coaxial cables, which allow for the transmission of high frequency signals up to 2,5 GHz, thus offering high capacity. Not all of the capacity was required for TV-signal broadcasting, thus data channels have been added, typically framing the TV-channel frequency space. While the TV-signal broadcasting and the downstream of data requires a unidirectional transmission from a central to end-user sites the upstream channel requires a transmission vice versa.

All transmission on the coax-cables requires amplification/regeneration of the electrical signals at regular intervals (appr. 400m). DOCSIS typically is a hybrid technology with coaxial copper cables in the network end-segment from a so called fibre node to the end customer's TV-outlets, while fibre links connect towards the central sites with their TV-signal Headend and the Cable Modem Terminations System (CMTS). Both infrastructures (fibre and coax-cable) are used in a shared manner, and its access by the end-users is managed by the CMTS and its counterpart – the cable modem at the TV-outlets in the customer premises.

[27] Source : https://www.melita.com/melita-launches-fastest-home-internet-speeds-in-malta/

DOCSIS 4.0.[28] Melita is also deploying its FTTH network across several locations in Malta, either in parallel and / or in gradual replacement of the existent cable network.[29]

- Epic provides fixed internet and telephony services using primarily fibre technology. Since 2018, Epic (then Vodafone Malta) has been accessing GO's FTTH infrastructure via regulated FTTx VULA to supply fixed internet and telephony services to end-users. This operator also started rolling out its own PtMP FTTH infrastructure in April 2021. Epic's FTTH products support download speeds of up to 2Gbps.

  Epic's FTTH infrastructure reaches a number of localities in Malta, namely Attard, Balzan, Birkirkara, Kalkara, Mosta, Qormi and San Giljan. For Epic to attain full national coverage, it will likely need a combination of continued self-deployment and reliance on access to other operators' infrastructure. These dynamics underscore the importance of the existing regulatory framework, as it shapes the interplay between infrastructure-based competition and wholesale access, which remains pivotal to maintaining a competitive broadband market in Malta. Epic also uses FWA technology to provide internet and telephony services, thus allowing for the delivery of broadband services.

- Vanilla Telecoms is a fringe competitor in the market that offers fixed wireless broadband services through wireless network infrastructure on the unlicensed spectrum band. However, the market presence of this operator is limited to only a few locations across the Maltese islands, and several technical constraints hinder the widespread availability of the service. This operator only accounts for a very small share of the local fixed subscriber base.

3.2.3 Competition in transition

The telecommunications market in Malta is undergoing a period of transition, with competition increasingly driven by the duplication and expansion of network infrastructure. This evolution holds the potential to further transform the sector, unlocking opportunities for innovative services and elevating the end-user experience as fibre-based technologies become more widespread. In this dynamic environment, end-users are poised to benefit from greater choice, improved service quality and possibly more competitive pricing. Moreover, infrastructure-

[28] DOCSIS 4.0 will enable full bidirectional transmission of 10 Gbps in a shared transmission area, thus superseding limitations related to significant asymmetry between upstream and downstream channels for DOCSIS 3.1. DOCSIS 4.0 will enable full bidirectional transmission of 10 Gbps in a shared transmission area. DOCSIS 4.0 will require further reductions in the fibre node size to around 50 end-users, bringing this solution close to a FTTdp or FTTB solution (for apartment buildings). DOCSIS 4.0 is not foreseen to be deployed in Malta within the timeframe of this review.

[29] Melita's territorial coverage and provision of downstream broadband services also rely on a legacy wholesale access agreement with GO for the use of GO's physical infrastructure. This legacy agreement between GO and Melita originated at a time when GO was still a government-owned entity. The agreement still stands, which means that the agreement subsisted after GO's privatization in 2006. There are currently no *ex ante* regulatory obligations on GO to supply access to its ubiquitous duct infrastructure.

based competition continues to accelerate advancements in faster internet speeds, enhanced reliability, and cutting-edge features such as 5G and full-fibre connectivity, fostering a more robust and dynamic market.

However, the path towards greater infrastructure-based competition is not without its complexities. Building and maintaining network infrastructure requires substantial investment, and challenges such as securing access to existing physical infrastructure and expanding service coverage, which remain significant. Operators must also continue to invest heavily in technology and, possibly, content, to meet evolving end-user expectations.

The experience of Epic, the newest entrant to the fixed broadband market, illustrates these dynamics. Since entering the market post-2018 (initially as Vodafone Malta) with a regulated FTTx VULA agreement, Epic has faced the dual challenge of negotiating regulated access while gradually rolling out its own FTTH infrastructure. Its network deployment, which began in 2021, represents a significant step towards a reduced reliance on regulated wholesale access. Yet, the transition from service-based to infrastructure-based competition is a gradual process that demands time and sustained investment.

3.2.4 The role of commercial wholesale arrangements

Malta's unique context as a small market with three players, including Epic, presents nuances. While Epic may not achieve nationwide infrastructure, its role as a competitive force in specific market segments cannot be overlooked. In this regard, however, Malta's small size underscores the importance of maximizing the efficient use of existing infrastructure and minimizing economically unviable duplication of networks.

Hence, fostering infrastructure sharing and collaborative investment is critical to ensure widespread coverage, better resource utilization, and sustainable competition, especially in areas where full network duplication would be economically impractical.

A key question therefore arises as to whether commercially negotiated agreements could materialise on a long-lasting basis. Experience in markets like Spain and Portugal have proven that commercial access arrangements have been effective in sustaining competition, leading to deregulation of wholesale local access in areas covered by such agreements.

The possibility of sustaining effective competition through alternative, market-driven solutions remain an opportunity worth exploring to ensure continued competition in a small but distinct market context.

3.3 The relevant retail product market

3.3.1 Demand side substitution for services on fixed technologies

The relevant retail product market is determined on the basis of a demand and supply-side substitutability assessment among products and services that could potentially form part of

the market under investigation. Such an assessment also adopts a forward-looking perspective on potential market developments within the timeframe of this review.

As outlined in Section 3.2, retail fixed broadband services in Malta are delivered through copper VDSL, FTTH, and cable DOCSIS 3.1, as well as fixed wireless technologies. Local operators provide standard broadband solutions over these platforms to a large portion of their customer base. Additionally, operators cater to clients with specialized connectivity needs, such as business users, by offering tailored solutions like Ethernet-based leased lines and Wavelength division multiplex (WDM) connections.

The key factors relevant to assessing demand and supply-side substitutability among the aforementioned products are outlined below:

- Speed, coverage, and reliability of services;
- Service terms and payment conditions; and
- Price (specifically in terms of monthly access fees).

3.3.1.1 Speed, coverage and reliability

The functionality of broadband services over VDSL, FTTH, cable, and fixed wireless primarily depends on speed, coverage, and reliability:

- FTTH enables Gigabit download speeds, with Epic offering up to 2 Gbps in locations where its network is deployed. GO provides widely available Gigabit plans with speeds up to 1 Gbps. Meanwhile, Melita's DOCSIS 3.1 cable network already offers speeds of up to 1 Gbps nationwide and up to 2.5 Gbps for around 50% of households.

- GO also offers VDSL broadband with speeds of up to 75 Mbps, but only to clients where fibre has not yet been deployed.[30] Gigabit speeds are not achievable on this platform as GO does not use vectoring in Malta, a technology that helps to increase the capacity and speed of copper-based broadband services. Of note is that this technology is primarily used only by GO clients in less than 4% of dwellings not yet reached by this operator's FTTH network. The steady decline in VDSL subscriptions reflects GO's ongoing FTTH rollout and efforts to migrate VDSL users to fibre-based plans.

- All operators provide fixed wireless broadband but download speeds on fixed wireless plans are significantly lower compared to what can be offered over fixed technologies

[30] This solution relies on copper, which is susceptible to interference, the achievable bandwidth depends on the transmission protocols used as well as on the length of the copper line. The longer the copper line the lower the bandwidth. The traffic is typically asymmetric i.e. the downstream capacity (from network to end-user) is higher than the upstream. In Malta, the maximum speeds available via GO's VDSL infrastructure are up to 75Mbit/s. With the latest available vectoring technologies, the bandwidth to the end-user could reach up to 200 Mbps downstream. However, vectoring is not in use in Malta.

like FTTH and cable DOCSIS 3.1.[31] Fixed wireless reliability is impacted by user congestion, backhaul capacity, and weather, while VDSL, FTTH, and cable offer more stable and consistent connectivity. Additionally, fixed wireless broadband is subject to data download caps due to the inherent nature of the wireless access channel (limited spectrum bandwidth). No data download caps apply in the case of broadband products based on VDSL, FTTH and cable.

The MCA considers broadband over FTTH and cable DOCSIS 3.1 as functionally equivalent from a demand-side perspective, given the achievable Gigabit connectivity, reliability and quality of the services. The MCA considers that fixed wireless broadband, due to its lower speeds, data caps, and susceptibility to external factors, does not meet the functional requirements of high-bandwidth users and is therefore not substitutable for FTTH and cable DOCSIS 3.1, which offer superior speed, reliability, and quality. Meanwhile, substitution from VDSL to FTTH is one-directional, with VDSL clients consistently migrated by GO to FTTH. Just 6.2% of retail fixed broadband clients in Malta at the end of September 2024 were on copper VDSL and these are expected to be fully migrated completely well within the timeframe of this review.[32]

3.3.1.2 Service and contractual terms

The fixed broadband product portfolios offered via VDSL, FTTH, and cable technologies cater to both residential and business users, providing comparable service features and contractual terms.

In terms of service characteristics, download and upload speeds for residential and business users are generally similar, with additional optional features, such as multiple email addresses or web hosting, available to business users on request.

Contractual terms are also largely consistent across user groups on plans supplied over the different technologies. For instance, monthly access fees are discounted for subscribers opting for two-year contracts and settling payments via direct debit. Other common service and contractual conditions include:

- Fixed broadband services, whether stand-alone or bundled, are available on flexible payment terms, including 24-month contract agreements or month-to-month arrangements. Monthly access fees are generally lower for contracted plans.

- Prices (or monthly access fees) for copper VDSL, fibre, and cable broadband products vary by download speed, with higher-speed plans commanding higher monthly fees.

[31] There are currently no services offered in Malta on fixed wireless access over 5G technology. Hence such products are not considered relevant for the current assessment.

[32] The number of copper-based subscriptions has declined further to 1.2% of all subscriptions by the end of June 2025.

This pricing structure applies whether the broadband is purchased as a stand-alone product (though such options are not mainstream since plans often include fixed telephony) or as part of a bundle.

- One-time fees such as connection, installation, and modem charges are often waived for broadband plans purchased under contract or as part of a bundle.

- Contractual terms for wireless fixed broadband products align with those for wired options, offering discounts for contracted agreements. However, wireless broadband is subject to data caps, resulting in a two-tiered pricing model. Once the data cap is reached, service suspension or additional charges may apply. In contrast, copper VDSL, fibre, and cable broadband products are not subject to data caps.

As such, the MCA considers payment and service terms for copper VDSL, FTTH, and cable broadband products to be similar, making these products substitutable. However, fixed wireless broadband products differ due to data caps and associated terms and thus are not substitutable on this basis.

3.3.1.3 Payment terms

Another key factor to determine substitutability is price, which in the case of fixed broadband services offered in Malta is represented by the monthly access fee. Products offered via fixed wireless technologies are excluded from this analysis due to the two-tiered pricing structure.

Monthly access fees for fixed broadband products vary incrementally, with higher fees corresponding to products offering faster download speeds. As shown in the table below, most prices are sufficiently close to consider that a 5-10% increase in the fee for one product could plausibly prompt end-users to switch to an alternative fixed broadband product. This substitution could occur either between competing operators or within the same operator's offerings, across the different products supporting a range of download speeds.

The monthly access fees presented in Table 1 (below) demonstrate a clear chain-of-substitution dynamic across retail broadband products, whether offered as stand-alone plans or as part of a bundle. This pricing structure enables end-users to switch between providers or products in response to a SSNIP. Notably, this dynamic holds even for month-on-month subscriptions, where monthly access fees are higher.

Residential Download / Upload	Technology	GO	Melita	Epic
75Mbps / 15Mbps + Fixed telephony + TV	Copper VDSL (legacy)	€25.99	-	-
100Mbps / 15Mbps + Fixed telephony	Fibre	-	-	€26.99 (-)
100Mbps / 10Mbps	Cable DOCSIS 3.1	-	€19.99 (€24.99)	-
250Mbps / 15Mbps + Fixed Telephony + TV	Cable DOCSIS 3.1	-	€25.99 (€30.99)	-
300Mbps / 30Mbps + Fixed Telephony + optional TV	Fibre	€27.99 (€32.99)	-	-
500Mbps / 50Mbps + Fixed Telephony + optional TV	Fibre	€30.99 (€36.00)	-	€31.99 (-)
750Mbps / 50Mbps + Fixed Telephony + TV	Cable DOCSIS 3.1	-	€33.99 (€38.99)	-
1000Mbps / 60Mbps	Cable DOCSIS 3.1	-	€36.99 (€41.99)	-
1000Mbps / 60Mbps + Fixed Telephony + TV	Cable DOCSIS 3.1 / Fibre	€40.99 (€45.99)	€40.99 (€45.99)	€41.99 (-)
2500Mbps / 200Mbps + Fixed Telephony + TV	Cable DOCSIS 3.1	-	€45.99 (€50.99)	-
2000Mbps / 100Mbps + Fixed Telephony	Fibre	-	-	€26.99 (-)

***Table 1**: Monthly access fees for residential fixed broadband products, as at the end of January 2025[33]. Quoted prices are without the discounts applicable including for direct debit payments. Figures in brackets refer to monthly access fees for plans on month-on-month, placed under the fees applicable for 2-year contracts.*

This chain-of-substitution effect is also evident in the fixed broadband product offerings for business users, which are outlined in Table 2 below. Starting prices for business broadband

[33] The quoted monthly access fees do not take into account discounts. It is also of note that operators allow end-users to opt for several add-ons on an opt-in basis, such as enhanced TV, alongside fixed broadband. In such case, the monthly access fee may increase accordingly.

Most of the plans listed in the table are also available on month-on-month basis (i.e. with no agreed contract term), but monthly access fees would be higher in that case. Operators also offer minor discounts on all fixed broadband plans where the end-user chooses to pay via Direct Debit Mandate (DDM). In the case of GO, a €1.00 DDM discount applies, whilst in the case of Melita and Epic a DDM discount of €0.50 and €2.00 applies respectively. These discounts also apply for business users.

plans are in the region of €41 per month, which aligns with the price range for residential plans. In this regard, it appears that operators do not offer broadband plans to business users on a month-on-month basis (i.e. without a specific term contract). Moreover, in some cases, business broadband plans are priced lower than equivalent residential plans purchased on a month-on-month basis, including for bundle offerings. This indicates a consistent and overlapping pricing dynamic between residential and business fixed broadband services.[34]

Business Download / Upload	Technology	GO	Melita	Epic
100Mbps / 15Mbps + Fixed Telephony	Fibre	€41.30	-	€43.06
250Mbps / 15Mbps + Fixed telephony	Cable DOCSIS 3.1	-	€41.29	-
300Mbps / 30Mbps + Fixed Telephony + TV	Fibre	€47.20	-	-
500Mbps / 50Mbps + Fixed Telephony + TV	Fibre	€59.00	-	€60.76
500Mbps / 20Mbps + Fixed Telephony + TV	Cable DOCSIS 3.1	-	€53.09	-
1000Mbps / 50Mbps + Fixed Telephony + TV	Cable DOCSIS 3.1	-	€82.59	-
1000Mbps / 100Mbps + Fixed Telephony + TV	Cable DOCSIS 3.1 / Fibre	€147.50	€147.49	€149.26
2000Mbps / 200Mbps + Fixed Telephony	Fibre	-	-	€37.15

***Table 2**: Monthly access fees for business fixed broadband products on a 24-month subscription, as at the end of January 2025*[35]

Given the above, the MCA considers that fixed broadband products supplied over copper VDSL, FTTH and cable are substitutable to each other on the basis of price, with the relevant prices for these products falling within the same chain of substitution dynamic. This substitution dynamic holds irrespective of the contract terms of the fixed broadband product on offer (i.e. stand-alone or in a bundle; in a contract or month-on-month) and irrespective of the type of client (residential or business). On the other hand, the two-tiered price mechanism

[34] The only outliers to the overall trend are the Gigabit plans offered to business users, which appear to fall outside the chain of substitution dynamic. Nonetheless, in some localities where Epic is already available via its own fibre network, the price for the 2GB download plan falls within the chain of substitution.

[35] The quoted monthly access fees relate to the introductory plan. Some plans are available on a month-on-month basis (i.e. with no contract), but monthly access fees would be higher in that case. Operators also offer minor discounts on all fixed broadband plans where the end-user chooses to pay via Direct Debit Mandate (DDM).

applicable in the case of fixed broadband products supplied over fixed wireless technology limits the substitutability of such products to those supplied over copper VDSL, fibre and cable.

3.3.2 Substitutability of mobile broadband

The MCA hereunder examines the substitutability of broadband offered over mobile technologies to broadband supplied over fixed technologies.

It is relevant to underline that 4G and 4G+ coverage is nationwide in Malta. Download speeds are around the 200Mbps mark in the case of 4G+. 5G is also available on a nationwide scale.[36] Irrespective of the technology, certain factors may limit the actual speeds attained / achieved by the end-user:

- Mobile networks are characterised by the use of antennas which serve customers within a radius around them. Customers within this circle all share the antennas' transmission capacity. Such antenna locations may host antennas for several frequency ranges, technologies and even different operators. In general, the size of the area covered by an antenna is determined by the frequency used and its propagation and wall penetration characteristics. The longer the wavelength and the lower the frequency the longer the propagation range and the wall penetration, but the poorer the transmission capacity. All end customers in an area covered by the same antenna compete for the capacity provided by this antenna. In this regard, the antenna's capacity is a shared medium, with a controller which grants the access rights[37].

- The main advantage of the mobile radio network is its support of mobility and its potential to reach sparsely populated areas, possibly not viably served by fixed access connections. However, radio transmission is by its nature affected not only by dense materials like walls, hills or mountains, or even trees, but also by sources of electromagnetic interference, such as lightning, and by rain, all of which can disrupt the line-of-sight contact between receiver and antenna. As it has especially weak propagation characteristics, frequency use in the > 3 GHz range will require increased cell numbers, as well as outdoor antennas and repeaters to ensure good and reliable indoor coverage.

[36] Malta is served by three non-standalone 5G mobile networks. All three 5G mobile operators offer the service on a nationwide scale. In addition, they also provide fixed wireless broadband access services over their 4G (LTE) network.

[37] Parallel deployment and MIMO antenna arrays (the use of multiple antennas at the transmitter and receiver) can increase this capacity, but the peak capacity of a mobile radio cell must still be shared among the users who intend to communicate at the same time. High-capacity antennas such as those used for 4G and 5G require high-capacity feeder networks, typically provided by fibre links. Modern antenna control solutions such as C-RAN and edge cloud solutions require even more fibre links between controllers and antenna locations.

Malta's high building density can impact mobile broadband performance, particularly when many users access the same tower simultaneously. This increased demand places pressure on network capacity, leading to potentially lower speeds. In order to make up for this, operators have intensified the number of base stations in the most densely populated areas. Also, they have deployed technologies like 5G TDD which allows for greater speeds. Additionally, the Gigabit fixed broadband plans, as noted earlier, are generally offered as part of bundles that include TV and fixed telephony services. This bundling further differentiates fixed broadband from mobile broadband, making the latter less likely to be viewed as a direct substitute. Moreover, Malta's high mobile penetration rate of 130%, alongside fixed broadband adoption in almost all households, underscores the distinct roles these technologies play in addressing different connectivity needs.

It is reasonable to assume that virtually all residents in Malta have access to fixed broadband and use mobile broadband services. Meanwhile, trends in take-up for both fixed and mobile broadband show no evidence of cord-cutting. It is considered that fixed broadband remains the preferred choice for bandwidth-intensive applications, while 5G mobile broadband adoption remains modest, suggesting that end-users continue to rely on their fixed connections for such needs.

In densely populated countries like Malta, high-capacity infrastructure is essential to support mobile broadband. To ensure optimal performance and indoor coverage, particularly in a 5G context, small cells operating at higher frequencies require substantial fibre backhaul. Since all three mobile operators are also fixed broadband operators, these operators have reverted to utilising their fibre network, most of them up to the base station, to transfer data. This reliance reinforces the conclusion that fixed and mobile broadband technologies are not substitutes from a supply-side perspective nor are envisaged to be so within the timeframe of this review to a significant extent.

When it comes to broadband services delivered over mobile technologies per se, including 5G, the MCA considers that these are technically and functionally distinct from those provided over fixed VDSL, FTTH, and cable DOCSIS 3.1. Mobile broadband depends on Very High-Capacity (VHC) fixed infrastructure to achieve enhanced speeds and quality. The shared nature of mobile network infrastructure, coupled with inherent capacity and reliability constraints, limits its ability to fully substitute fixed broadband.

End-user purchasing patterns highlight the complementary relationship between fixed and mobile broadband services. While these services are generally not bundled together, households often subscribe to both, using each to meet distinct needs. Notably, personal requirements tend to play a more significant role in shaping decisions regarding mobile broadband subscriptions, with only a few such subscriptions purchased on a bundle.

The MCA therefore concludes that mobile broadband services, including those based on 5G, do not serve as a substitute for fixed broadband technologies.

3.3.3 Substitutability of high-quality connectivity

The MCA notes that not all businesses use standard fixed broadband. Many medium and large businesses, both private and government-owned, prefer customized packages with higher bandwidth (including symmetric bandwidth) and better service quality, backed by Service Level Agreements (SLAs). These high-quality services include leased lines, Ethernet-based connections, Wavelength Division Multiplexing (WDM), and Business-to-Business connectivity with features like symmetric data rates and low contention.

These services are also priced higher than standard broadband. Therefore, the MCA concludes that high-quality business connectivity is not substitutable with mass-market broadband offered over VDSL, FTTH, or DOCSIS 3.1 networks.[38]

3.3.4 Conclusion on demand-side substitution

The MCA concludes that, from a demand-side perspective, retail fixed broadband services provided over copper VDSL, cable DOCSIS 3.1, and FTTx are substitutable in terms of functionality and price. Service and contractual characteristics are comparable, and end-users can switch between these products if a SSNIP is implemented by a hypothetical monopolist, as evidenced by the observed price substitution dynamic. Specifically, substitution for copper VDSL is expected to occur predominantly in one direction, from copper VDSL to FTTH and cable, in line with efforts by the owning operator to migrate clients to FTTH and the growing demand for high-speed broadband.

Services offered over cable DOCSIS 3.1 and FTTx are deemed to be substitutable, as both deliver high-bandwidth broadband with similar functionalities. However, VDSL services offered over copper exhibit lower bandwidth capabilities. GO has announced its plans to phase out / switch-off its copper VDSL[39] and the number of end-users on this platform have gradually declined by way of migration to fibre. The current analysis shows that retail broadband services over cable and FTTx largely characterise the market and are now driving end-user demand, especially for connections supporting download speeds of 100Mbps or more.[40]

[38] This conclusion is backed by a 2022 analysis conducted by the MCA, which identified a distinct market for high-end connectivity products. Since then, market conditions have remained largely relevant, with product characteristics and the price gap for these products still evident. Link to MCA 2022 Decision: https://www.mca.org.mt/consultations-decisions/mca-decision-concerning-wholesale-market-provision-dedicated-capacity-malta

[39] GO has in 2023 launched a pilot project for switching off its copper access network in specific areas. This announcement was stated in GO's Annual Report 2023 (https://la bcms.go.com.mt/wp-content/uploads/2024/05/GO-FS-AR-2023-signed.pdf) and further information was given in the Draft BEREC Progress Report on managing copper network switch-off (https://www.berec.europa.eu/system/files/2024-12/BoR%20%2824%29%20181_Draft%20BEREC%20Report%20on%20copper%20switch-off_0.pdf)

[40] As at end September 2024, 82.5% of all fixed broadband subscriptions supported headline download speeds of at least 100Mbps.

Additionally, broadband services over fixed wireless and mobile technologies do not directly constrain those supplied over copper VDSL, FTTH, and cable networks. Similarly, high-quality business connectivity is not directly substitutable with standard fixed broadband services offered over VDSL, FTTH, and DOCSIS 3.1.

3.3.5 Supply-side substitution

The MCA further examined the potential for supply-side substitution in response to a hypothetical SSNIP for retail fixed broadband services. Recent market developments necessitated this updated analysis, to properly assess whether undertakings could enter or expand in the retail market for fixed broadband provision in the short term without incurring significant sunk costs, absent wholesale regulation.

Market entry based solely on the deployment of new end-to-end network infrastructure would involve significant capital expenditure, lengthy construction timelines, and considerable commercial risk.

However, the MCA's assessment considers that:

- First, both Epic and Melita have undertaken their own FTTH deployment initiatives, creating credible infrastructure-based alternatives that can be expanded relatively quickly in response to competitive pressures or retail pricing opportunities.

- Second, even in the absence of regulatory mandates, the MCA considers that commercial wholesale access agreements would likely emerge. The incumbent fibre operator - GO - would have strong incentives to maintain wholesale relationships with access seekers to preserve its wholesale market share and avoid losing retail traffic to Melita's nationwide cable platform. Similarly, Melita would be encouraged to offer wholesale access to maximize utilization of its network assets, in response to market demand.

  New entrants and existing access seekers can establish a retail presence through commercial wholesale agreements while progressively investing in their own infrastructure, following the well-established "ladder of investment" model that facilitates gradual transition from service-based to infrastructure-based competition.

The MCA therefore concludes that supply-side substitution at the retail level represents a relevant competitive constraint. In particular, operators with existing broadband infrastructure, notably Melita with its extensive cable network, would be encouraged and able to expand their retail broadband and wholesale access offerings at relatively low incremental cost within a short timeframe following a price increase by a hypothetical monopolist. This competitive dynamic, reinforced by existing wholesale access mechanisms, ongoing investment and the potential for commercial access arrangements, ensures that retail competition would not be materially impaired in the absence of ex ante wholesale regulation.

3.3.6 Geographic definition

The geographic definition should identify areas where competition conditions are similar and distinguish them from neighbouring localities/regions where conditions are different. This should be done with consideration as to whether a potential operator with SMP acts uniformly across its network area or if it faces different conditions of competition that constrain its activities in some areas but not others.

Taking into account the above, the 2020 EC Recommendation states that NRAs need to: *'base their assessment of the geographic scope of a relevant market on a consistent set of parameters' and that 'the tools for geographic analysis are based on the principles of competition law...include analyses of demand and supply-side substitutability'*. The 2020 EC Recommendation adds that NRAs should define relevant geographic markets within their territory by taking into account, inter alia: *'(a) the number of competing networks, (b) their distribution of market shares, (c) a preliminary analysis of pricing and price differences at regional level and (d) behavioural patterns'*. The extent of geographic analysis at the wholesale level would also depend on the extent of competitive differences found at retail level (based on the number of competing operators, prices and marketing strategies amongst others depending on the circumstances).

GO offers nationwide retail fixed broadband services through its copper and fibre networks, with FTTH coverage at 93% of all dwellings. Melita provides cable DOCSIS 3.1 broadband services across a wide area, while Epic's coverage is limited to certain FTTH areas in a few localities, with a national reach 6.9% of all dwellings.

The MCA anticipates that the boundaries of the two-player nationwide competition zones will not change during the review period, as GO and Melita already cover the entire country. Meanwhile, Epic's potential to expand its competitive presence is also expected to remain limited, as Epic has announced plans to stop further FTTH deployment in 2024 and reportedly even beyond (albeit never officially confirmed to date). Additionally, the MCA notes that national pricing remains in effect, with all three operators charging uniform prices across the country, including in localities where Epic has deployed its FTTH infrastructure. Without regulation, and assuming a greenfield scenario without VULA regulation, the competition level is expected to remain constrained by national pricing.

As such, the MCA concludes that the competition conditions in the retail market for fixed broadband (copper VDSL, FTTH, and cable) are geographically homogeneous and are likely to remain so throughout this review period. The MCA considers the relevant market to be subject to a national pricing constraint, as prices are applied uniformly by all operators regardless of the customer's location.

3.3.7 Definition of the retail market

The MCA concludes that the retail product market under investigation encompasses the following:

- fixed broadband supplied over the copper VDSL network;
- fixed broadband supplied over FTTH networks; and
- fixed broadband supplied over the cable DOCSIS 3.1 network.

The relevant product market consists of mass market broadband irrespective of the type of contract (two-year contract vs month-on-month / bundle vs stand-alone) and irrespective of the type of client (business vs residential).

Broadband supplied over fixed wireless access technologies and over mobile access technologies is not deemed part of the relevant product market. High-quality connectivity services are also excluded from the relevant market. The relevant retail market is national in scope.

3.4 Retail competition dynamics

The current assessment draws on data regularly collected by the MCA from authorized operators, alongside publicly available information from operators' websites and other relevant sources. It focuses on key indicators such as market structure, pricing, quality of service, and consumer choice. With a forward-looking perspective, the assessment evaluates whether recent trends signal a maturing market capable of delivering benefits to end-users without reliance on regulatory intervention.

This analysis also builds upon the findings of the MCA's 2023 consultation and notification, which highlighted areas in the retail fixed broadband market requiring careful consideration. At that time, the MCA proposed maintaining regulatory oversight, citing the evolving dynamics of a market primarily characterized by the nationwide presence of GO and Melita and the prominent position of GO in the physical infrastructure segment. The entry of Epic as a nascent infrastructure-based competitor introduced a potentially transformative factor, with significant implications for competition, market structure, and outcomes for end-users.

The MCA's approach balances its earlier findings with the ongoing evolution of the market. This measured stance recognizes the importance of adapting regulatory oversight as market conditions evolve and potentially progress toward a state where competition can thrive independently, ensuring long-term benefits for end-users.

3.4.1 Market share developments

Between the end of 2013 and September 2024, the retail fixed broadband market in Malta grew substantially, with approximately 81,500 new subscriptions, representing a 58% increase. This growth, however, slowed after 2019, reflecting the natural approach to maturity of the market. Over this period, the market shares of the two established operators, GO and Melita, remained relatively close, though both saw a decline following the entry of Epic (then Vodafone Malta) in the fixed broadband segment. By September 2024, GO and Melita recorded their lowest-ever market share levels since 2018, highlighting Epic's role as a disruptor. Despite this, Melita maintained a lead, bolstered by its early adoption of nationwide

Gigabit offerings. GO, meanwhile, demonstrated resilience, sustaining a substantial share through its extensive roll-out of fibre.

Market shares as at end of period	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24
GO	49.7%	49.3%	49.5%	51.3%	50.4%	49.0%	48.1%	47.6%	47.1%	46.7%	46.6%	46.5%
Melita	50.2%	50.6%	50.5%	48.7%	49.6%	51.0%	51.8%	51.8%	51.8%	51.8%	51.2%	50.0%
Epic	-	-	-	-	-	-	0.1%	0.6%	1.1%	1.5%	2.2%	3.5%

Table 3: Retail market shares as at end of period[41]

Epic's market entry marked a turning point. Initially fully reliant on GO's regulated VULA, Epic capitalized on competitive pricing and innovative packages to attract customers. This intensified competition and catalysed slight declines in Melita's and GO's shares from June 2021 onwards. These trends underscore Epic's influence in reshaping market dynamics, whilst also highlighting the inherent challenges new entrants face in a mature market dominated by well-established players with entrenched infrastructure and customer bases. In any case, Melita's market lead over GO is not substantial, and the disruptor's presence puts additional pressure on both established operators when it comes to market share.

3.4.2 Payment terms and price

Local fixed broadband plans in Malta are offered with two primary contract options: a 24-month agreement or a month-to-month plan. Monthly access fees are generally cheaper for customers who commit to a longer contract or bundle purchase. Pricing varies based on download speed, with a few lower-speed broadband plans available as a standalone option (i.e. without any additional service included in the plan), while high-speed broadband connections are typically bundled with additional services. Contract or bundle agreements often include other discounts such as the waiving of one-time fees for installation. Additionally, clients who opt for direct debit payments benefit from a discounted monthly access fee, but this is more of a widespread practice irrespective of the type of purchase.

This promotional flexibility represents a significant positive feature in the retail broadband market in Malta, which ultimately is of benefit to end-users. There is however the limited variety of standalone lower-speed broadband plans that may be required by a segment of fixed broadband clients. The MCA, in its 2023 analysis, had noted this limitation but also acknowledged the faster shift towards Gigabit connectivity.

The ongoing expansion and diversification of Gigabit broadband offerings represent a significant positive development in Malta's retail fixed broadband market. In 2017, Melita was the sole operator capable of offering Gigabit broadband widely. GO joined the Gigabit segment in 2019, albeit with limited reach at the time, as its FTTH coverage extended to just 23% of

[41] More recent data on market shares is supplied in sub-section 3.6.2 of this document.

dwellings in Malta. However, GO's Gigabit services have since become far more accessible, with FTTH coverage reaching 93% of local dwellings by the end of December 2024.

This expansion has coincided with a growing trend of promotional flexibility in the Gigabit segment. Operators have continued to respond to competitive pressures by extending discount periods, making premium broadband plans more accessible to end-users. Introductory discounts for Gigabit plans, which until a few years ago typically lasted three months, now generally extend to six months and, in some cases, up to one year. Moreover, the market has seen the introduction of new offerings, such as Melita's 2.5 Gigabit plan launched earlier this year. This innovation is likely to spur competitive responses from other operators, particularly GO, which is well-positioned to leverage its extensive infrastructure investments to introduce comparable or superior plans.[42]

These developments underscore the intensifying competition within the Gigabit broadband segment and emphasize the growing value and diversity of choices available to end-users in Malta's broadband market, particularly across various download speed packages. Notably, price comparisons demonstrate the improvements in value for money now accessible to end-users. Epic's own 2000Mbps dual-play package (including fixed telephony) is priced at €26.99 per month (at €24.99 with the direct debit mandate discount, with a half price discount applicable during the first 12 months of subscription), thus aligning closely with GO's 300Mbps dual-play plan and Melita's 250Mbps dual-play package (with packages for GO and Melita actually including a free opt-in for TV streaming). Furthermore, high-speed triple-play plans continue to see substantial promotional pricing, such as observed in December 2024. For instance, Melita's 1000Mbps triple-play offer, which includes telephony and TV, has been reduced from €42.49 to €25.99 for the first six months, while GO implemented a free six-month subscriptions for the equivalent package. Epic also extended the discount period for 12 months throughout the Christmas period.[43]

Meanwhile, promotional practices targeting new customers, which have long been a staple of Melita and GO's strategies, have intensified with Epic's market entry, as Epic initially sought to compete via the regulated VULA framework and more recently with its FTTH deployment. Interestingly, in February 2025, Melita was offering the 1000Mbps triple-play bundle for free for the first six months of subscription (€40.99 thereafter), whilst GO was also implementing a similar strategy with a 6-month free subscription period for new clients (€40.99 thereafter). Meanwhile, Epic was offering its own-FTTH based 2000Mbps plan at €13.49 for the first 12

[42] Overall, monthly access fees for Gigabit plans for residential users have gone down over the last few years as shown in the tables presented in **Annex 1, Annex 3 and Annex 4** to this document. This even when not taking into account discounts and promotional offers. For example, in February 2025, GO's 24-month Gigabit plan - bundled with fixed telephony and TV - was being offered to new clients for free for the first 6 months and at €40.99 for the remaining months of the contract. Melita was discounting the monthly access fee of its 1 Gigabit plan in a bundle with TV and fixed telephony at €25.99 for the first six months of subscription. Melita was the only operator offering 1 Gigabit on a stand-alone basis and also for free for the first six months of a 24-month agreement.

[43] While this section focuses on comparisons within the residential segment, similar trends can be observed in the business segment. **Annexes 1, 3 and 4** presents additional tables outlining the different plans available across categories of users.

months of subscription (thereafter at €26.99 for the remaining twelve months of the two-year contract). New clients are also availing from other discounts. For example, over the past 18 to 30 months, established operators have upgraded their plans to include a free basic TV streaming service as part of their offering. GO pioneered this initiative in 2022, followed by Melita in 2023. Epic, not to be left behind, has also expanded its portfolio with the launch of its own TV service, which has been commercially available for several months.

24-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Plans	**100Mbps download / 15Mbps upload**	**300Mbps download / 30Mbps upload**	**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload**	
Reporting period	**Dec 2023**	**Feb 2025**	**Dec 2023**	**Feb 2025**	**Dec 2023**	**Feb 2025**
Monthly access fee – DDM excl.	€25.99	€27.99	Not applicable	€25.99	€26.99	€26.99
Monthly access fee – DDM incl.	€24.99	€26.99	Not applicable	€25.49	€24.99	€24.99
Discount	Not applicable	Not applicable	Not applicable	Free - first six months	Free – first six months	€13.49 per month - first 12 months
Fixed telephony	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Not applicable	Included but no free minutes	Included with free on-net minutes	Included with free on-net minutes
TV	Free TV stream (opt-in)	Free TV stream (opt-in)	Not applicable	Free TV Starter App	Opt-in at an additional monthly fee - free for the first 6 months	Opt-in at an additional monthly fee - free for the first 6 months
Installation	Free	Free	Not applicable	One-time fee @ €15 e	€24.99	€24.99

Table 4: Monthly access fees for entry-level residential bundle plans on a 2-year contract (end of period)

These developments collectively illustrate a maturing competitive dynamic, with operators actively enhancing value propositions for end-users, particularly in the premium broadband segment. This suggests a higher likelihood that the market further evolves in a direction that increasingly benefits end-users, driven by both direct competition and strategic promotional initiatives.

The engagement of established operators and the newer entrant in direct price competition, largely by way of discounts to new clients, is evident.

Some additional considerations relating to the price strategies and the evolution of prices are highlighted hereunder:

- The continued investment and upgrading of network infrastructure across Malta reflects the operators' shared commitment to advancing broadband services and sustaining vibrant competition in the market. GO has significantly accelerated its FTTH deployment in recent years, and along the way migrating customers from legacy plans to fibre-based options. This transition has led to the improvement in entry-level plans, particularly with enhanced download speeds that are expected to be implemented without imposing excessive additional financial burdens on end-users.

  Melita has also launched a pilot project in 2024 for fibre deployment and earlier in 2023 announced its investment in infrastructure to support 10Gbps internet speeds. By October 2024, Melita introduced 2,500 Mbps home internet speeds, which reportedly reached over 40% of households in Malta.[44]

  Epic's recent media statements highlight its investments in 10G fibre technology. This upgrade, whilst not being envisaged to happen on a nationwide scale, represents a strategic step to cater to the growing needs of the business sector, enhancing operational efficiency and reinforcing Epic's standing as a pivotal player in the broadband ecosystem.[45]

  Additional momentum to competitive dynamics could arise from broader market developments. For instance, in November 2024, Goldman Sachs Alternatives signed an agreement to acquire Melita Limited from EQT Infrastructure IV fund.[46] This acquisition signifies a vote of confidence in Malta's telecommunications sector and suggests a continued focus on innovation and competitiveness by the market's key stakeholders. Such strategic investments and partnerships are likely to foster further market dynamism, benefiting end-users through enhanced choice, value, and technological advancements.

[44] Link: https://www.melita.com/melita-launches-fastest-home-internet-speeds-in-malta/

[45] Link: https://timesofmalta.com/article/epic-supports-growth-10g-fibre-technology-digital-solutions-a2.1101371

[46] Link: https://www.melita.com/melita-welcomes-goldman-sachs-alternatives-as-new-shareholder/

- The role of the third player - Epic - as a disruptor represents a key piece in the local competitive landscape. Epic's deployment via own infrastructure, even if on a limited scale, is a significant step toward enhancing competition and fostering price reductions in the fixed broadband market. While this development contributes positively to market dynamics, competing solely on price could present challenges for Epic. Established operators like GO and Melita, with extensive infrastructures and resources, may employ short-term pricing strategies to counteract Epic's market entry and potentially dissuade further investments by Epic.

- Leveraging its strong presence in the mobile market and established role in the business connectivity segment, Epic has differentiated itself through innovation and targeted offerings. ARPU levels in a competitive market do not necessarily need to be low but rather reflect broader market dynamics that underscore the trajectory of competition. The MCA observes that the data submitted by fixed broadband operators - specifically Melita and GO - shows that these two operators have managed to consistently sustain increases in their fixed broadband ARPU over time, even after the entry of Epic into the market. This trend is likely to have been driven by factors such as increased consumer uptake of value-added services, bundled offerings, and premium plans (i.e. plans with higher broadband speeds), all of which enhance the utility for end-users.

  Epic’s lower ARPU, driven by its aggressive promotional strategies and introductory pricing for plans offered via its own network, underscores the role of a new entrant in diversifying the market and challenging established operators in its bid to build market share. While Epic has yet to achieve significant scale, its presence has nonetheless added variety to the competitive landscape. This has indirectly prompted established players to enhance their service offerings, adopt more flexible pricing models, and optimize customer retention strategies.

  In such an environment, ARPU levels may naturally adjust downward as competition deepens, particularly with continued investment in infrastructure. The ongoing rollout of Gigabit connectivity exemplifies this trend, likely to further expand choices for the end-user and improve affordability over time. Such developments emphasize the evolving balance between competition, innovation, and consumer benefits in Malta's broadband market.

The MCA recognizes that ARPU trends are influenced by various factors beyond just pricing strategies. Technological advancements, market evolution, and changing consumer preferences all contribute to shaping these trends. For example, the expanding deployment of Gigabit broadband and the introduction of bundled services with free TV streaming alongside broadband, suggest that the observed ARPU growth may not be a sign of restrictive market practices. Rather, it may reflect positive shifts toward more diversified and competitive offerings that benefit end-users. These trends could incentivize operators to prioritize innovation and customer-focused strategies,

delivering greater value and enhancing customer loyalty, rather than solely relying on price competition.

ARPU per bundle user	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
GO	€ 107.24	€ 108.52	€ 109.29	€ 108.91	€ 110.62	€ 112.93	€ 112.74	€ 114.17
Melita	€ 105.53	€ 105.84	€ 105.76	€ 105.62	€ 105.60	€ 103.36	€ 106.08	€ 105.66
Epic	€ -	€ 27.78	€ 14.96	€ 21.34	€ 17.46	€ 7.57	€ 7.01	€ 13.53
ARPU per bundle user	**Q1 2023**	**Q2 2023**	**Q3 2023**	**Q4 2023**	**Q1 2024**	**Q2 2024**	**Q3 2024**	
GO	€ 113.89	€ 114.31	€ 114.60	€ 115.18	€ 114.50	€ 114.30	€ 112.93	
Melita	€ 106.02	€ 106.29	€ 107.77	€ 106.96	€ 106.93	€ 107.25	€ 107.69	
Epic	€ 16.13	€ 28.77	€ 30.15	€ 29.05	€ 31.25	€ 35.74	€ 40.78	

Table 5: Average revenue per bundle user, excluding revenues related to fixed wireless subscriptions[47]

In this context, it appears that market dynamics in Malta balance investment incentives for established players with opportunities for new entrants to challenge incumbents through innovation and targeted offerings. This interplay fosters a more robust and consumer-focused market, where competition drives better value for money to the end-user.

- International benchmarking is a useful tool for evaluating price competition, as it offers a comparative analysis of broadband pricing strategies across different countries. By comparing Malta's broadband prices to those in other EU markets, one can gauge whether local operators, including Epic, are maintaining competitive pricing or if there is room for improvement. However, it is essential to consider that benchmarking data should be interpreted with nuance, as it is often subject to various contextual factors.

  A comprehensive study published in 2024, titled "Mobile and Fixed Broadband Prices in Europe 2022"[48] conducted for the European Commission's Directorate-General for Communications Networks, Content & Technology, provides a nuanced analysis of broadband pricing trends in Malta. The report indicates that, in 2022, Malta had a relatively high proportion of offers within the more expensive price clusters compared

[47] GO's ARPU figures take into account revenues and subscriptions for both the copper VDSL and FTTH platforms. Figures for Epic refer to ARPUs recorded by this operator on its own network.

[48] Link to EC 2024 report: https://digital-strategy.ec.europa.eu/en/library/mobile-and-fixed-broadband-prices-europe-2022

The preceding EC study is also available on the following link: https://digital-strategy.ec.europa.eu/en/library/mobile-and-fixed-broadband-prices-europe-2021

to other EU countries. Specifically, Malta's fixed broadband prices were above the EU average.

The MCA acknowledges that bringing Malta's fixed broadband prices below the EU27 benchmark is a desirable outcome. Encouragingly, recent market developments indicate that this is attainable, particularly following Epic's market entry with its own FTTH infrastructure. This entry has introduced a new competitive dynamic, accelerating the longstanding trend of discounts to new clients while simultaneously offering enhanced speeds. Additionally, GO continues to expand its FTTH deployment and recently upgraded its product line-up, further consolidating the chances for stronger competition. Melita has also demonstrated renewed competitive intent by investing in 10Gbps capable infrastructure and launching 2,500 Mbps home internet speeds, which currently cover over 40% of Maltese households.

Furthermore, the majority of Malta's fixed broadband customers subscribe to triple-play offers. The EC report for 2022 highlights that "*Prices for Triple Play offers in all speed brackets are below the EU average*." This, combined with the increasingly competitive landscape, suggests that Malta is well-positioned to achieve more affordable broadband prices within the timeframe of this review, benefiting end-users with improved service options and better value for money. While the EC's study on fixed broadband prices provides valuable insights, its findings should be interpreted within the appropriate context. First, the report reflects pricing dynamics as of 2022, a period when the market had not yet fully adjusted to the onset of a more consolidated three-player landscape.[49] Second, while it is acknowledged that prices can increase over time, such as through adjustments in monthly access fees, it is equally important to recognize the growing opportunities for both new and existing customers to benefit from promotional discounts and enhanced service offerings.

This evolving competitive environment complicates direct price comparisons between Malta and other EU countries, given the unique market dynamics and varying infrastructure coverage. In this context, pricing trends in Malta should be viewed as part of a broader narrative of market evolution. While there remains room for improvement, current prices are already competitive in certain segments when benchmarked against EU standards. Additionally, with all operators actively future-proofing their infrastructures by investing in very high-capacity network upgrades and refining their pricing strategies, the competitive landscape is expected to continue

[49] In October 2025, the European Commission published a more recent report outlining broadband price developments across Europe. This report, which outlines price declines for Malta between 2022 and 2023, is available on the following link:

https://ec.europa.eu/newsroom/dae/redirection/document/120855

evolving. This ongoing market development will significantly influence how Malta's broadband prices compare to the rest of the EU in the coming years.

3.4.3 Quality of service

The MCA has observed significant improvements in the quality of service offered by operators over recent years, particularly in terms of more flexible bundle options and faster data speeds. Notably, these enhancements began before Epic launched its FTTH commercial services but were further accelerated by Epic's entry into the market. These advancements have improved the user experience, enabling applications such as high-definition video streaming, online gaming, and teleconferencing, all of which benefit from faster download and upload speeds. Additionally, as higher speeds become more widely available, the price per Mbps has generally decreased, offering end-users greater value.

According to the Consumer Perceptions Survey for fixed broadband services conducted by the MCA in 2022[50], the primary factor influencing end-user choices remains "download speed," followed by "price," "upload speed," and "availability in a bundle." These preferences align with the competitive landscape, where infrastructure competition has driven improvements in download speeds. Before Epic's market entry, GO and Melita already competed directly on this metric. Melita was the first to offer Gigabit connectivity nationwide and GO followed suit as its fibre network expanded. Currently, Melita provides speeds of up to 1.2 Gbps nationwide and has introduced speeds of up to 2.5 Gbps, covering approximately half of Malta's dwellings. By comparison, GO offers speeds of up to 1 Gbps almost nationwide, while Epic provides 2 Gbps in select localities.

The MCA concludes that significant competition in terms of quality of service is evident. However, areas requiring attention remain, as highlighted by the 2022 Consumer Perceptions Survey. For instance, 56% of respondents who conducted speed tests reported that actual speeds were lower than advertised, up from 52% in 2019. Additionally, 40% of respondents aware of their broadband costs consider their monthly costs to be expensive or very expensive.[51]

These findings suggest that some end-users consider that the service does not always align with advertised speeds or cost expectations. However, recent developments, such as GO's continued fibre rollout, Melita's launch of a new 2.5 Gigabit product and own investment in FTTH, alongside the continued presence of disruptor operator Epic, indicate potential for increased competition, more choice and improved service quality. The MCA is optimistic that the evolving market landscape will benefit end-users through more competitive choices,

[50] Link to the MCA 2022 Consumer Perceptions Survey for Fixed Broadband: https://www.mca.org.mt/articles/consumer-perceptions-survey-fixed-broadband-2022

[51] A similar survey carried out in 2025 shows that the factors influencing end-user choices for fixed broadband remained largely the same, whilst most clients have a download speed of 100Mbps or more. Meanwhile, 80% of survey respondents consider their subscription speeds to be adequate for daily requirements.

enhanced service offerings, and a customer-centric approach emphasizing transparent pricing, flexible plans, and improved customer support.

It is pertinent to note that on the 5th of February 2025 the MCA has issued a consultation exercise on setting Quality of Service (QoS) Parameters to be Measured by Providers of Internet Access Services (IAS) and Publicly Available Interpersonal Communications Services (PA-ICS). The consultation addresses a number of parameters that are of interest from a quality-of-service point of view, without precluding that other parameters are consulted upon in the future.[52] Besides benefitting end-users, this information would allow the MCA to monitor more accurately trends in the sector. It would also enable service providers to benchmark the quality of their services with that of other service providers, thereby fostering greater competition in the market.[53]

3.5 Conclusion on retail market manifestations

The retail fixed broadband market in Malta is evolving to display stronger signs of competition, underpinned by the presence of three operators - GO, Melita and Epic - significant infrastructure investments, and ongoing service innovation. Competitive market dynamics are evident in the continued improvement of service quality, increased pricing flexibility and discounts, and expanded end-user choice. Operators like GO and Melita have achieved universal coverage and introduced Gigabit-level services, while Epic has positioned itself as a disruptive player, adding a range of choice to the market landscape up to the Gigabit level and driving further competition.

While these developments reflect encouraging progress with respect to competition outcomes, maintaining sustainable and effective competition long-term requires ongoing attention to specific structural and operational factors. This vigilance is essential to ensure a continued evolution of competition dynamics that is beneficial of end-users. Some market features are of particular interest in this regard:

- While three providers compete in the market, the availability of certain product options, such as stand-alone Gigabit offers, remains limited. Increasing the diversity of service offerings, particularly for end-users seeking unbundled products, could further enhance competition.

[52] Link to MCA Consultation: https://www.mca.org.mt/index.php/consultation-qos-parameters-telecom-providers-2025

[53] The MCA published the relevant decision on the 27 June 2025 and will apply from 1 January 2026. The initial QOS parameters are to be measured for the period between the first six months of 2026.

Link: https://www.mca.org.mt/sites/default/files/pageattachments/Decision%20-%20QoS%20Parameters%20-%20Telecom%20Providers%202025.pdf

- The ability of all market participants to maintain viable competitive offerings is contingent on fair access to wholesale infrastructure. Ensuring a transparent and equitable approach to such access is critical to fostering sustainable competition.

- The rate of switching has not changed over the past years and likely remains below potential. Measures under Articles 105 and 106 of the EECC could be explored to identify potential barriers to switching related to contract duration and early termination charges. The bundling of premium content may also influence competitive dynamics in the broadband market. Exploring the effects of such practices can provide a clearer picture of their impact on consumer choice and competition.

Notwithstanding, ongoing monitoring remains crucial to address any emerging challenges and to uphold a trajectory that benefits end-users. Ensuring infrastructure accessibility, expanding service diversity, and promoting end-user mobility will be essential in sustaining and enhancing competition in Malta's retail broadband market.

3.6 Response to consultation submissions

The MCA's retail market assessment finds that Malta's retail fixed broadband market is tending towards effective competition, with three operators delivering high-quality services, more competitive pricing, and broad geographic coverage. This conclusion is the result of a detailed examination of market shares, pricing trends, service innovation, and consumer choice. These retail-level indicators are not only relevant but decisive in determining competitive conditions at the wholesale level. In the absence of retail-level foreclosure or persistent barriers to entry, the need for wholesale SMP regulation is significantly reduced.

Although the MCA's current assessment utilizes the same core market data indicators as the MCA 2023 PVIA Consultation, it incorporates newly obtained data from operators alongside ongoing desk research covering 2023, 2024, and up to the end of Q2 2025. This fresh data on retail market dynamics offers confirmation of recent developments, enabling the MCA to conclude that competitive pressures have sufficiently intensified to effectively discipline wholesale behaviour, including that of established operators, thereby removing the need for *ex ante* SMP obligations. Against this backdrop, the MCA finds that the structural and behavioural evidence at the retail level justifies transitioning towards reliance on alternative regulatory safeguards rather than maintaining wholesale SMP intervention.

Two operators, GO and Melita, broadly align with the MCA's conclusions regarding the definition of the relevant retail fixed broadband market and the competition dynamics observed therein. Both established operators concur that the retail fixed broadband market in Malta exhibits effective competition, supported by significant infrastructure investments and diverse service offerings. Conversely, Epic raises several concerns challenging this view, highlighting areas where, in this operator's view, competitive dynamics may not fully reflect effective rivalry, particularly given its role as a newer entrant relying on regulated wholesale access and its initiative for FTTH infrastructure rollout.

Epic considers that the '*regulatory position proposed in the Consultation Document (is) alarming, raising serious concerns that the proposed changes will not sufficiently guarantee effective competition or provide the necessary regulatory certainty*.' (see p.5; para. 4 of Epic's response to MCA Consultation). Additionally, Epic states that '*Although the MCA current assessment appears to be based on the same underlying market data used in the 2023 Market Analysis, it has nevertheless led to a markedly different interpretation and set of conclusions. Such a reversal, without clear justification or new evidence, undermines regulatory predictability and raises questions about consistency in the assessment framework*.' (see p.5; para. 4 and para. 5 of Epic's response to MCA Consultation).

The MCA disagrees with Epic's claims, basing its conclusions on new, solid evidence evaluated using the established market review process. Recent data show Malta's retail fixed broadband market is increasingly competitive, supported by two nationwide very high-capacity networks and a third with limited coverage, all offering gigabit-speed services. Strong consumer uptake reflects both advanced network availability and improved value for money. Although some growth is influenced by factors beyond organic competition, the overall trend shows lasting downward price pressure, better service quality, and greater consumer choice. These changes represent sustained structural shifts rather than temporary promotions.

The factors cited by Epic as indicative of ongoing market failure are summarized as follows (see p.7; para. 9 of Epic's response to MCA Consultation):

> *'(i) … The MCA places undue emphasis on infrastructure upgrades, new product offerings, and short-term promotional campaigns, while ignoring persistently high prices, structural barriers, limited service diversity, and minimal consumer switching.*
>
> *(ii) The market remains highly concentrated, with GO and Melita together controlling over 96% of market share. Key indicators, such as entrenched dominance, rising ARPUs, low churn, and widespread long-term bundling, clearly point to ongoing market failure despite the current VULA remedy being offered.'*

The MCA addresses each of these claims in detail in the following sub-sections, demonstrating how current market developments and competitive dynamics counter the concerns outlined by Epic.

3.6.1 Claims on structural barriers and competitive constraints

Epic claim that structural barriers and competitive constraints persist to this day (p.5; para. 3 of Epic's response to MCA Consultation) and that such barriers and constraints have prevented any meaningful change in the entrenched dominance of GO and Melita (see p.22; para.41{i} of Epic's response to MCA Consultation). The MCA however considers that this claim does not align with the evidence of market outcomes and competitive behaviour observed in Malta's fixed broadband segment.

The MCA acknowledges that challenges exist in any market, particularly where economies of scale and scope may favour established players. However, the Maltese context demonstrates that these have not prevented Epic from entering the market via its own infrastructure and competing effectively. Epic is the largest mobile operator in Malta and has also successfully expanded its fixed broadband footprint based on fibre infrastructure, even for backhaul purposes. This operator introduced high-speed fibre offerings and can actively leverage its strength in the mobile segment to compete in the fixed market segment. The fact that Epic competes head-to-head with established operators by offering similar mobile and fixed services, including discounts for fixed bundles, shows that these structural conditions have not precluded market entry, network rollout, or customer acquisition.

Epic argues that the prevalence of established operators offering both fixed and mobile services, combined with the growth of bundled offers, disadvantages new competition (see p.4; para. 3 of Epic's response to MCA Consultation). However, the MCA notes that Epic itself is in a position to offer converged products and is currently competing effectively in the fixed segment through bundle discounts and cross-service promotions. Moreover, Epic has positioned itself as a leader in ultra-high-speed services, offering up to 2 Gbps residential speeds in areas served by its own FTTH network and deploying 10G fibre technology for business customers, noting that such speeds even exceed what established operators currently provide to residential users. Meanwhile, all operators (including Epic) offer plans with ultra-fast speeds that may not represent mainstream demand at present, but nonetheless future-proof the operators' ability to address evolving bandwidth requirements. All operators' investment in cutting-edge speeds, combined with a strategic focus on high-bandwidth business services, demonstrates that even new entrants can successfully differentiate themselves and compete on technological innovation.

Epic's evolving retail presence in both the mobile and fixed broadband segments is also related to backhaul arrangements and infrastructure independence, particularly in the context of VULA-based wholesale access. The MCA has carefully considered whether there might be latent demand from Epic or other access seekers to unbundle the backhaul component currently bundled with GO's VULA product. This may entail Epic deploying its own or alternative backhaul to additional access points based on GO's backhaul infrastructure, especially given VULA's single-point-of-interconnect structure that covers local access lines plus the associated backhaul.

Over time, Epic has actively reduced its structural dependence on GO, both by leveraging VULA and through substantial self-investment in its own network capabilities. Notably, Epic embarked on a significant network modernization programme in 2021, which has targeted a comprehensive overhaul of its mobile access network, including wholesale replacement of legacy infrastructure, capacity expansions, and investments aimed at enhancing indoor coverage and ensuring readiness for next-generation technologies such as 5G.

By 2023, Epic reported completion of this modernization project, highlighting outcomes including a strengthened and more resilient backhaul network, as well as the roll-out of additional fibre sites designed to support both present and anticipated capacity requirements.

As early as 2021, Epic made public reference to this ongoing €40 million investment, emphasizing the programme's role in laying the technical groundwork for robust national 5G deployment and for further reducing dependency on incumbent backhaul, in line with broader policy objectives regarding competitive neutrality and infrastructure-based competition. [54]

Thus, while GO's wholesale backhaul provision remains a pragmatic solution for access seekers reliant on VULA, Epic's strategic shift, both technologically and commercially, underscores a broader sectoral trend toward incremental vertical integration and infrastructure-based competition, limiting the long-term need for regulated backhaul unbundling and demonstrating the potential for sustainable competition even as legacy regulatory remedies are phased out.

Overall, these dynamics are indicative of a market that is not inherently exclusionary but rather serves as a testament to the evolution of healthy, multi-service competition where operators compete on speed, technology, and service innovation.

The MCA's detailed retail market assessment, based on updated evidence based on data that goes beyond the MCA 2023 PVIA Consultation, shows that alternative operators, including Epic, have successfully expanded gigabit-capable networks. All operators diversified their service offerings whilst engaging sustained price discounts and quality competition. This has delivered tangible consumer benefits, including lower unit prices (in terms of the rates paid per Mbps of download) and higher speeds.

It is evident that Epic's entry into the Maltese fixed broadband market has significantly reshaped the competitive landscape, despite incumbents GO and Melita continuing as the largest providers. By establishing a credible alternative, Epic has intensified competitive pressures, prompting incumbents to enhance pricing strategies, improve service quality, and diversify bundled offerings. Epic's presence has notably broadened consumer choice, facilitating greater switching flexibility and market responsiveness. Furthermore, Epic's participation coincides with sustained investments in gigabit-capable networks, driving infrastructure enhancements and fostering innovation.

These points are well-documented in the MCA 2025 Consultation Document. It is therefore difficult to understand why Epic characterizes the document as "*downplaying Epic's role in the fixed broadband market*" (p. 44, para. 91 of Epic's consultation response to MCA Consultation), based on the MCA's use of the term "*indirectly*" when describing Epic's influence on retail market outcomes. The MCA fully acknowledges Epic's pivotal role in shaping local competition in the retail fixed broadband segment, particularly following its entry through its own FTTH infrastructure. However, the MCA cannot endorse Epic's claim that "*any decreases in prices in the fixed broadband retail market are solely attributable to Epic as the market's maverick*" (p. 44, para. 92 of Epic's response to MCA Consultation). Notably, for example, discounts on monthly access fees were an established feature of the market prior to

[54] Source: https://www.epic.com.mt/network/

2021. That said, Epic's introduction of products via its own FTTH network accelerated the adoption and prevalence of such offers, making them a key competitive factor that has further stimulated market dynamics. Meanwhile, product enhancements in the form of speed upgrades, sometimes at a minimal additional cost, were another main feature of the market, prior to Epic's launch of broadband plans via its FTTH infrastructure.

Overall, the MCA considers that competition in the fixed broadband access market is evolving positively and delivering tangible benefits to consumers. These developments, reflected in retail market data, support the MCA's view that the fixed broadband access market can function effectively without continued *ex ante* regulation, as retail-level competition now exerts sufficient discipline on market outcomes.

3.6.2 Claims of entrenched dominance

In its response to the MCA Consultation, Epic makes a number of statements, which allude to a non-competitive market with continued dominance. For example, it states that "*The fundamental characteristics of the market including high barriers to switching, long-term bundling, the continued dominance of GO and Melita, and the lack of alternative wholesale access mechanisms persist. The regulatory framework should be grounded in objective market conditions, not shifting narratives that contradict the very concerns raised in preceding assessments*." (see p. 22; par 40 of Epic's response to MCA Consultation).

More specifically, Epic states that '*GO and Melita, which together account for 96.8% of broadband subscriptions, operate exclusively on self-supplied networks and do not provide meaningful third-party access under non-regulated terms. The near-identical retail and wholesale market shares are not a sign of healthy competition, but rather of entrenched dominance and limited wholesale access options'*. (see p. 99; para. 250 of Epic's response to MCA Consultation).

The MCA rejects Epic's assertion that the Maltese fixed broadband market displays characteristics of entrenched dominance, particularly on the basis of limited wholesale access. In fact, the market is showing healthy signs of competition as it has transitioned from a long-standing dual-operator structure to a more competitive three-player environment following Epic's entry. As a result, the market shares of the incumbent operators have declined while Epic's share has grown, exerting pressure on established providers to enhance both pricing and service quality. Epic's participation has also contributed to greater innovation, improved consumer value, and the reinforcement of infrastructure-based competition within Malta's broadband sector.

More specifically:

- Malta's retail fixed broadband market is served by three main operators: GO, Melita, and Epic. GO and Melita operate nationwide networks, with Melita offering cable-based broadband and GO focusing on a fibre network. Epic, while having its own FTTH network with limited coverage (around 7% of dwellings), mainly reaches customers

through regulated VULA access to GO's FTTH infrastructure. The MCA notes that this three-player landscape has characterized the market for several years (see Section 3.4.1 of this document).

- For the avoidance of doubt, the MCA is herewith reproducing Epic's own stated timeline regarding its network deployment and coverage, as set out in its consultation submissions dated 11 April 2025:

  (i) "*Epic has been accessing and leveraging FTTH infrastructure since 2018, when it entered the market*." (see p. 14; para. 19 of Epic's response to MCA Consultation).

  (ii) "*Epic's fixed broadband services only became available to customers from the 19th June 2019, following the completion of the necessary technical and commercial preparations*." (see p. 14; para. 19 of Epic's response to MCA Consultation).

  (iii) "*Epic has independently deployed its own FTTH network in only five localities Mosta, Birkirkara, Attard, Qormi and Balzan and even these areas do not have full coverage (see Figure 2 below) The inclusion of Kalkara and San Giljan is misleading, as Epic has not built a standalone FTTH network in these localities. The only fibre infrastructure present in these areas consists of in-building installations, limited to a single building per locality, and deployed as part of joint multitenant projects with Melita and GO. Consequently, not all components of this infrastructure are owned by Epic; the passive infrastructure is shared among the operators involved.*" (see p. 14; para. 22 of Epic's response to MCA Consultation).

  (iv) "*The distinction between these types of infrastructure is essential, as in-building infrastructure does not equate to a standalone, operator-deployed FTTH network. In Mosta, Birkirkara, Qormi, Attard, and Balzan, where Epic has rolled out its own FTTH network, including passive infrastructure, giving it full control over the deployment. In contrast, in places like Kalkara and San Giljan, the passive infrastructure within the building is co-built and shared between the three operators as part of a joint project.*" (see p. 15; para. 23 of Epic's response to MCA Consultation).

  The MCA takes these clarifications into account in order to provide full context in its assessment and to ensure that Epic's submissions are accurately represented. While Epic appears to suggest that the MCA has mischaracterised its position, the Authority firmly rejects this claim. Nevertheless, in the interest of transparency, the MCA has reproduced Epic's statements verbatim. In the MCA's assessment, the issues raised above do not alter the substantive considerations or factors underpinning its conclusion that Epic has effectively eroded the market share of established operators.

- All three operators active on the market - GO, Melita and Epic - continue to invest in infrastructure and innovate services, indicating evolving competition rather than

entrenched dominance. While GO and Melita have significant market shares, Epic's presence, even via its limited FTTH deployment, have contributed to transform the competitive landscape in a steady manner, as also reflected by market share developments by operator (see Table 6 below).

Retail market shares - end of period	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Q2 2025
GO	49.7%	49.3%	49.5%	51.3%	50.4%	49.0%	48.1%	47.6%	47.1%	46.7%	46.5%	46.6%	46.8%
Melita	50.2%	50.6%	50.5%	48.7%	49.6%	51.0%	51.8%	51.8%	51.8%	51.8%	51.0%	49.6%	49.0%
Epic	-	-	-	-	-	-	0.1%	0.6%	1.1%	1.5%	2.5%	3.8%	4.2%

Table 6: Updated table on operators' market shares, excluding subscriptions for fixed wireless, as at end of period

Overall, the MCA reiterates its views outlined in the consultation document:

> "*Epic's market entry marked a turning point. Initially fully reliant on GO's regulated VULA, Epic capitalized on competitive pricing and innovative packages to attract customers. This intensified competition and catalysed slight declines in Melita's and GO's shares from June 2021 onwards. These trends underscore Epic's influence in reshaping market dynamics, whilst also highlighting the inherent challenges new entrants face in a mature market dominated by well-established players with entrenched infrastructure and customer bases. In any case, Melita's market lead over GO is not substantial, and the disruptor's presence puts additional pressure on both established operators when it comes to market share*." (see p. 42, Section 3.4.1 of the MCA 2025 Consultation Document).

The MCA agrees with Epic's assessment that "*VULA has been instrumental in enabling Epic to compete in a market where large-scale infrastructure deployment remains unfeasible*". (see p. 28; para. 50 of Epic's response to MCA Consultation). However, the MCA views Epic's deployment of its own network infrastructure as a critical catalyst that has compelled both GO and Melita to compete more aggressively on pricing and service quality across the national territory. As the three-player market structure matures, Epic's dual strategy of infrastructure-based competition through its own fibre network combined with reliance on wholesale access has fundamentally altered competitive dynamics.

Regulatory data confirms that Epic has successfully grown its subscriber base from a 2.5% market share at the end of 2023 to 4.2% market share by June 2025. This growth trajectory, achieved initially through access to regulated VULA services, has established Epic as a viable competitor capable of sustaining commercial negotiations. The success of this regulatory intervention now creates the market conditions necessary for the transition from mandated to commercially-driven wholesale arrangements, as Epic's proven market position enhances its bargaining power in future negotiations with infrastructure providers.

The fact that all operators, including Epic, are also positioned to offer products and services that are not in mainstream demand also bodes well for future competition. All operators have plans on offer that are tailored to the high-end data requirements, which may be on the path to emerge in future retail uptake.

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The MCA also agrees with Epic's assessment that "*VULA has been instrumental in enabling Epic to compete in a market where large-scale infrastructure deployment remains unfeasible*" (see p. 28; para. 50 of Epic's response to MCA Consultation). Regulatory data confirms that Epic has gradually grown its subscriber base through access to this regulated wholesale product. However, this very success now increases the plausibility and commercial attractiveness of a negotiated agreement, reducing reliance on regulatory mandates.

By setting a defined transition (sunset) period, the MCA ensures that all market participants have sufficient time to adapt, negotiate new arrangements, and maintain service diversity. This transition phase is designed to safeguard competition and prevent any decline in consumer choice as regulatory obligations are lifted.

The market has continued to undergo notable transformation in recent years, as evident from comparisons between the 2025 MCA consultation and the preceding one published in 2023. There has been a broad improvement in pricing structures, marked by increasingly prevalent discounts on bundled offerings and more competitive prices for plans delivering significantly higher download and upload speeds than those available just a few years ago (see MCA response to Epic claims on pricing matters in Section 3.6.3). The expanded availability of gigabit-speed broadband plans, combined with proactive promotional campaigns by operators, has delivered tangible benefits to end-users by expanding choice and affordability (see MCA response to Epic claims on pricing matters in Section 3.6.4). This enhanced plan diversity provides customers with greater flexibility to select services that better align with their specific needs, highlighting the market's adaptability in responding to competitive pressures and evolving consumer preferences.

The MCA is also of the view that Epic's arguments do not sufficiently consider the impact of existing commercial agreements, including both legacy and swap arrangements, as well as the regulatory environment that encourages operators to publish transparent reference wholesale offers and promotes infrastructure-based competition. In this regard, the MCA takes note of Melita's statement in response to the MCA 2025 Consultation on being "*open to publishing a reference offer...only where there is clear and concrete interest from a third party in obtaining wholesale access*". (see p.2; first paragraph). GO also relays a similar message, whereby it states that "*GO remains open to offering Epic access on commercial terms even once the obligations mandated on GO are lifted, on the understanding that discussions are carried out in a fair and constructive spirit*" and that "*GO has offered to extend the existing VULA agreement for an interim period until a commercial arrangement is reached*". (see p. 6; Section 6.1.3 of GO's response to MCA Consultation). Hence, the MCA's decision to withdraw *ex ante* regulation, while introducing a sunset period to ensure a structured transition, underscores its confidence in the market's maturation and competitive dynamics.

3.6.3 Claims of high prices and rising costs

Epic claims that the MCA's evaluation on prices is "*flawed…with undue emphasis on infrastructure and speed upgrades, and a failure to critically assess affordability is a core indicator of market competitiveness*" and "*superficial*" as it focuses "*on short-term promotional offers and speculative future developments, while overlooking actual customer perceptions and long-term pricing trends.*" (see p. 22; para. 41{ii} and {iii} of Epic's response to MCA Consultation). In addition, Epic states that "…*service upgrades have often come with forced migrations to higher-cost plans rather than genuine price competition.*" (see p. 30; para. 57 of Epic's response to MCA Consultation).

These claims on high prices overlooks the fact that the MCA's assessment explicitly addresses retail pricing trends in detail. The MCA has acknowledged that, in certain cases, Maltese broadband prices have remained slightly above the EU average. However, the overall price analysis is carried out in the context of broader competitive developments. The following sub-sections further elaborate on the MCA's rationale outlined in its 2025 WFA Consultation.

3.6.3.1 Overall price competition and value for money

Data presented in this analysis show that consumers in Malta have been receiving progressively better value for money, with prices per Mbps falling over recent years due to rising speeds and improved service quality. Infrastructure-based competition, particularly the expansion of gigabit-capable networks, has driven operators, including Epic itself, to introduce aggressive price promotions, higher-speed packages at no extra cost, and more diversified bundles. This has resulted in greater choice and tangible consumer benefits beyond simple nominal price comparisons.

Furthermore, the MCA's evidence indicates that the combination of three infrastructure-based operators, widespread fibre coverage, and competing bundles has created a dynamic retail environment where no single player can act independently of competitive pressures. In this environment, price competition is supplemented by non-price factors such as speed, reliability, and value-added services, all of which have improved to the benefit of consumers. Of significance are the following:

- Entry-level prices typically remain closely clustered and largely unchanged when download and upload speeds improve. In fact, the general occurrence is for newly introduced plans with higher speeds to feature largely similar prices that applied for lower speed plans. The lowest monthly access fee offered by Melita for a fixed broadband connection on a 24-month contract was €19.99 (including VAT) for a 30Mbps plan in September 2021. By September 2025, this same lowest price point of €19.99 applies, but now for a much faster 100Mbps plan, reflecting a material increase in speed at no additional cost to the consumer.

- For gigabit broadband plans in bundles on 24-month contracts, the offered monthly access fees in September 2021 ranged from €40.99 (Melita), to €41.99 (Epic), up to €48.49 (GO). By September 2025, Melita's stand-alone gigabit plan (introduced in December 2023) was priced at €36.99 per month, lower than its bundled offering. Meanwhile both Melita and GO now offer bundled gigabit plans for €40.99 per month. This means that GO reduced its monthly fee for gigabit bundles from €48.49 in 2021 to €40.99 in 2025, marking a notable drop in charges for the fastest connections. Further value is evident in the increased promotional flexibility. As of June 2025, new clients subscribing to a gigabit plan with GO or Melita benefit from deep discounts, specifically, a zero-fee period for the first six months of the contract, providing effectively free access for half a year before the normal monthly charges are applied. This promotional offer amplifies affordability and access, especially for consumers seeking high-speed plans.

- The market for fixed broadband in Malta continued to diversify over the past years and months, with new gigabit offers and high-speed plans introduced by Epic and Melita. Epic provides gigabit broadband on both 24-month and 12-month contracts (the latter introduced in June 2025) and offers a 2000Mbps plan in areas with its own fibre

network, expanding consumer flexibility and speed options. In all cases, a reduced monthly access fee applies for the first six months of subscription. Epic's flexible contract options for gigabit speeds, and the availability of 2000Mbps service in its fibre footprint, enhance consumer choice and exert competitive pricing pressure on other operators. Melita has launched a 2500Mbps plan at a monthly fee of €45.99 in June 2025. This is a more competitive price compared to its 1200Mbps plan, which cost €50.49 in September 2021. This change exemplifies cost reductions and improved value in the premium segment, also reflecting intensified market competition.

- The latest Consumer Perceptions Survey from 2025 reveals a marked shift in reported monthly fixed broadband expenditures from the higher spending ranges toward the *€20.00-€29.99* range. In fact, the share of respondents reporting monthly expenditures within the latter category rose from 9% in 2022 to 38% in 2025. A notable share increase in respondents was also observed for the least spending bracket not exceeding €19.99 per month. This trend shifting away from higher spending brackets suggests that consumers have found ways to reduce the actual prices paid for the service.

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Service demands have increased over time, alongside changing benchmarks for value or the normalization of higher-speed packages. Meanwhile, cost sensitivity may have heightened, even though the real prices paid have, in fact, trended downward. Overall, the MCA considers that, despite increased cost sensitivity, the downward trend in reported real expenditure indicates intensified price competition among Maltese broadband providers and a corresponding improvement in value for money.

The above aligns with the MCA's broader findings that Maltese fixed broadband prices, including promotional pricing and value-enhancing service innovations, have become more competitive and accessible over time, driven by intensified market competition and infrastructure investment among the main providers GO, Melita, and Epic. The increased affordability is reflected in a competitive landscape where extensive network rollout and diverse product offerings continue to benefit end-users, particularly in terms of falling rates per Mbps of download speed.

Overall, the MCA considers that the observed consumer expenditure pattern underscores the evolving balance between price competition and service value in Malta's broadband market, supporting the emerging view of a maturing, more competitive retail broadband environment.

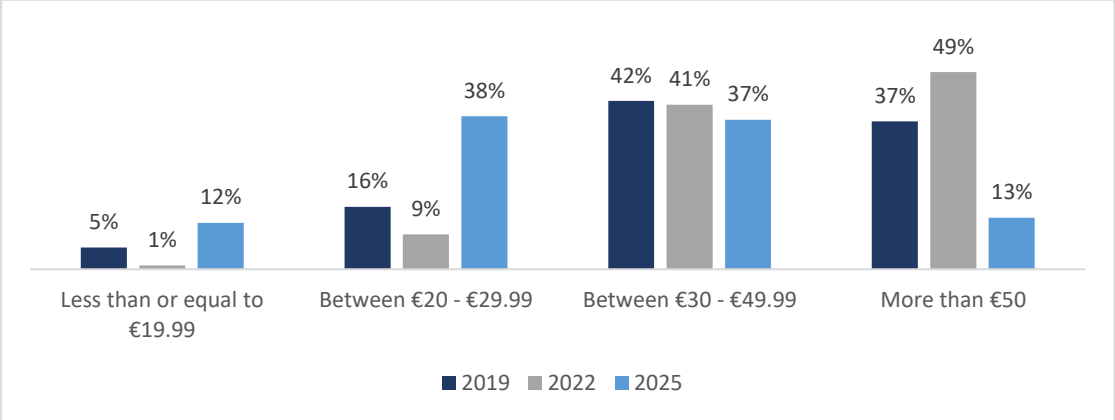

Chart 1: Average monthly expenditure on fixed broadband[55]

The MCA concludes that the overall trajectory for fixed broadband prices in Malta is positive and aligns with the finding of a market that is tending towards effective competition. This notwithstanding, the MCA has made it clear in its analysis that there is always room for further improvement. However, recent competitive developments, such as the accelerated rollout of FTTH, increased infrastructure investments by all three main operators, and the introduction of higher speed plans, bundled offers, and promotional pricing, are progressively addressing many of these concerns. This ultimately resulted in improved value for money and declining costs per Mbps for end-users. These advancements in actual pricing trends indicate that market forces increasingly encourage providers to improve both speed and reliability, with ongoing competition and adaptive regulatory oversight expected within this area.

3.6.3.2 Migration of existing clients

Of note is the practice upheld by some established operators to migrate existing clients to higher-speed plans. The MCA's regulatory oversight allows consumers to retain the right to terminate their contracts without penalty and seek alternatives, should any price increases adversely affect affordability. This is supported by MCA regulations that require providers to notify end-users of contractual changes at least 30 calendar days in advance in a clear

[55] Source: https://www.mca.org.mt/sites/default/files/pageattachments/MCA%20CPS%202025%20Survey%20Findings%20for%20Fixed%20Internet%20Presentation.pdf

manner, providing them the possibility to rescind the contract without penalties during the 30 calendar day notice period. [56]

Furthermore, when it concerns affordability, the MCA considers that relevant considerations on this matter need to extend beyond headline prices or isolated offerings and considers the frequent availability of promotional discounts, which ultimately translate into lower expenditures for many consumers. This is particularly relevant for Gigabit-speed packages, where operators actively compete through bundled offers that enhance value for end-users. Importantly, additional fees such as installation charges have remained stable over many years, with installation often provided free of charge for customers entering into typical two-year contract agreements.

3.6.3.3 International price benchmarking

On the international pricing front, the MCA 2025 consultation referred to a report published by the European Commission on international benchmarking for fixed broadband prices across the EU (see p. 48; Section 3.4.2 of the MCA 2025 Consultation). This report is titled "Mobile and Fixed Broadband Prices in Europe 2022", conducted for the European Commission's Directorate-General for Communications Networks, Content & Technology. The report indicates that, in 2022, Malta had a relatively high proportion of offers within the more expensive price clusters compared to other EU countries. On a general level, the report states that Malta's fixed broadband prices benchmarked above the EU average.

The MCA acknowledges that such a report serves as a useful tool for evaluating price competition, as it allows for a comparative analysis of broadband pricing strategies across different countries and how Malta fares in comparison. With such comparisons, one can gauge whether local operators are maintaining competitive pricing or if there is room for improvement. However, it is essential to consider that benchmarking data should be interpreted with nuance, as it is often subject to various contextual factors. Additionally, caution is warranted when the data presented is not the latest available for the market.

Epic's response to the MCA 2025 consultation referenced this report, but did not fully acknowledge that, despite the report's valid findings, its figures must be interpreted with caution before drawing conclusions about recent market developments. More specifically,

[56] The MCA has introduced regulatory provisions that grant consumers the right to terminate their contracts without incurring early termination fees where such termination arises from contractual changes. In practice, this means that if an end-user has subscribed to a service (for example, a fixed broadband plan) and the provider subsequently proposes a modification to the contractual price, the end-user may withdraw from the contract without any financial penalty.

Service providers are required to notify end-users of any proposed changes to their contractual terms at least thirty (30) calendar days in advance. Such notification must be communicated in a clear and comprehensible manner and delivered on a durable medium. For further details, reference should be made to the relevant MCA publication and decision:

https://www.mca.org.mt/sites/default/files/Decision%20Notice%20-%20Contracts%2C%20Transparency%20and%20Termination%20of%20Services.pdf

Epic states that the finding of Malta's fixed broadband prices above EU average is "*a sign of persistent rigidity*" (see p. 35; para. 72 of Epic's response to MCA Consultation) and that "*the Maltese fixed broadband market can in no way be deemed to be competitive in terms of pricing*" (see p. 35; para. 73 of Epic's response to MCA Consultation). However, the MCA 2025 Consultation and this Decision document clearly highlight on substantial progress in fixed broadband product diversity and pricing over the past months and years. Notably, there has been a marked increase in available data connectivity speeds - both download and upload - which are now offered at price points that would have been unattainable for broadband products several years ago.

Even the MCA's own 2023 analysis on wholesale physical and virtual infrastructure access is now somewhat outdated when it comes to pricing matters, particularly considering pivotal market shifts observed following publication. For example:

- Melita introduced a 150Mbps entry-level bundle (including TV and fixed telephony) in September 2023 at a price previously reserved for the 150Mbps plan purchased standalone, then upgraded this bundle's download speed to 250Mbps in September 2024 with no price increase. The same plan remains available to date. Additionally, Melita launched a stand-alone 1Gbps plan in December 2023 while maintaining the 100Mbps entry-level option.

- GO also refreshed its product lineup, phasing out the 100Mbps entry-level bundle and introducing a 300Mbps bundle (with TV and fixed telephony) at nearly unchanged prices, thereby enhancing the overall value proposition.

- Epic followed suit in June 2025 by upgrading its entry-level plan, even after having previously implemented substantial discounts on monthly access fees for its plans, which were quickly matched by the established providers.

Meanwhile, it is also of note that the European Commission published a report on the 20th of October 2025 titled 'Mobile and fixed broadband price is Europe in 2023: Insights into the European Broadband Market'.[57] This report underlines that "*Compared to 2022, prices in Malta fell significantly in 2023 (34%) with decreasing prices in all baskets. Double Play was 46% less expensive, followed by Single Play (31%) and Triple Play (25%).*"

The afore-mentioned developments collectively illustrate a market trend toward faster speeds and improved value at consistent price points, confirming that conclusions based solely on historic analysis should be reconsidered in light of dynamic and ongoing improvements within Malta's broadband sector.

[57] Link to EU Commission Report: https://digital-strategy.ec.europa.eu/en/library/mobile-and-fixed-broadband-price-europe-2023-insights-european-broadband-market

The positive developments in retail fixed broadband pricing in Malta are clearly the result of sustained market changes over several years, indicating that improvements correspond to lasting reductions and, where price increases have occurred, these are associated with enhanced value for consumers without negatively impacting on affordability. The MCA assesses that the generally downward trend and growing promotional flexibility in prices alongside the launch of new offers, were especially evident since September 2023. These changes reflect authentic competitive responses, driven primarily by intensifying market pressures among operators, with benefits passed on to end-users, rather than simply the result of regulatory mandates. The MCA nonetheless looks forward to a scenario where Malta's fixed broadband prices benchmark below the EU27 average. Given the observed market outcomes to date, the MCA considers that that outcome is attainable within the timeframe of this review.

The MCA explicitly clarified that international benchmarking should not be considered in isolation when assessing market competitiveness. Instead, as stated on page 49 of Section 3.4.2 of the 2025 Consultation, the MCA emphasized that "*pricing trends in Malta should be viewed as part of a broader narrative of market evolution*," highlighting the importance of a comprehensive, multi-dimensional approach. In its 2025 Consultation and this document, the MCA applied this principle by conducting a detailed analysis of metrics like service quality, consumer choice, and affordability to gauge the effective level of competition in Malta's retail broadband market.

3.6.3.4 Concluding consideration

Taken together, the considerations highlighted above point to a market that is increasingly responsive to consumer needs and competitive dynamics, with no evidence of rising overall consumer costs. This directly contradicts Epic's assertions regarding adverse price developments, as the data reveals a clear and consistent trend of improving value for money, marked by declining prices relative to service quality and the continual expansion of high-speed broadband availability across Malta. The strengthening of competitive pressures and ongoing enhancements in pricing strategies further reinforce the positive trajectory of the Maltese broadband market.

3.6.4 Claims of lacking product diversity

Epic claims that "*…there is no evidence that product diversity has improved over the recent years…recent speed upgrades have further constrained customer options by reducing the availability of lower-priced, lower-speed tariffs.*" (see p. 52; para. 119 of Epic's response to MCA Consultation). Epic also adds that "*…these unwarranted speed increases by operators have instead reduced customer choice, limiting the availability of lower-priced tariffs with lower-speed options and thereby restricting flexibility in the market.*" (see p. 49; para. 109 of Epic's response to MCA Consultation).

The MCA however considers that these assertions do not align with the evidence. The MCA's latest analysis shows that Malta's retail fixed broadband market features three operators

actively competing in this segment, with a variety of gigabit-capable network offerings, bundle options, and promotional packages.

The MCA's 2025 consultation document outlines a number of reasons as to why the presence of multiple operators contributes to improved market competitive outcomes, even in terms of product diversity. The main observations are reiterated hereunder:

- New fixed broadband plans with higher download speed tiers have been introduced, even within inclusive bundle offers that also include free TV streams. This change materialised alongside substantial promotional flexibility promoted by operators, by way of discounts and introductory offers (e.g. in terms of free or heavily discounted first six months on several plans, particularly gigabit plans).

- Contractual diversity is another feature of the current product line-up. In this respect, product pricing is flexible, with options for 24-month contracts or month-on-month payment and bundled vs. standalone offers. Overall, the market is characterised by a range of choices, service quality improvements, and pricing flexibility for end-users, which ensures not just technical but also commercial service diversity.

- Retail product diversity has evolved alongside a substantial increase in fast and ultra-fast broadband adoption. The Maltese fixed broadband market has seen a marked increase in fast (100Mbps+) and ultra-fast connections, now accounting for over 90% of the subscriber base. This transformation is largely driven by operators upgrading networks and migrating existing users to faster speeds, frequently with only a minimal change in price.

- Broadband customers now receive substantially higher value in terms of bandwidth for the same price or, in some instances, at even lower prices, such as for gigabit plans (as outlined in sub-section 3.6.2 above).

- While lower-speed standalone tariffs have become less prevalent, bundling options (e.g. month-on-month vs. contract, TV/telephony additions, residential vs. business plans) have increased, offering households various ways to personalize their connectivity. Discounting, promotional offers, and flexible contracts have expanded, catering to diverse consumer needs and price sensitivities rather than constraining choice. In any case, the MCA remains of the view that, whilst noting some progress in this area, more products offered stand-alone could further enhance competition.

Service diversity varies across market segments, and there are opportunities to improve the availability of stand-alone broadband offers. Nonetheless, recent market developments illustrate a notable expansion in consumer choice compared to prior assessments, with more flexible contract lengths and faster speeds widely available and improving accessibility of gigabit and multi-gigabit connections versus prior years.

Operators also compete not just on speed but on also value, whilst also having to abide to regulatory oversight when it comes to contract terms as well. Existent regulatory safeguards are particularly important in this respect, as they allow existing clients to terminate their contracts within 30 days without any termination fee penalties if the proposed changes by their operator are unjustified or adversely affect the subscriber (as detailed in Section 3.6.3 of this document). The regulatory safeguards reinforce consumer autonomy and, combined with the current competitive pressure from the presence of three operators in the market, enable consumers to switch providers without facing undue burdens. The overall market and regulatory dynamics ensure that speed upgrades by operators provide real competitive advantages to consumers, rather than simply serving to increase operator revenues or restrict consumer choice. Within this context, the MCA does not concur with Epic's statement that "…*these upgrades are often used as a commercial tool to drive higher revenues while simultaneously limiting consumer choice.*" (see p. 33; para. 63 of Epic's response to MCA Consultation).

The market benefits from multiple parallel high-capacity infrastructures and sustained, substantial network investments. These investments have expanded service offerings and driven technological innovation. Overall, this analysis shows that the market is effectively delivering product diversity in a competitive manner to end-users.

Epic's evaluation that '…*there is no evidence that product diversity has improved over the recent years*' (see p. 51; para. 119 of Epic's response to MCA Consultation) is incorrect. The MCA reiterates that broadband speeds offered in Malta have significantly increased, with entry-level plans now offering much higher speeds at prices comparable to those applicable in the past for much slower plans. Notably, the cost of gigabit broadband plans, especially in bundled offers, has decreased substantially. Moreover, operators continue to implement competitive promotional pricing, including extensive introductory discounts, which benefits the consumer by improving accessibility and affordability. The overall pricing trend reflects intensified competition, especially since 2021, the year coinciding with Epic's launch of its FTTH network and the commercial launch of its offers on this network.

3.6.5 Claim of minimal consumer switching

The MCA recognises that some consumer concerns remain regarding service quality and satisfaction levels. However, these issues have not translated into an inability of consumers to switch or into a lack of competitive dynamics. On the contrary, the evidence shows that competition intensified with multiple high-capacity infrastructures and three competing operators. This situation provides the necessary platform for competitive discipline, ensuring that competition continues to evolve positively as operators actively compete for customers through price promotions, bundled discounts, and gigabit-capable offers.

Epic also attributes what it describes as "*minimal consumer switching*" to the prevalence of bundled offers, arguing that "*the MCA fails to assess the role of bundling altogether, despite its well-documented impact on consumer inertia and limited switching*." (see p. 7; para. 9{ii} of Epic's response to the MCA consultation).

The MCA, however, disagrees with this interpretation. Bundling was explicitly assessed as part of the market analysis, with careful consideration of its central role in shaping consumer behaviour and competitive dynamics. More specifically, the following aspects are relevant to underline:

- The evidence assessed in the MCA's market analysis indicates that the impact of bundling on competition has not been detrimental. Established operators such as GO and Melita have long used bundling as part of their commercial strategy, yet this has not prevented the third entrant and alternative operator from competing effectively on the price and product features, within the same product category.

- Epic actively promotes discounts on fixed-mobile bundles, illustrating that bundling is not exclusively a tactic used by incumbents to maintain dominance, but rather a competitive strategy accessible to all market players to attract switchers and acquire new customers.

The MCA's analysis does however recognise that bundles can create some inertia in switching behaviour, as customers may prefer to keep multiple services under one provider. However, the persistence of parallel high-capacity infrastructures, the availability of wholesale access remedies until now, and the active participation of Epic show that bundling has not foreclosed opportunities for new entrants. On the contrary, competition at the retail level continues to deliver tangible consumer benefits, including falling unit prices (in terms of rates per Mbps), rising broadband speeds, and wider consumer choice.

The MCA also considers that a large portion of customers are already served by high-quality, gigabit-capable networks. This can lead to lower switching frequency, but on the other hand market outcomes clearly indicate that competitive pressure is actively materialising as the third entrant, Epic, gradually builds market share. This ultimately goes to show that consumers can respond to these offers when it is in their interest to do so. It is also relevant to underline that as service levels and product value improve across providers, the incentive to switch is reduced. Notwithstanding the above, the MCA notes that its latest consumer perceptions survey shows that the share of respondents switching provider in the two years prior to the survey increased from 6% in 2022 to 8% in 2025.[58] As for switching considerations in the event of a 10% increase in price, 43% of respondents in the 2025 survey say they would consider switching, less than 49% in 2022, but nonetheless still above 36% reported in the 2019 survey. At the same time, even the share of respondents saying they would not switch was down from 27% to 24%.

[58] Link to the 2025 MCA Consumer Perceptions Survey: https://www.mca.org.mt/sites/default/files/pageattachments/MCA%20CPS%202025%20Survey%20Findings%20for%20Fixed%20Internet%20Presentation.pdf

In this context, the MCA reiterates that consumer switching behaviour has improved, especially following Epic's rollout of its own FTTH network. This improvement is fully considered in the current market analysis. In this respect, the evidence does not substantiate Epic's assertion that this improvement constitutes structural barriers to competition. Instead, it reflects the diverse strategies and competitive differentiation employed by all three fixed broadband operators in Malta, namely GO, Melita, and Epic. This competitive dynamic provides ample opportunity for alternative operators to expand their market presence and effectively capture consumer demand. The availability of a range of broadband offers from these three operators, supported by infrastructure investments and price competition, strengthens retail customers' bargaining power and sustains robust competitive pressure within the market. Notwithstanding, the MCA continues to monitor to ensure that bundling and any potential for switching barriers do not develop into competition concerns.

3.6.6 Claims on ARPU trends as a sign of ineffective competition

While Epic cites rising ARPUs as evidence of market failure, the MCA considers this interpretation overly simplistic. ARPUs can increase for a variety of reasons that reflect positive developments in the market rather than anti-competitive behaviour. For instance, the recent increase in ARPUs in Malta coincides with:

- Upgraded network infrastructure and gigabit-capable offerings, which represent significant investment by operators and deliver higher value to consumers.
- Introduction of higher-tier packages and bundled services, with Gigabit offers largely chosen voluntarily by consumers seeking enhanced performance, speed, or convenience.
- Greater adoption of premium services, reflecting consumer demand for improved features rather than a lack of competitive alternatives.

Moreover, ARPU growth does not occur in isolation. Such growth must be considered alongside consumer switching behaviour, market entry of new operators, and the breadth of available offers. Evidence shows that consumers can and do respond to competitive pressures, with operators adjusting promotions, bundles, and service levels accordingly.

This means that the observed ARPU trends for the past years are not an indication of market power by Melita and GO or lack of competitive pressure as alluded by Epic (see respectively p. 42; para. 87 and p. 41; para. 85 of Epic's response to the MCA consultation). Nor does the MCA consider that an increase in ARPU happens "*potentially at the expense of consumer welfare and genuine competition*" as implied by Epic (see p. 42; para. 87 of Epic's response to the MCA consultation). The MCA has already explained in detail - in Sections 3.6.3 and 3.6.4 of this document - that customer choice and product diversity improved in recent years and that price competition strengthened in view of increased competition dynamics.

The observed ARPU trajectories reflects a maturing market where operators successfully balance investments in network upgrades and service innovation with competitive pricing strategies. The sustained ARPU growth among Melita and GO coincides with increased

availability of higher-value broadband packages, bundled service options, and wider Gigabit connectivity, which collectively drive enhanced consumer choice and satisfaction. Moreover, the presence of Epic as a disruptive entrant has intensified competitive dynamics, fostering innovation and promotional activities that ultimately benefit end-users.

Meanwhile, Epic's lower ARPU can be attributed to this operator's aggressive promotional strategies and introductory pricing, aimed at building market share and disrupting the established operators. Such a strategy is typical for a new entrant focused on market penetration rather than immediate revenue maximization. Over time, however, Epic's ARPU has shown signs of recovery and growth, indicating a gradual shift from aggressive entry pricing towards more stable and sustainable revenue levels per user. This trend can be aligned with the broader market dynamics, where new entrants often experience initial lower ARPU but can increase revenues as their customer base matures and promotional discounts phase out.

These developments in ARPU align with the MCA's broader assessment that competition in the Maltese fixed broadband market has strengthened, rather than weakened, in recent years and therefore ties the data back to consumer benefits and competition as analysed by the MCA.

3.6.7 MCA's overall considerations

Continued investment in new infrastructure, the emergence of differentiated offers, and evidence of responsive consumer behaviour collectively demonstrate that competition is effective and delivering benefits to end-users. This positive trajectory of competition, combined with the demonstrated ability of alternative operators to innovate and win customers, even against established operators, supports the conclusion that wholesale SMP regulation in the fixed broadband access market is no longer proportionate.

The assessment at a wholesale level, which is elaborated upon further down in this report, finds no signs of market foreclosure. Retail and wholesale findings collectively indicate that the withdrawal of wholesale SMP regulation is therefore a proportionate response to current market realities, not a departure from regulatory norms, and is backed by safeguards to protect consumers if conditions change. Furthermore, the competitive landscape is characterised by at least two infrastructure-based operators with significant market presence and the availability of wholesale access options through commercial agreements, which are expected to continue supporting service-based competition.

Also, contrary to Epic's stated concerns on the MCA's regulatory approach (see p.21; para. 38 of Epic's response to MCA Consultation), the MCA is not removing all regulatory safeguards. Oversight will remain through symmetric regulation under Article 61(3) EECC, infrastructure-sharing facilitation (including under the Gigabit Infrastructure Act replacing the Broadband Cost Reduction Directive), and a 24-month transition period, ensuring a smooth and monitored adjustment. Targeted monitoring and existing symmetric tools remain available

should future developments warrant intervention, ensuring that consumer benefits are preserved without imposing unnecessary regulatory burdens.

The MCA's approach is therefore a calibrated, evidence-led decision that preserves the ability to intervene should competitive conditions deteriorate, while avoiding unnecessary regulatory burdens in a market that has demonstrably evolved beyond the need for *ex ante* SMP obligations. It also supports long-term investment, innovation, and consumer benefit in the Maltese market.

4 Wholesale Market Definition

This Section defines the relevant wholesale market associated with the provision of retail fixed broadband services in Malta. The process involves identifying a focal product and applying an HMT to assess whether alternative products could serve as substitutes and therefore be included within the same market as the focal product.

4.1 Wholesale local access (2020 EC Recommendation)

According to the 2020 EC Recommendation on Relevant Markets, WLA remains identified as a market susceptible to *ex ante* regulation at the EU level. This creates a presumption in favour of continued regulation of WLA, considering that the market was also listed in the preceding 2014 EC Recommendation on relevant markets.

The Recommendation defines the WLA market as including access products – both physical and virtual - that facilitate the transmission of internet and related data services. The potential impact of access to alternative platforms, such as cable networks, is considered relevant for competition in the retail broadband market and it is therefore recommended that it is taken into account.

The EC Explanatory Note provides detailed guidance on the types of access products that may be included in the WLA market. The EC Explanatory Note specifies that the market encompasses both '*physical access products as well as those virtual access products that mimic the capabilities of physical access (VULA), enabling the transmission of internet and related data services*.' Physical access is considered as a direct physical connection between the end-user and the network provider, typically facilitated through mediums such as copper wires, fibre-optic cables, or coaxial cables. Virtual access, in contrast, enables a connection without requiring the end-user to be directly linked to the operator's physical infrastructure.

The EC Explanatory Note adds that '*virtual access products may be designed in a way that they display similar or equal product features, regardless of the location of the handover point for access. Therefore, it could be technically possible to provide wholesale broadband access at central or local level with comparable quality of service from both the access seeker and the end-user perspectives. In particular, the characteristics of high-quality virtual access products provided at central level could be made equivalent to those of VULA, allowing access seekers to provide similar retail services based on either product*.'

The EC Explanatory Note further reflects the ongoing technological shift from traditional copper-based access methods, such as LLU and SLU, to fibre-based technologies, including fibre to the home/building (FTTH), fibre to the home/building (FTTB), and fibre to the cabinet (FTTC/VDSL). These fibre-based solutions are increasingly viewed as effective substitutes for legacy systems. However, the EC Explanatory Note also acknowledges that fibre deployment is not yet complete in all areas. The readiness of different markets for full fibre adoption is therefore deemed a relevant consideration.

4.2 The relevant wholesale market

The market definition identifies the focal product that underpins the wholesale market under investigation. This process involves assessing both demand-side and supply-side substitutability among various products and services that may be included in the market's scope.

The substitutability assessment is carried out using the HMT approach, which adheres to the principles set forth in the EC SMP Guidelines. Furthermore, the analysis incorporates an examination of indirect retail constraints arising from downstream markets to assess their influence on the WLA market and ensure a comprehensive understanding of market dynamics.

For the substitutability analysis, the MCA focuses on the wholesale fixed access elements currently utilized in Malta to deliver retail fixed broadband services. This is because demand for wholesale fixed access services is intrinsically tied to the demand for retail fixed broadband services in the downstream market.

4.2.1 Access capabilities of technologies in use

Malta's primary fixed broadband technologies include GO's FTTC network encompassing the copper access line element, extensive FTTH/B deployments by GO, smaller-scale FTTH deployments by Epic and Melita, and Melita's DOCSIS 3.1 cable infrastructure.

4.2.1.1 The copper network

GO’s copper network can theoretically allow for wholesale unbundled access to the local loop and sub-loop. LLU entails providing access to the copper wire pair link that connects the Local Exchange (hereafter “LE”) to the customer premises, with the handover occurring at the Main Distribution Frame (hereafter “MDF”) located within the LE. Alternatively, sub-loop unbundling involves unbundling the copper line at the cabinet level (as in the case of FTTC), offering a shorter loop length that can facilitate higher speeds for end users.

GO’s FTTC infrastructure is based in part on legacy copper wire pairs, but the bandwidth is enhanced (compared with basic broadband offers based on ADSL) through deploying VDSL (very high-speed digital subscriber line) active equipment and, in most cases, by shortening the copper access line, so that it is used only between the end-customer and street cabinet. DSLAMs are then installed in the street cabinets and are connected by fibre links to the Local Exchange locations, thus giving this network topology its name.

GO’s copper network has not been upgraded with the latest available vectoring technologies, which means that the service does not meet the requirements of end-users in a Gigabit environment.

4.2.1.2 The fibre networks

Three operators currently operate a fibre network, namely GO, Melita and Epic.

GO's fibre network covers 97.5% of dwellings in Malta, while the fibre networks deployed by Melita and Epic have a smaller reach. Epic claims it has halted its FTTH deployment in 2024 and reportedly even beyond, with coverage of around 7% of dwellings in Malta. Melita's statements on FTTH deployment outline that this project is ongoing. This operator's FTTH coverage reached circa 7% of dwellings in Malta by the end of the relevant MCA consultation to this Decision, but which increased to circa 11% since then. All these deployments, categorized as Fibre to the Home (FTTH), involve fibre optic cables extending directly to residences. GO, Melita and Epic utilize a Point-to-MultiPoint (PtMP) FTTH network design. It is based on GPON (Gigabit Passive Optical Network) technology. In this configuration, multiple fibres - typically between 32 and 128 - converge at an intermediate splitter. This splitter aggregates upstream optical signals onto a single feeder fibre connected to the optical distribution frame (ODF) and evenly distributes downstream signals to the drop fibres leading to individual end-users. Unlike a Point-to-Point (P2P) fibre topology, PtMP does not facilitate unrestricted or "transparent" fibre access.

Physical unbundling can also be theoretically applied to fibre networks. However, this requires specific architectural solutions "designed in" at the outset of the deployment of an FTTH network (possibly as a result of regulation or commercial decisions). Since all Maltese fibre networks use the PtMP GPON architecture, then it is not technically feasible nor economically viable to enable physical unbundling over Malta's FTTH networks.[59]

On the other hand, FTTH networks deployed in Malta support the provision of FTTx VULA. VULA operates as a Layer 2 access solution that leverages advanced virtualization technologies, such as Network Functions Virtualization (NFV) and Software-Defined Networking (SDN). Its technical conditions and characteristics are designed to replicate the functionalities of physical access, ensuring comparable capabilities for operators. VULA enables wholesale customers to exercise the same level of control over end-user services as Optical Distribution Frame (ODF) access, particularly regarding internet speeds and other product features. This capability allows VULA to effectively meet the growing demand for

[59] Similar to many other European countries, Point-to-Point (PtP) architectures are not utilized for mass-market broadband services in Malta. Instead, local operators have adopted FTTH PtMP GPON-based architectures. According to a study conducted by WIK Consult in 2021 on behalf of the MCA, physical unbundling in an FTTH PtMP PON network could theoretically be achieved by implementing specific network modifications. This would involve deploying a sufficient number of feeder fibres from the MDF to splitter locations, collocating splitters for each access seeker, and connecting end-user fibres to the designated splitters, resembling the approach used for sub-loop unbundling.

Such a reconfiguration of the network topology would allow access seekers to replicate the split network. Additionally, feeder fibres could facilitate dedicated Point-to-Point (PtP) connections for business customers, enabling significantly higher capacities (up to 100 Gbps) than those currently provided by GPON technologies. Since Malta's FTTH networks exhibit PtMP topological characteristics, then they do not permit local ODF access by wholesale customers. This is due to the limited space at the appropriate local network access point to allow for colocation of equipment by customers.

Gigabit-speed broadband services. In Malta, GO is the only operator that provides FTTx VULA to third-party operators. This VULA service is currently offered as a regulated product to Epic, rather than being based on a commercially negotiated agreement. All operators utilize FTTx VULA for self-supply to deliver retail broadband FTTH services to their customers.

Bitstream access is another form of wholesale access that may be offered over fibre, either at Layer 2 or Layer 3 of the OSI (Open Systems Interconnection) model.[60] The layer at which Bitstream is offered affects the degree of flexibility for the access seeker. Layer 2 is a link layer protocol according to the Ethernet standards (IEEE 802.3). It involves communication from network node to network node, addressing concrete network components through so called MAC-Addresses, hard or soft coded in the hardware. Layer 3 Internet Protocol (IP) is a network protocol which addresses the communication partners directly end-to-end at both edges of a network. It thus establishes communication relations over the connected network nodes end-to-end, by means of IP-Addresses. These addresses are allocated to the network nodes on a logical (software) level. It is considered that Layer 2 (Ethernet) Bitstream access has a greater potential since it addresses the physical layer and controls its transmission characteristics.

4.2.1.3 The cable network

Melita has deployed a cable broadband network using the latest DOCSIS 3.1 technology. This hybrid network provides nearly full coverage of Maltese households. It combines fibre links connecting central sites (including the TV-signal Headend and Cable Modem Termination System, or CMTS) with coaxial copper cables extending from local fibre nodes to customers' premises. Both the fibre and coaxial components are shared among end-users, with access managed by the CMTS and customer-side cable modems.

DOCSIS 3.1, like earlier DOCSIS standards, exhibits significant asymmetry between downstream and upstream channels. Typically, upstream capacity is around 10% of downstream capacity.

Currently, the wholesale access that may be provided by Melita's cable network is limited to IP-Bitstream access with handover at the CMTS or higher network levels. Therefore, this network does not natively support Layer 2 (Ethernet) protocols, which are a step below the IP layer. While it might be theoretically possible to emulate Layer 2 VULA over DOCSIS 3.1, these methods are untested and would likely compromise end-user capacity. This would further limit their practicality. DOCSIS 4.0 could address this limitation by enabling full-duplex capabilities and unconstrained upstream capacity. However, Melita's ability to deploy FTTH nationwide in Malta within the timeframe of this market analysis remains uncertain. The MCA therefore considers that IP-Bitstream access over cable in Malta does not meet the definitions

[60] According to the study carried out by WIK Consult in 2021 on behalf of the MCA, '*As defined in the context of the 2014 EC Relevant Market Recommendation, bitstream is handed over at regional or central level. Its quality is best effort, and thus no specific level of Quality of Service (QoS) is defined.*'

of VULA or "Light VULA" as outlined in the BEREC or the EC's 2014 Recommendation on Relevant Markets. Instead, this wholesale service remains a "best effort" service.

Furthermore, the physical unbundling of the coaxial cable segment is not feasible due to its single-wire design shared by multiple users. While unbundling might theoretically be considered in the segment between the fibre node and CMTS, significant technical and practical challenges hinder such an implementation.

4.2.2 Substitutability analysis

Given the considerations in sub-section 4.2.1, the MCA's analysis to define the relevant wholesale market considers LLU and SLU, wholesale FTTx VULA and wholesale bitstream access over fibre and cable DOCSIS.

As explained in the staff working document accompanying the Recommendation on Relevant Markets: *'virtual access products may be designed in a way that they display similar or equal product features, regardless of the location of the handover point for access. Therefore, it could be technically possible to provide wholesale broadband access at central or local level with comparable quality of service from both the access seeker and the end-user perspectives. In particular, the characteristics of high-quality virtual access products provided at central level could be made equivalent to those of VULA, allowing access seekers to provide similar retail services based on either product.'*

The MCA considers that one of the key advantages of FTTx VULA is that it enables access seekers to gain a high level of control and greater flexibility over their network traffic compared to traditional "best effort" bitstream offerings. This is because FTTx VULA provides access seekers with their own virtual Local Area Network (LAN), which therefore enables them to prioritize and route their network traffic as they see fit.

Moreover, FTTx VULA offers access seekers the ability to leverage a range of advanced network services such as QoS, multicast, and multicast VPNs, which can be customized to suit their unique business needs. This allows access seekers to offer advanced services to their end-users, such as high-quality video streaming and Voice over IP (VoIP) services.

In light of the above, the MCA considers that the wholesale focal product comprises FTTx VULA.

The next step is therefore to assess the substitutability of wholesale unbundled access and cable IP-Bitstream access with FTTx VULA.

4.2.2.1 Wholesale unbundled access to the sub-loop and local loop

GO provides wholesale unbundled access to the local loop for retail fixed broadband services over its copper network. However, this form of access is becoming significantly less relevant as GO migrates its legacy copper customers to its fibre network and as other operators expand their own fibre infrastructure.

Fibre networks represent an evolution from SLU, with FTTx VULA emerging as a more future-proof alternative. FTTx VULA offers access seekers, such as Epic, a flexible and customizable solution that leverages advanced virtualization technologies. It mimics the capabilities of physical access while enabling the provision of high-quality broadband services, essential for meeting the demands of a Gigabit-enabled environment.

In contrast, wholesale unbundled access to the local loop does not match the service quality, scalability, or flexibility of VULA, rendering it inadequate for meeting the demands of Gigabit connectivity. Regarding the potential implementation of a SSNIP by a hypothetical monopolist and the implications for substitutability, the MCA notes the following:

- In the event of a SSNIP by a hypothetical monopolist supplying SLU, a new entrant could feasibly switch to using LLU. However, the reverse substitution would not be viable due to the substantial investment required to implement SLU. Consequently, LLU and SLU are theoretically substitutable from a demand-side perspective, but only in one direction.[61]

- Also, in practice, LLU is not economically viable or practically feasible to adopt. As a result, substitutability for wholesale unbundled access in the event of a SSNIP for this kind of access is deemed effectively limited to a one-way shift toward FTTx VULA, particularly when considering developments in the retail market from the point of view of GO.

While the current limited dependence on pure copper services suggests that their inclusion or exclusion would have minimal impact on competitive analysis, the MCA deems it reasonable to include wholesale unbundled access within the relevant wholesale market. This inclusion largely reflects GO's use of its existing ADSL customer base as part of its strategy to drive fibre adoption.[62]

As is the case with FTTx VULA, wholesale IP-bitstream access over fibre may also be accessed at an aggregated level (at exchange level) or at a disaggregated level (at the location of the OLT). In addition, fibre-based bitstream may also support multicast functionalities. Hence, it is considered that wholesale bitstream access would be deemed equivalent to FTTx VULA from a demand-side perspective. This is because in a hypothetical scenario where the two products coexist a SSNIP implemented by a hypothetical monopolist would also be reflected at retail level and would in principle lead to switching such as to make the SSNIP for FTTx VULA unprofitable.

[61] Unbundled access to the sub-loop is a technological evolution of unbundled access to the local loop and network elements are similar. Therefore, an operator offering unbundled access to the local loop could also offer unbundled access to the sub-loop.

[62] Just 6.2% of retail fixed broadband clients as at end of September 2024 are accounted for by this technology. The respective figure as at end of June 2025 went down to 1.2%.

From a supply-side perspective, a wholesale provider with a fibre network would be in a position to switch between the two wholesale services sufficiently quickly such as to render a SSNIP implemented by a hypothetical monopolist unprofitable.

4.2.2.2 Wholesale access over cable

This section assesses whether Melita's IP-Bitstream access, with handover at the CMTS or higher network levels,[63] meets the service functionality criteria of FTTx VULA and whether the two wholesale access services can be considered sufficiently interchangeable or substitutable.

This analysis takes into account the fact that Melita's cable network has nationwide coverage. It is, therefore, a potential wholesale input capable of supporting retail broadband services across Malta. However, it should be noted that Melita has never voluntarily offered wholesale access to its cable network.

In this regard, the Recommendation on Relevant Markets (p. 18) suggests that: '*where there is no merchant market and where there is consumer harm at retail level, it is justifiable to construct a national market when potential demand exists. Here the implicit self-supply of this input by the incumbent should be taken into account … Alternative operators' self-supply should, in particular, be assessed when alternative operators' networks are included in the relevant market due to the strong direct pricing constraints they exert on the incumbent operator in the relevant market due to the strong direct pricing constraints they exert on the incumbent operator*'.

More specifically, the EC Explanatory Note to the Recommendation on Relevant Markets (p. 46), whereby it states that: '*Traditionally, while cable would be part of a broader market, it would likely not be part of a local broadband access market. Furthermore, in the absence of existing or potential cable-based wholesale access, provided at local level (e.g. VULA), NRAs could nevertheless assess indirect constraints stemming from cable retail offers and wholesale central offers (potential or actual) and include cable in the local access market based on indirect constraints.'*

In view of the above, the focus to determine the potential for substitution between cable-based IP-Bitstream access and FTTx VULA will be premised on three main parameters, namely: (i) the functional replicability in terms of the technical characteristics supported by each product; (ii) the possibility of the access seeker to migrate / switch between wholesale access services;

[63] It is not possible to implement physical unbundling of cable in Malta, given the shared nature of cable access. This is because unbundling a single line would imply unbundling a whole cluster of lines on the same optical node or coaxial amplifier. Indeed, whereas each customer line is dedicated between the central exchange and the end-user in the case of copper networks, all users on the same optical node / coaxial amplifier use the same physical cable.

and hence (iii) the extent of indirect constraints that self-supplied cable IP-Bitstream poses on the provision of FTTx VULA.

Functional replicability

DOCSIS 3.1 cable technology is primarily designed to support services over a Layer 3 protocol. In terms of access, Layer 3 is inherently less flexible than Layer 2, as defined in FTTx VULA. This reduced flexibility restricts the ability of wholesale access seekers to differentiate retail products in the same manner as they can with FTTx VULA.

Furthermore, wholesale cable IP-bitstream access supports retail broadband services characterized by a significant asymmetry between upstream and downstream capacities. Upstream capacity is typically around 10% of the downstream capacity, potentially limiting its ability to support applications requiring greater symmetry. While DOCSIS 4.0 could address these limitations by enabling full-duplex operation and maximizing the use of the coaxial cable spectrum - thus creating a VULA-equivalent solution - it remains uncertain whether such advancements will be implemented, especially given that the cable operator has already deployed FTTH in some areas.

From a demand-side perspective, the MCA finds that cable IP-bitstream access does not offer the same degree of flexibility and customization as FTTx VULA or other Layer 2 solutions. However, both FTTx VULA (a Layer 2 access product) and cable IP-bitstream (a Layer 3 access product) can provide national coverage through a single point of interconnection, enabling access seekers to deliver retail broadband products that are substitutable for FTTH broadband. This capability is supported by Malta's small geographic size and the extensive nationwide backhaul infrastructure established by Melita and by GO.[64]

On the supply side, the feasibility of Melita offering wholesale IP-bitstream access to third parties and/or upgrading its cable network to support VULA-like functionality depends on several factors. Chief among these is whether the wholesale price would cover the incremental costs of providing such access. For these offerings to be profitable, the costs of enabling wholesale IP-bitstream access would need to remain low, and the risk of significant acquisition of the access provider's retail customer base would need to be minimal. These considerations are critical in determining whether such upgrades or wholesale offerings would be incentivized in the absence of regulatory obligations.

Switching considerations by access seekers

The MCA notes that current wholesale access demand in Malta is predominantly satisfied through the regulated FTTx VULA agreement. Access to cable IP-bitstream access would entail financial and operational investments, including for reconfiguring networks, replacing

[64] This appears to be different from larger markets, where locally provided access requires significant network investments compared to upstream centrally provided access.

equipment, and upgrading backhaul infrastructure, thus making a full migration economically challenging.

The existence of switching costs reduce the likelihood of an access seeker completely transitioning from one wholesale platform to another, such as moving entirely from FTTx VULA to cable IP-bitstream access. Given that both access products require a single national point of interconnection, existent access seekers would likely adopt a hybrid approach connecting new customers via the cable platform or partially migrating their customer base to it in order to minimize additional costs for equipment and parallel operations.

In contrast, a new entrant would not face these switching costs, and a hypothetical SSNIP for one form of access would influence the entrant's choice of wholesale platform. For such new entrants, wholesale cable IP-bitstream access could represent a feasible option.

Indirect constraints

A SSNIP imposed by a hypothetical monopolist on FTTx VULA would likely lead to higher retail broadband prices for fibre-based services. Given that the cable network provides retail fixed broadband services that are substitutable for those offered over fibre, such a price increase could prompt end-users to switch to cable-based broadband services. As a result, the indirect competitive pressure from cable IP-Bitstream access is considered strong enough to render the SSNIP on FTTx VULA unprofitable. This reasoning is based on the following considerations:

- While cable IP-Bitstream access is not currently available as a wholesale product, the cable operator - Melita - supplies its own retail fixed broadband services via self-supply on its cable IP-Bitstream platform. Melita operates on the same geographical scale as the main FTTH provider - GO - and has sufficient spare capacity to accommodate additional customers on its network.

- A market share assessment shows that no operator holds a dominant position capable of exercising market power at the retail level. As of September 2024, Melita maintained a leading market share of 50.0%, while GO held 46.5%. Both operators - namely Melita and GO - have consistently lost market share since 2021, with a third entrant - Epic - gaining ground. Before 2021, the market leadership alternated periodically between Melita and GO.

- Market share trends indicate that end-users perceive cable-based broadband as a substitute for FTTH broadband. All retail broadband offerings provided over FTTH - whether standalone or bundled with fixed telephony and TV - are similarly available over the cable network. Melita's offerings include an even broader range of speeds, particularly within the Gigabit segment, targeting the same customer base as its competitors. The retail market analysis also reveals that prices are comparable, creating a chain of substitution. Furthermore, operators market their products in a similar fashion,

emphasizing download speeds and bundled discounts, particularly for triple-play packages.

- Findings from MCA Consumer Perception Surveys show that the willingness of end-users to switch providers following a 10% price increase has risen significantly, from 22% in 2017 to 49% in 2022.[65] This demonstrates that switching to cable broadband or to FTTH is a tangible option. As such, retail products based on FTTx VULA face competitive pressure from cable IP-Bitstream-based offerings and vice-versa. Therefore, a SSNIP on FTTx VULA would likely be constrained by the increasing potential for substitution at the retail level. This suggests that a hypothetical monopolist of FTTx VULA would struggle to profitably impose a price increase above competitive levels, as end-users may switch to cable-based retail packages.

- Over the past three years, a significant migration trend has been observed, with users shifting from lower to higher download speeds. This trend is expected to continue in the coming years. Retail market data already show Melita leading in subscriptions for Gigabit download speeds, with this operator also introducing new plans offering even higher speeds not yet matched by competitors.

A SSNIP on FTTx VULA is therefore likely to provoke a strong response from end-users. Prospective customers would actively seek to avoid higher prices, resulting in a competitive price gap favouring Melita's more competitively priced offerings in the higher speed segment. Additionally, price-sensitive existing customers are likely to migrate, particularly as price disparities influence migration decisions. Given that GO has a substantial portion of its customer base subscribed to lower download speed plans, a SSNIP on FTTx VULA would also disproportionately impact the retail prices of these products. This, in turn, could incentivize a material number of lower-speed users to upgrade to cable-based DOCSIS broadband services during the review period.

Findings from the 2022 Consumer Perceptions Survey for fixed broadband further reinforce the view on the increasing role of price in switching decisions. Over time, end-users have shown greater price sensitivity, with the intention to switch becoming more pronounced. Further to this, most broadband users are subscribed through bundled offers and bound by two-year contracts. While a 10% price increase may not have an immediate effect for a certain segment of clients, it is likely to gain momentum gradually, leading to a significant impact within the review period. Furthermore, the prevalent practice of discounted access fees for the initial months of subscription, particularly for new customers, are expected to remain a key competitive tool in this context for competitors to the hypothetical monopolist.

[65] Link to the MCA Consumer Perceptions Survey for fixed broadband carried out in 2022: https://www.mca.org.mt/articles/consumer-perceptions-survey-fixed-broadband-2022

The inclusion of wholesale cable IP-Bitstream Access in the relevant market

The MCA concludes that there is justification to include cable IP-Bitstream access within the relevant wholesale market alongside FTTx VULA. This conclusion is based on an analysis of both direct and indirect demand substitution, which demonstrates that cable-based access can serve as a viable alternative.

4.2.2.3 Physical infrastructure access (PIA)

The MCA conducted a comprehensive assessment of access to physical infrastructure (PIA) in 2023, specifically focusing on telecom-related ducts and pole infrastructure and their role in facilitating competition in the deployment of Very High-Capacity Networks (VHCN). The analysis considered whether PIA could directly constrain FTTx VULA, particularly in densely populated areas, by enabling access seekers to deploy their own infrastructure for downstream retail broadband and other services. However, several factors indicate that PIA does not currently merit inclusion in the relevant wholesale market.

- PIA serves as an upstream input that can support the delivery of downstream products such as Wholesale Local Access (WLA), Wholesale Central Access (WCA), and retail broadband services. This means that PIA is not a wholesale product directly substitutable with FTTx VULA but rather a foundational input that facilitates network deployment.

- The limited scale of current telecom PIA usage by third-party operators is another factor to consider. Melita remains the only operator utilizing GO's PIA product at any meaningful scale.[66] At the same time, the newer market entrant Epic has over the past few months registered an increasing number of retail clients on FTTx VULA. The accessibility and efficiency of FTTx VULA have allowed this operator to reach a wider footprint and build its client base at a faster pace, thereby diminishing the immediate demand for PIA as an alternative wholesale input. Meanwhile, Epic's infrastructure coverage remains geographically limited to a number of localities. The extent of Epic's future plans for own FTTH network deployment using PIA is unclear. The lack of clarity on future demand for PIA further weakens its case as part of the relevant market.

[66] GO is the sole electronic communication service provider with access to a ubiquitous duct network. Notably, a significant portion of this duct network was established during a time when GO held a state-owned monopoly, which is a context no longer applicable today, although the MCA acknowledges that GO kept investing in the duct network over the years. GO provides Melita access to its duct network through a long-standing agreement. Furthermore, GO heavily relies on its own duct infrastructure, given its capillarity, even before employing Enemalta's poles and brackets for deployment to the end-users' premises.

While Melita and Epic have developed their own duct networks, these networks cover only a small fraction of the ubiquity of GO's duct infrastructure. Melita and Epic possess their own duct network and have an arrangement to use each other's ducts through a swap agreement.

All operators also access physical infrastructure owned by non-telecom or non-ECN entities for delivering electronic communications services, but mainly such access focuses on the installation of cables for last-drop connectivity on Enemalta's poles and brackets.

- The increasing reliance on FTTx VULA, coupled with its ability to quickly enable retail broadband delivery, highlights its competitive effectiveness. In contrast, deploying infrastructure via PIA involves substantial sunk costs and a longer implementation timeline, making it less attractive as a short-term alternative for access seekers.

- The absence of a history of SMP regulation for PIA in Malta, combined with the limited reliance on this product by access seekers, raises doubts about its necessity as a wholesale input for effective competition at the retail level.

The MCA concludes that PIA cannot be considered to form part of the relevant wholesale market at this time due to its limited substitutability with FTTx VULA and significant uncertainties regarding its current and future usage. While PIA remains an important tool for enabling infrastructure-based competition, its role in Malta is still evolving. The MCA will continue to monitor its development, and PIA may be reassessed in future market reviews as additional evidence on its adoption and impact becomes available.

4.2.3 Access via wireless technologies

The MCA has determined that fixed broadband delivered via fixed wireless technologies is not substitutable for fixed broadband provided over wired technologies, such as copper VDSL, cable, and FTTH. This conclusion is based on key differences in performance and service characteristics between the two.

Broadband services delivered through fixed wireless technologies operating in unlicensed spectrum bands or over 4G platforms typically offer considerably lower download speeds compared to wired alternatives like VDSL, cable, and fibre. This discrepancy arises from inherent limitations of wireless transmission, including physical obstructions (e.g. buildings and walls), weather conditions (e.g. rain and electromagnetic interference), and the inherent capacity constraints of wireless technologies. Additionally, fixed wireless broadband services often include data usage limits due to spectrum bandwidth constraints, whereas wired broadband technologies - such as FTTH and VDSL - do not impose such restrictions.

Also, while all three major operators in Malta - GO, Melita, and Epic - provide 4G/5G mobile broadband services, the MCA has observed significant differences in end-user usage patterns between fixed and mobile broadband services. Despite advancements in mobile technology, mobile broadband continues to face limitations in delivering consistent high-speed and high-capacity performance, especially in indoor environments where physical barriers and interference affect signal quality.

In a 5G context, high-frequency spectrum (above 3 GHz) requires denser networks of small cells, outdoor antennas, and repeaters to provide adequate indoor coverage, particularly in densely populated areas such as Malta. This increased reliance on fibre-based backhaul infrastructure implies a greater demand for fibre – a wider fibre spread very often reaching out to the base station.

Given these factors, fixed and mobile broadband technologies are better viewed as complementary rather than substitutable solutions. Mobile broadband, particularly in a 5G context, plays an important role in offloading traffic but does not match the performance, reliability, or capacity of fixed broadband primarily for household and / or business use.

Consequently, the MCA concludes that wholesale access delivered via fixed wireless and mobile technologies, including 5G, is not substitutable for wholesale FTTx VULA.

4.2.4 Wholesale dedicated capacity

The provision of dedicated capacity does not fall within the retail broadband market that is relevant for the current analysis. Hence, the MCA considers it unlikely that the provision of dedicated capacity services could act as a supply-side substitute for FTTx VULA and the other wholesale products that have been determined to fall within the same relevant wholesale market.

Typically, such products are earmarked for large corporate end-users, to supply a spectrum of services that are not required by the mass market, such as connectivity that goes beyond the standard fixed broadband connection. These high-quality options are more expensive than regular fixed broadband plans and don't fit into the normal pricing dynamic for standard fixed broadband. Thus, the MCA believes that wholesale access to these specialized dedicated capacity products is not part of the wholesale market that includes WLA and PIA.

Given the observed differences in functionality and price emanating at the retail level, the MCA considers that there would also be a break in substitution at the wholesale level and that, in response to a SSNIP of the FTTx VULA, there would not be sufficient retail switching to dedicated capacity products such as to render that wholesale SSNIP unprofitable for the hypothetical monopolist. The MCA therefore concludes that, within the short to medium term, the provision of wholesale dedicated capacity will not pose an effective direct competitive constraint on the provision of FTTx VULA[67] and therefore does not form part of the relevant wholesale market under investigation.

4.3 The relevant wholesale product market

The MCA concludes that the scope of the wholesale product market under investigation encompasses: (i) the provision of LLU and SLU over the copper network;[68] (ii) the provision of FTTx VULA; (iii) wholesale IP-Bitstream access over fibre; and (iv) wholesale IP-Bitstream

[67] The MCA has published a decision withdrawing SMP-based regulation from the market concerning the wholesale provision of dedicated capacity in Malta on the 23rd of December 2022:
https://www.mca.org.mt/consultations-decisions/mca-decision-concerning-wholesale-market-provision-dedicated-capacity-malta

[68] Copper unbundling is included in the market but is not used.

access over cable. The market could thus be described as the provision of wholesale fixed access.

4.4 The relevant geographic market

The relevant geographic market comprises an area in which the undertakings concerned are involved in the supply and demand of the relevant products or services under sufficiently homogeneous competitive conditions. This area can be distinguished from others where competition conditions are significantly different. Markets with heterogeneous competitive conditions do not form a single, uniform market.

GO and Melita compete nationwide using their respective networks - GO through FTTH and Melita through cable DOCSIS technology. Epic, the third provider, also deployed FTTH infrastructure but only in select areas. Additionally, Melita is rolling out its fibre network in certain areas.

At the retail level, all three broadband providers offer services on a nationwide scale. There are no identifiable geographic variations in the intensity of competition significant enough to justify a segmented market definition. The MCA's retail fixed broadband access analysis already concluded that the relevant market is national.

The demand for wholesale fixed access is derived from the demand for retail broadband services. End-users choose their retail provider based on nationwide availability, indirectly selecting the underlying wholesale fixed access service that supports their chosen product. Both GO and Melita self-supply wholesale fixed access on a nationwide scale without differentiating wholesale fees by location. Similarly, Epic applies uniform wholesale pricing in the limited areas where its network is deployed. In the absence of regulation, wholesale fixed access is expected to materialize primarily as self-supply, on a nationwide scale in view of GO’s and Melita’s national footprint.

Given these observations, the competitive conditions across Malta are sufficiently homogenous to support a national definition of the wholesale market. Therefore, the geographic scope of the relevant wholesale market is deemed to be national.

4.5 Response to consultation submissions

From the three consultation responses received, Epic raised a number of points arguing against the conclusions concerning the wholesale market definition, as outlined in the MCA 2025 Consultation. Melita expressed support for the MCA’s approach, while GO also conveyed agreement with the MCA’s conclusions.

Epic contends the inclusion of cable IP-bitstream in the defined wholesale market. Epic argues that cable-IP bitstream cannot substitute FTTx VULA. It states that “*While in principle it may be technically feasible, its inclusion in the relevant wholesale market is unjustified without a robust, evidence-based assessment of real-world technical, commercial, and competitive*

conditions. The MCA overlooks critical differences in quality, functionality, and importantly, complete absence of supply and demand in Malta, leading to a distorted and inaccurate market definition. This is also confirmed by the impact on the end-users should they switch between the two technologies." (see p.8; para. 10 of Epic's response to MCA Consultation).

The MCA rejects Epic's claims that it has overlooked any essential technical or other critical factors during the substitutability assessment integral to the wholesale market definition exercise. The MCA's position, including a comprehensive response to Epic's assertions, is set forth in detail in the ensuing sections.

4.5.1 Claims that cable DOCSIS 3.1 is not functionally replicable to FTTx VULA

Epic alludes to "*significant technical and practical constraints*" for cable DOCSIS 3.1 in comparison to FTTx VULA based on a GPON configuration (see p. 60; para. 152 of Epic's response to MCA Consultation). Epic mentions several factors, which it deems to be limiting the functionality of cable DOCSIS 3.1, including that:

(i) "…*shared frequency spectrum inherently restricts available bandwidth, with upstream capacity typically limited to just 10% of downstream speeds*" (see p. 61; para. 152 and para. 153 of Epic's response to MCA Consultation);

(ii) "*DOCSIS 3.1 wholesale access is locked to Layer 3 (IP bitstream) in most practical implementations…, severely restricting wholesale operators' control over key technical parameters…*" and therefore "…*inherently less flexible*…" than FTTH wholesale models (see p. 61; para. 152 and para. 153 of Epic's response to MCA Consultation); and

(iii) "*…these fundamental differences" serve to underscore "…why DOCSIS 3.1 cannot be considered a viable alternative to fibre-based VULA…*" (see p. 62; para. 154 of Epic's response to MCA Consultation).

Epic is correct to reiterate the technical distinctions between Layer 3 and Layer 2 access. This is because DOCSIS 3.1 cable networks primarily offer wholesale IP bitstream access at Layer 3, a best-effort service with significant asymmetry between upstream and downstream capacity, limiting the degree of customization available to access seekers. In contrast, FTTH networks using VULA provide Layer 2 access, enabling wholesale customers to manage their own virtual LANs and implement features such as QoS, multicast, and multicast VPNs, supporting greater control over retail product differentiation.

However, the MCA 2025 Consultation underlined that despite these technical differences and the inherently more flexible nature of VULA, both DOCSIS 3.1 IP-bitstream wholesale access and FTTH VULA can deliver retail broadband services that are substitutable at the retail level in Malta's market context. This substitutability is supported by the nationwide coverage and comparable pricing of cable and fibre services. Melita's DOCSIS 3.1 network covers nearly all

households and provides IP-bitstream access capable of supporting a broad range of retail products that compete effectively with fibre offerings. End-users perceive cable and fibre broadband as alternatives, and retail switching costs between these services are low, evidencing significant indirect competitive constraints that limit the ability of any hypothetical monopolist to raise prices profitably on either wholesale input.

Moreover, the economic incentives for Melita to offer cable IP-bitstream access commercially remain strong given their capacity to serve additional retail customers, in the absence of SMP-based regulation that requires Layer 2 access. While Layer 3 access inevitably restricts wholesale operators' control relative to VULA, this limitation does not diminish the overall competitive constraint that cable IP-bitstream access exerts on the market. The widespread availability of cable-based access alongside fibre-based VULA ensures that wholesale access seekers have real alternative inputs, preserving competition in Maltese fixed broadband markets. Therefore, although DOCSIS 3.1 access may be inherently less flexible on a technical basis, it nonetheless plays a critical role as a wholesale input capable of constraining FTTH VULA in the Maltese context.

Epic also argues that the "*MCA's suggestion that DOCSIS 4.0 could resolve these constraints is entirely unfounded. While the technology may offer theoretical improvements, such as the ability to provide symmetrical speeds in upstream and downstream (although not being inherently a symmetrical technology), its deployment remains highly speculative*." (see p. 64; para. 159 of Epic's response to MCA Consultation) Also, according to Epic, "…*the assumption that DOCSIS 4.0 could provide a VULA-equivalent solution remains highly uncertain and unsubstantiated*." (see p. 65; par 160 of Epic's response to MCA Consultation) and that "*The mere availability of national coverage through a single point of interconnection does not offset the fundamental disparities in user experience, network performance, and innovation potential. The perceived substitutability is superficial and does not reflect real-world operational needs*." (see p. 65; para. 161 of Epic's response to MCA Consultation).

The MCA 2025 Consultation mentioned that Melita, the cable operator, has not announced any formal plans to upgrade its existing DOCSIS 3.1 network to DOCSIS 4.0. The MCA considers that while DOCSIS 4.0 would enable full bidirectional transmission of 10 Gbps in a shared transmission area, thus overcoming the asymmetry limitations of DOCSIS 3.1, it is not foreseen to be deployed in Malta within the timeframe of the market review. Additionally, the cost of DOCSIS 4.0 end-user equipment is still not widely available, which influences the decision on deployment. Nonetheless, the MCA pointed out that DOCSIS 4.0 could address the limitation of the upstream capacity asymmetry inherent in DOCSIS 3.1 by enabling full-duplex capabilities and unconstrained upstream capacity. However, the MCA also underlined that due to uncertainty about the timing and Melita's concurrent fibre deployment plans, DOCSIS 4.0 deployment in Malta remains uncertain within the review period. (see p. 55 and p. 56; sub-section 4.2.1.3 of the MCA Consultation).

The MCA considers that Epic's claims that the MCA's reference to DOCSIS 4.0 is "*entirely unfounded*" and "*highly speculative*" overlook the context and analysis set out in the 2025 Consultation. As highlighted, DOCSIS 4.0 introduces both theoretical and practical

improvements, most notably the prospect of delivering symmetrical upstream and downstream speeds through full-duplex operation. While this capability is not yet commercially realised, it represents a forward-looking development that could gradually address the current limitations of DOCSIS 3.1. The MCA explicitly acknowledged in its consultation that the timing and scope of DOCSIS 4.0 deployment remain uncertain within the current review period. Nevertheless, in considering its potential impact on competition and network performance, the MCA has taken a measured, evidence-based approach, treating DOCSIS 4.0 as a plausible technological evolution rather than presenting it as an assured development.

On a more technical level, Epic presents its views by highlighting the following:

(i) Epic "*…never considered the option of using Melita's cable network to propose its retail offers - nor Melita proposed any wholesale offer on a commercial basis…*" and that "*…switching to cable now that is engaged in FTTH is not a feasible option due to significant operational, technical, and financial costs associated with moving away from FTTH-based wholesale access…*" (see p. 65; para. 163{i} of Epic's response to MCA Consultation);

(ii) "*…new access seekers, unburdened by direct switching costs, would likely reject cable IP-bitstream solutions due to their fundamental technical constraints essential for competitive positioning and market differentiation…*" (see p. 66; para. 163{ii} of Epic's response to MCA Consultation);

(iii) "*The economic feasibility of Melita providing wholesale IP-bitstream access to third parties is highly doubtful due to the substantial costs involved, including major equipment upgrades, network re-engineering, and investments in provisioning platforms.*" (see p. 67; para. 168 of Epic's response to MCA Consultation);

(iv) "*Any forced transition to a cable-based wholesale model would not only impose excessive costs but also disrupt this well-integrated operational structure.*" (see p. 68; para. 170 of Epic's response to MCA Consultation);

(v) "*Switching to Melita's DOCSIS cable (if even technically possible) would require a complete overhaul of equipment and systems to support DOCSIS technology, resulting in significant capital expenditures.*" (see p. 68; para. 171 of Epic's response to MCA Consultation);

(vi) "*The MCA's assertion that access seekers would likely adopt a hybrid approach - gradually connecting new customers via cable IP-bitstream or partially migrating their base fundamentally misrepresents the realities of switching costs and network operations.*" (see p. 70; para. 177 of Epic's response to MCA Consultation).

The MCA 2025 Consultation addresses all the above technical distinctions. Nonetheless, the MCA remains of the view, based on evidence, that these distinctions do not translate into a material weakening of competitive dynamics within Malta. The near-ubiquitous coverage, price comparability, and substitutability at the retail level ensure that cable wholesale access continues to exert a strong competitive constraint on FTTx VULA. The current assessment took into account the technical layer-based distinction, but also

determined that, in the Maltese market context, DOCSIS 3.1 wholesale access plays a functionally equivalent role in preserving effective retail broadband competition.

The current assessment also considers that, although Layer 3 access inevitably is less flexible on a technical basis in terms of wholesale operators' control relative to VULA, this limitation would not diminish the overall direct competitive constraint that cable IP-bitstream access may exert on the market, if such access is offered commercially. The MCA considers that Melita has an economic incentive to make its cable network available to current and potential wholesale customers. This also when considering that the cable wholesale model supports nationwide coverage through a single point of interconnection, which is cost-effective and manageable within Malta's small geographic size and concentrated population. It is also considered that because IP bitstream involves lower operational complexity compared to providing Layer 2 unbundled access, the model is consistent with Melita's commercial interest in monetising spare network capacity.

The MCA also recognizes that GO has strong commercial incentives to continue providing wholesale fixed access services like FTTx VULA on a commercial basis even in the absence of regulation. The MCA promotes a market-driven framework in which commercial negotiations and competitive pressures ensure ongoing availability of wholesale access and support continued investment.

The MCA's regulatory assessments emphasizes the withdrawal of *ex ante* regulation, accompanied by a transition period designed to enable operators seeking access to establish alternative commercial agreements without disruption. This balanced approach respects operators' commercial autonomy and safeguards sustainable competition and innovation, as already underlined in the MCA 2025 Consultation.

4.5.2 Claims of a lack of evidence regarding indirect competitive constraints

Epic states that the MCA's position on the effectiveness of indirect competitive constraints "*…relies on a misinterpretation of retail competition, hypothetical assumptions, and a failure to account for critical market realities. Epic outlines below why this conclusion lacks a credible evidence basis*." (see p. 72; para. 181 of Epic's response to MCA Consultation). Epic also says that the MCA's 2025 Consultation sees a shift on the reasoning on the effectiveness of these constraints, compared to what was stated in the MCA's 2023 Consultation and that this "*…is not supported by any new evidence of material changes in market conditions*." (see p. 72; para. 181 of Epic's response to MCA Consultation).

Contrary to Epic's claim that the MCA relies on hypothetical assumptions and misinterprets retail competition, conclusions on indirect competitive constraints are firmly grounded in evidence including detailed market share data, pricing and promotional dynamics, infrastructure deployments, consumer switching behaviour, and wholesale product substitutability, all thoroughly detailed in the 2025 Consultation document. Key factors supporting the MCA's approach include:

- The MCA's application of the HMT based on actual market data, demonstrating substitutability among wholesale inputs including cable IP-bitstream access and FTTx VULA, which impose competitive constraints on each other in retail pricing. In this respect, the MCA evolved its analysis, which reflects genuine changes in market conditions since 2023, and an evolution in prices and product diversity that corresponds to more competitive market outcomes characterised by the presence of three operators.

- The MCA fully considers the changes in market conditions since its 2023 PVIA Consultation, including new investments by Melita and Epic, the evolution of broadband packages, and updates on infrastructure coverage and pricing trends alongside evolving price sensitivities (see Sections 3.6.3. to 3.6.5 in this document). Furthermore, both cable DOCSIS 3.1 and FTTH broadband provide high-speed gigabit connectivity with comparable reliability, bundled services, and contractual terms. End-users have access to similar broadband speeds, TV, and telephony bundles on both fibre and cable networks. This functional equivalence is critical for viewing the services as sufficiently substitutable.

  The above underpin the 2025 WFA analysis' forward-looking evaluation of retail competition and competitive constraints, reflecting material market developments since 2023 rather than simply hypothetical scenarios.

- The MCA also recognizes Epic's presence as a disruptor in Malta's fixed broadband market, contributing to increasing competition to the consumers' benefit. Market share data shows Epic's gains at retail level. Overall, Epic's market share improved from 0.1% at the end of 2019 to 4.0% at the end of March 2025. This change has to be seen in the context of Melita and GO having large, comparable market shares with Melita currently leading slightly, but overall losing share gradually to Epic. This dynamic indicates that end-users view Melita's cable broadband and GO's fibre broadband as substitutable options, alongside Epic's broadband offers, with switching, albeit limited, gradually taking place between these operators. The materially close market shares and continuous customer movement between Melita's cable and GO's fibre services and the rise in Epic's market share underscore perceived substitutability by end-users.

  Notably, in the context of the above, the MCA considers that retail market substitution can act as an indirect constraint to wholesale fixed broadband access. This means that a VULA price increase can lead to a loss of wholesale market share for GO as a result of consumers switching to cable. This is also contingent on a rising share of VULA customers, as reported by Epic. In fact, VULA subscription yearly growth has been significant since 2019, with a 72.5% year-on-year growth between 2023 and 2024, the highest in three years (see Table 7 hereunder).

  Based on the above, the MCA reiterates its view that FTTx VULA has allowed Epic to reach a wider footprint and build its client base at a faster pace.

Retail take-up of VULA-based broadband	2019	2020	2021	2022	2023	2024
Number of subscriptions	284	1,162	2,019	2,091	3,392	5,850
Rate of growth		309.2%	73.8%	3.6%	62.2%	72.5%

Table 7: Year-on-year growth for VULA-based subscriptions

- The MCA's assessment that indirect competitive constraints, drawn from the retail market where customers can and do switch between fixed broadband providers and technologies, are a critical and evidenced part of the wholesale market competitiveness. This approach fully accounts for market realities, including the presence of multiple operator infrastructures, uniform national pricing, and switching behaviour observed in consumer surveys.

Based on the above, the MCA reiterates its conclusions on indirect competitive constraints, which it believes are firmly grounded in evidence. The presence of multiple wholesale inputs, extensive infrastructure investments, and ongoing retail competition collectively produce meaningful indirect constraints on the wholesale fixed access market, limiting the ability of any single operator to behave in an uncompetitive manner when setting prices.

4.5.3 Claims that PIA was excluded from relevant market without justification

Epic claims there have been no major changes in market conditions since the MCA 2023 Consultation, for the MCA to argue against not including Physical Infrastructure Access (PIA) from the relevant wholesale market. Epic also that "*By dismissing PIA's relevance, the MCA undermines both regulatory best practice and the long-term development of infrastructure-based competition, effectively reinforcing the dominance of the incumbent at the expense of market-led solutions*." (see p. 78; para. 195 of Epic's response to MCA Consultation). However, these claims ignore important developments and detailed explanations highlighted in the MCA 2025 Consultation and hereunder.

The claim that the MCA's dismissal of Physical Infrastructure Access (PIA) undermines regulatory best practice and infrastructure-based competition overlooks critical aspects of the current Maltese market context and the careful analysis conducted by the MCA. The MCA's assessment is grounded in a forward-looking, evidence-based market analysis aligned with European regulatory frameworks and the principles of effective competition.

The MCA recognizes the importance of PIA as an enabling tool for infrastructure deployment; however, the current analysis finds that PIA does not currently constitute a viable or significant wholesale product in Malta's fixed broadband market. PIA is an upstream input that facilitates deploying downstream services like Wholesale Local Access (WLA), Wholesale Central Access (WCA), and retail broadband. Yet, PIA is not a wholesale product directly substitutable with key fixed access products such as FTTx Virtual Unbundled Local Access (VULA). This

also stems from what the MCA considers as uncertain visibility as to current and future market adoption of PIA, particularly when taking into account Epic's commercial decision to stop further deploying its FTTH network.

Evidence in the MCA 2025 WFA Consultation shows that regulated FTTx VULA has significantly enabled take-up for Epic's fixed broadband products. Between 2023 and 2024, subscriber growth on Epic's FTTx VULA-based access was approximately 72%, substantially outpacing the 21% growth on its own FTTH infrastructure. By contrast, data available and considered during the MCA 2023 PVIA Consultation indicated only modest growth in retail broadband take-up based on FTTx VULA for the year 2022. It is in this context that the MCA cannot agree with Epic's claim that "…*VULA is not an indication that PIA is unnecessary, it is the direct result of being denied access to PIA*." (see p. 87; para. 214 of Epic's response to MCA Consultation) The MCA notes that VULA was established as a remedy under previous market conditions when infrastructure duplication was limited, but the market has evolved with ongoing infrastructure investments from incumbents and new entrants. Also, the pace and scale of Epic's adoption of VULA and retail subscriber growth indicate that VULA is an effective wholesale input enabling competition and market entry without requiring immediate PIA access.

This document underlines how the wholesale fixed access market tends toward effective competition, also implying a reduced regulatory need for mandated VULA. Retail market demand has also evolved in a way that provides an incentive for established operators to offer wholesale fixed access to third parties commercially. Melita holds strong economic incentives to offer wholesale access over its cable network. Given Malta's small geographic size and concentrated population, Melita's IP bitstream wholesale model, which provides nationwide coverage via a single point of interconnection, is both cost-effective and operationally manageable. Compared to Layer 2 unbundled access, the cable IP bitstream wholesale service involves lower complexity and aligns with Melita's commercial interests in monetizing spare network capacity. Furthermore, the MCA recognizes GO's strong commercial incentive to continue offering wholesale fixed access services, including FTTx VULA, on commercial terms even in the absence of regulatory obligations.

Additionally, all operators rely on physical infrastructure owned by non-telecommunications entities, primarily Enemalta's poles and brackets, which are critical for last drop connectivity to end-users. Nonetheless, when assessing access possibilities comprehensively, all such avenues - telecom and non-telecom infrastructure alike - must be considered to accurately evaluate the full spectrum of access options available. Given the circumstances, the MCA therefore cannot accept Epic's claim that "…*Epic's has therefore been effectively blocked by the lack of access to GO's PIA, not by market conditions or commercial disinterest*." (see p. 86; para. 210 of Epic's response to MCA Consultation).

It is also relevant to observe that, at the time of the MCA 2023 PVIA Consultation, the MCA was not aware of Epic's eventual decision to halt further fibre rollout or retraction of expansion plans. The latter scenario became clear closer to the time when the findings from the MCA 2023 PVIA Consultation were notified to the European Commission in December 2023.

Notwithstanding, the MCA interprets Epic's fibre deployment halt as driven primarily by internal commercial reasons rather than external market barriers. The accessibility and efficiency of FTTx VULA have thus allowed Epic to quickly broaden its market reach and subscriber base, diminishing any immediate need for PIA. The uncertainty around future PIA demand further weakens arguments for its inclusion within the relevant wholesale market.

Taking the above-mentioned factors into account, the MCA's 2025 WFA Consultation rightly reaches a different conclusion than the MCA 2023 PVIA Consultation, now determining that PIA does not form part of the relevant wholesale fixed access market.

In summary, the MCA's decision to exclude PIA from the relevant wholesale market is supported by its limited substitutability with key wholesale access products, uncertainties about its future role given evolving demand patterns, and the prevailing mature competitive landscape reinforced by alternative infrastructures and wholesale inputs.

Nevertheless, the MCA remains vigilant and open to reassessing PIA's market position as new evidence or changes in competitive conditions arise. It commits to continuous market monitoring, recognizing PIA's role may be revisited in future market reviews if its uptake and impact on competition increase. While the wholesale fixed access market in Malta generally meets the 3CT for deregulation, this does not preclude the MCA from re-evaluating PIA as a distinct relevant market should future competitive developments suggest PIA could substantially enhance downstream competition. In such cases, and with better visibility on evolving demand, the MCA would consider defining a separate upstream market for physical infrastructure access, consistent with the principles set out in the explanatory memorandum accompanying the EC 2020 Relevant Market Recommendation.

4.5.4 MCA's overall considerations

The MCA retains its conclusion that the relevant wholesale market for fixed access in Malta encompasses wholesale LLU and SLU over the copper VDSL network, FTTx VULA, wholesale IP-Bitstream access over fibre, and wholesale IP-Bitstream access over cable. The geographic scope of this market is national due to the widespread, near-universal coverage of GO's fibre network and Melita's nationwide cable network, which together provide infrastructure capable of supporting retail broadband services across all of Malta. This inclusive definition arises from a thorough substitutability assessment which accounts for demand-side and supply-side factors, as well as indirect constraints from retail competition.

Despite Epic's claims to exclude cable DOCSIS from the relevant wholesale market, the MCA considers that wholesale cable IP-Bitstream access poses a significant indirect competitive constraint on fibre-based wholesale access products like FTTx VULA. Melita's cable network offers nationwide coverage and supplies retail broadband services that are substitutable with fibre broadband offerings. A hypothetical price increase (SSNIP) on fibre wholesale inputs would likely push retail customers toward cable-based services, making the price increase unprofitable for a hypothetical monopolist on fibre access. Therefore, cable IP-Bitstream access acts as a viable alternative wholesale input, influencing competition dynamics at both

wholesale and retail levels. Moreover, the characteristics of cable broadband retail services and their market presence mean they cannot be disregarded without underestimating the competitive pressure on fibre wholesale access. This rationale aligns with the MCA's detailed market analysis and supports the inclusion of cable in the relevant wholesale market to accurately capture the competitive environment and sustain effective competition in Malta.

Furthermore, the MCA notes that GO has shown a willingness to negotiate commercial provision of FTTx VULA services even absent *ex ante* regulation, responding to direct and indirect competitive pressures from Melita and Epic. This response signalled commercial incentives for incumbents to maintain wholesale access offerings, diminishing the justification for regulatory imposition. Additionally, the MCA concluded that wholesale IP-Bitstream access over cable, though not identical to FTTx VULA, imposes significant indirect competitive constraints because cable and FTTH retail broadband services are sufficiently substitutable in Malta's small geographic market.

The MCA observes that alternative infrastructure-sharing arrangements, long-standing physical access agreements, and the availability of commercial wholesale inputs mitigate structural barriers to market entry. The MCA also notes Epic's strategic ability to leverage a hybrid approach, mixing own network deployment with commercial wholesale access, to progressively grow its footprint and maintain retail competition. Meanwhile, in this context, the MCA acknowledges the importance of maintaining a structured transition by implementing a 24-month sunset period for withdrawal of existing access to allow market actors, including Epic and GO, to adjust their commercial agreements and network arrangements.

5 Wholesale Competition Assessment

The MCA defines relevant markets based on national circumstances while adhering to competition law principles. The 2020 Recommendation on relevant markets highlights the WLA market as susceptible to *ex ante* regulation. The accompanying EC Explanatory Note specifies that this market encompasses physical access products, as well as virtual access products like VULA, which replicate the functionalities of physical access. Notably, copper LLU and SLU, which although declining in use, remain access products within this market throughout the EU.

In its analysis of the wholesale access market, as defined in Section 4, the MCA considers it necessary to apply the 3CT as mandated by Article 67(1) of the EECC.[69] This necessity arises because the defined wholesale fixed access market for Malta includes not only includes access elements based on copper LLU, SLU and FTTx VULA, but also wholesale IP-Bitstream access over cable and fibre. Since this market is not presumed to require regulation by the 2020 Recommendation, a 3CT analysis is essential to determine whether continued *ex ante* regulation is justified under Malta's specific market conditions.[70]

5.1 Approach to the assessment of the 3CT

The 3CT framework allows National Regulatory Authorities (NRAs) to identify and regulate markets not explicitly listed in the 2020 Recommendation, provided all three criteria are cumulatively fulfilled.

These criteria are as follows:

- high and non-transitory structural, legal or regulatory barriers to entry are present;
- there is a market structure which does not tend towards effective competition within the relevant time horizon, having regard to the state of infrastructure-based competition and other sources of competition behind the barriers to entry; and
- competition law alone is insufficient to adequately address the identified market failure(s).

[69] The MCA carried out a competition assessment of the relevant retail fixed broadband market and determined that the market is evolving to display stronger signs of competition, underpinned by the presence of three operators, significant infrastructure investments, and ongoing service innovation. Competitive market dynamics are evident in the continued improvement of service quality, increased pricing flexibility, and expanded end-user choice. Also, the Recommendation does not list the retail fixed broadband market as susceptible to ex ante regulation.

[70] Effectively, this is because market 3b/2014 which concerned the provision of wholesale central access (WCA) is not listed in the 2020 version of the Commission recommendation on relevant markets. Also, in view that FTTx VULA is currently regulated in Malta, the MCA is carrying out a 3CT to assess whether the continued regulation of this wholesale access product is still justified in Malta.

However, passing the 3CT does not automatically result in regulation. A subsequent assessment is necessary to establish whether SMP exists within the defined market. This additional step ensures that regulation is both targeted and proportionate to the identified competition issues.

On the other hand, if at least one of the 3CT conditions is not met, *ex ante* regulation is deemed unnecessary. In such cases, any obligations imposed due to a SMP designation must be withdrawn. Conversely, if all three criteria are satisfied, this may justify implementing or maintaining *ex ante* regulation or revising existing obligations.

In the following sections, the MCA assesses each of the three criteria outlined under the 3CT to determine whether the defined wholesale fixed access market satisfies these conditions cumulatively. This analysis considers the competitive dynamics at the retail level, recognizing that the demand for wholesale fixed access services is inherently derived from retail broadband services. The assessment evaluates the availability of wholesale inputs necessary to enable access seekers to establish a presence in the retail market for broadband services.

The 3CT evaluation is conducted under a Modified Greenfield scenario, which assumes the absence of any regulatory intervention in the relevant wholesale market. This approach allows the MCA to determine whether, without regulation, the market conditions would justify *ex ante* regulatory obligations. Central to this assessment is the consideration of the number of networks capable of supporting retail fixed broadband services and the extent to which these networks can facilitate competition at the wholesale and retail levels.

5.1.1 An assessment of barriers to entry

According to the EC's 2020 Recommendation, structural barriers to entry occur when technological conditions, network characteristics, associated cost structures, or demand levels create unequal conditions that hinder competitors from entering or expanding within the market.

In the context of the MCA’s market analysis, the Authority concludes that over the upcoming five-year review period, barriers to entry in the retail fixed broadband market are likely to remain low even in the absence of regulation. GO’s fibre and Melita’s DOCSIS 3.1 network (with the parallel launch of FTTH by the latter), would continue to ensure widespread retail broadband availability on a self-supply basis. Additionally, Epic’s FTTH deployment allows it to provide retail broadband in localities / areas where its network is already present.

In a hypothetical scenario where the current regulated FTTx VULA offer is not commercially replicated, Epic and other potential access seekers could seek wholesale access from Melita, whose cable-based network has nationwide coverage. However, the MCA sees no barriers preventing GO from continuing to offer FTTx VULA on a commercial basis, even in the absence of regulation. In fact, GO would likely have commercial incentives to maintain such an offering, given the direct and indirect constraints posed by Melita’s competing infrastructure.

As of September 2024, approximately 5,362 broadband users were subscribed to Epic's services via the regulated FTTx VULA, representing 69% of Epic's retail fixed broadband subscriber base and around 2% of all retail broadband subscriptions within the scope of this review. From GO's perspective, discontinuing FTTx VULA could risk not only its wholesale revenues but also its broader market position at the retail level. Moreover, such a move could accelerate competition, as Epic may reconsider its decision concerning FTTH network deployment, particularly in densely populated areas.

The MCA notes that continued investments in FTTH by established operators, coupled with dynamic initiatives such as Melita's changeover to new foreign ownership - and the increased focus by both Melita and Epic on delivering higher broadband speeds, strongly indicate a trend toward a diminishing influence of structural barriers. GO remains active in this evolving landscape, as demonstrated by its continued investment in FTTH deployment and its recent upgrade to its product line-up.

The impact of barriers to entry on competition dynamics has lessened, as demonstrated by the accelerated pace of infrastructure upgrades, operators' strategic efforts to enhance their market position, and the rollout of advanced technologies like 10Gbps services. These developments not only sustain but also reinforce the availability of retail broadband services, whether through self-supply or merchant market inputs.

Regarding legal or regulatory barriers, the EC emphasizes that such barriers arise from legislative or administrative measures that directly affect market conditions. The MCA finds no evidence of such barriers in Malta. There are no market asymmetries emanating from state measures thus ensuring a level playing field for all providers.

Overall, the MCA concludes that structural and competitive conditions in the Maltese retail broadband market and the availability of associated wholesale inputs suggest that barriers to entry pose a low risk to evolving competition dynamics. Established operators continue to demonstrate nationwide availability and investment in next-generation networks, while the newer entrant Epic demonstrates an ability to compete and grow. While the construction of wholesale fixed access infrastructure traditionally requires significant investment to extend networks to end-user premises, there are ways to reduce these barriers. Key factors in mitigating deployment challenges are the continued availability of wholesale local access on commercial terms and the consolidation and expansion of agreements between operators for duct and other physical infrastructure sharing. These can significantly reduce high sunk costs and facilitate network expansion in a more viable and cost-effective manner, particularly in the case of new entrants. For example, while the use of Enemalta's aerial infrastructure for "last drop" connectivity has played a role in deployment for all operators in Malta, the broader impact of infrastructure-sharing agreements is deemed more critical in supporting sustained investment in VHCN networks.

5.1.2 Tendency of market structure towards effective competition

As established in Section 3, the MCA anticipates that, in the absence of regulation, the retail broadband market would likely continue progressing toward effective competition during the review period. This conclusion is supported by evidence of an increasingly competitive landscape characterized by the presence of three active operators, significant investments in infrastructure, and ongoing service innovations. Competitive dynamics are reflected in improved service quality, enhanced pricing flexibility, and greater end-user choice.

Melita and GO, the two leading operators, deliver retail broadband services exclusively via self-supplied wholesale fixed access on their respective networks, collectively accounting for 96.8% of retail broadband subscriptions in Malta. However, assuming hypothetically that the current regulated VULA wholesale offer is no longer supplied on the merchant market absent regulation, the current access seeker - Epic - or other potential access seekers would likely have the option to leverage alternative wholesale inputs, such as Melita's IP-Bitstream cable access, to offer retail broadband services.

At the retail level, VULA-based end-users would still retain the ability to switch to Melita for broadband services, as Melita's network coverage spans the entire national territory. Additionally, Epic could partially meet its current VULA-based retail broadband demand through self-supplied wholesale fixed access via its FTTH network. In this context, and consistent with the MCA's earlier observation that there are no barriers preventing GO from continuing to commercially offer FTTx VULA absent regulation, it is reasonable to consider that GO would maintain such offerings to address competitive pressures. Moreover, in the hypothetical scenario where GO ceases regulated or commercial offerings, Epic may consider expanding its footprint beyond its current coverage and/or seek IP-Bitstream access from Melita. Ultimately, wholesale market shares are unlikely to deviate significantly from retail market shares, given the observed trends in infrastructure availability and competition. The broadband options available to retail end-users across Malta are largely uniform, as both Melita and GO have deployed wholesale access infrastructure nationwide.

Looking ahead, the current provision of wholesale fixed access services is expected to persist, both in terms of self-supply to meet own requirements emanating from retail demand and for third party access, when such access is requested. In the hypothetical scenario of no wholesale fixed access regulation i.e. absent the current VULA remedy, GO is not expected to stop offering this wholesale service but rather to keep offering it on commercial terms. This for reasons already explained concerning direct and indirect constraints.

For the purposes of this assessment, it is relevant underlining operators' market shares for the wholesale market under investigation. Based on the assumption of a wholly self-supply scenario, GO's market share as at the end of September 2024 stood below the 50% threshold (as per Table 8 hereunder).

Wholesale market shares as at end of period	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24
GO	49.7%	49.3%	49.5%	51.3%	50.4%	49.0%	48.2%	48.2%	48.1%	47.7%	47.9%	48.9%
Melita	50.2%	50.6%	50.5%	48.7%	49.6%	51.0%	51.8%	51.8%	51.8%	51.8%	51.2%	50.0%
Epic	-	-	-	-	-	-	-	-	0.1%	0.5%	0.9%	1.1%

Table 8: Wholesale market shares as at end of period.

Hence, considering the earlier discussion as to why the current provision of wholesale fixed access services is expected to persist, the MCA considers that no operator holds a dominant position in the wholesale fixed access market. This assessment is supported by the presence of Melita, a rival operator of comparable scale and with similar nationwide coverage to GO. Both GO and Melita engage in self-supply of wholesale fixed access, enabling them to deliver a range of retail services - most notably fixed broadband - over their respective access networks. This arrangement allows both operators to exploit significant economies of scale/scope in the provision of mass-market broadband services.

Competitive conditions in the wholesale fixed access market are largely uniform across the country and could further improve during the review period, even as the newer entrant, Epic, may even re-explore the possibility of expanding its fibre network footprint. There is also the possibility for Epic to resort to IP-Bitstream access over the cable network owned by Melita.

Additional constraints on market behaviour may arise from external regulations or measures that, while not directly part of the relevant market, influence it or its associated retail markets. Examples include obligations under Articles 44, 60, and 61 of the EECC or requirements from the GIA. These frameworks may serve to enhance infrastructure development and competition, ensuring that market dynamics continue to evolve to the benefit of all stakeholders.

5.1.3 Sufficiency of competition law

The Recommendation states that: *'The decision to define a market as susceptible to ex ante regulation should also depend on an assessment of the sufficiency of competition law to address adequately the market failures identified'.*

The Recommendation further adds that *'This third criterion aims to assess the adequacy of competition law to tackle identified persistent market failure(s), in particular given that ex ante regulatory obligations may effectively prevent competition law infringements'*.

Further to the above the 2020 EC Recommendation states that: *'Competition law based interventions are likely to be insufficient where frequent and/or timely intervention is indispensable to redress persistent market failure(s)' and that 'In such circumstances, ex ante regulation should be considered an appropriate complement to competition law'*.

The MCA's experience in mandating and implementing the FTTx VULA remedy demonstrates that *ex ante* rules, coupled with consistent monitoring and enforcement, have effectively fostered stronger competitive conditions in the market. Considering the observed retail market

dynamics in the provision of fixed broadband services in Malta, the MCA anticipates that, over the review period, the wholesale fixed access market will tend further towards effective competition.

Given the MCA's conclusion that Criterion 1 and Criterion 2 are not satisfied due to reduced barriers to entry and a trend toward effective competition, assessing Criterion 3 (whether competition law alone can adequately address market failures) is unnecessary. This is because the outcome of the Criterion 3 assessment would not alter the overall findings of the 3CT to Malta's wholesale fixed access market.

5.1.4 Conclusion regarding the 3CT

In light of the analysis set out above, the MCA concludes that at least two of the three criteria (Criterion 1 and Criterion 2) have not been met. The imposition of *ex ante* regulatory obligations can only be justified in markets where the three criteria are cumulatively met.

Therefore, the MCA considers that maintaining the current of *ex ante* regulation imposed on GO for the provision of regulated FTTx VULA is no longer justified. Details regarding the conditions for this withdrawal are provided in Section 6 of this document.

5.2 Response to consultation submissions

The previous sections elaborated on the factors underpinning the MCA conclusions on the competitive market outcomes characterising the provision of wholesale fixed access in Malta. The MCA determines that Criteria 1 and 2 of the 3CT are not cumulatively satisfied, which effectively means that continued *ex ante* regulation in the said market is not justified.

This reasoning reflects a forward-looking, market-driven regulatory stance consistent with the evolving competitive landscape in Malta:

- The Maltese wholesale fixed access market has evolved significantly over recent years, reflecting a dynamic interplay between infrastructure-based competition and wholesale access arrangements. The market is characterized by the presence of three main operators: GO, Melita, and Epic, each leveraging different technologies and network footprints. GO and Melita provide comprehensive nationwide coverage through fibre and cable DOCSIS networks respectively, while Epic operates on a smaller scale, combining regulated VULA on GO's fibre network with self-deployed FTTH infrastructure in some areas. Melita is also deploying FTTH infrastructure. These developments have created a competitive environment where retail fixed broadband services supplied via copper VDSL, FTTH, and cable are substitutable from a demand-side perspective, fostering a broad baseline of competition at both wholesale and retail levels.
- The current SMP designation on GO originates from the MCA 2013 WUIA Decision, which was made at a time when GO's fibre investment strategy was at the very early stage. The regulatory framework then aimed to facilitate the emergence of new fibre-

based infrastructure and competitive retail offerings. Since that time, GO has significantly expanded its fibre network to near nationwide coverage alongside its product portfolio. The MCA anticipates continued evolution in GO's product offerings, with improved service quality and higher-speed plans.

Also, since 2013, the market landscape has shifted markedly towards more effective competition based on both service and infrastructure-based dynamics. Melita's well-established cable DOCSIS 3.1 network, which offers nationwide coverage and increasingly high-speed plans (up to 2.5 Gbps for roughly 40% of households), presents both a direct and indirect competitive constraint on GO's wholesale fixed access offerings. While cable wholesale IP-Bitstream access has not traditionally been offered to third parties, Melita's network scale, capacity, and potential for commercial wholesale collaboration, as also indicated by this operator in its response to MCA Consultation, intensify competitive pressures on GO.

Epic's entry as a disruptive third operator, supported by its own selective FTTH deployments and continued reliance on regulated FTTx VULA access, has diversified competitive dynamics further in both the wholesale and retail markets. Importantly, GO has indicated an intention to maintain commercial wholesale availability of VULA services even if regulatory obligations are withdrawn, reflecting the evolving incentive structure shaped by competitive rivalry.

- Overall, competitive pressures manifest across multiple dimensions, including pricing flexibility, enhanced service quality, and sustained infrastructure investment activity. These factors are indicative of a progressively mature retail and wholesale broadband market. Retail pricing exhibits discounting strategies, longer promotional periods, and competitive bundle offerings, all driven by the presence of three active network operators and their infrastructure-based competition. Service quality improvements, including expanding Gigabit and multi-Gigabit speed plans, and growing consumer choice reinforce this trend. The market's trajectory suggests that commercially negotiated wholesale access arrangements could feasibly substitute regulated wholesale remedies, supporting the conclusion that the wholesale fixed access market is tending towards effective competition, with regulation becoming less essential to sustain competitive outcomes and end-user benefits.

The afore-mentioned market characteristics, including on market structure, infrastructure coverage, competitive dynamics, and technological substitutability, has informed the MCA assessment under the 3CT. Drawing from the evolving retail and wholesale landscape, the analysis suggests that structural barriers have diminished and market competition is on an upward trajectory, shaping a regulatory outlook that supports the withdrawal of *ex ante* wholesale fixed access obligations in the market under investigation.

Epic outlines several considerations as to why, in its view, the reasoning behind the MCA 3CT conclusions, such as when it comes to barriers to entry which this operator considers "*…is fundamentally flawed and contradicts real market conditions and the MCA's own findings from*

the 2023 Market Analysis." (see p. 95; para. 235 of Epic's response to MCA Consultation). Epic's considerations are outlined in more detail in the following sub-sections. It is also relevant to highlight that both GO and Melita support the MCA's reasoning and conclusions with respect to the 3CT assessment. GO states that "*GO agrees with the MCA's consideration regarding the necessity of applying the Three Criteria Test (3CT), particularly given that IP-bitstream access over cable and fibre should be included in the assessment of the relevant wholesale market. Additionally, GO concurs with the view that the wholesale fixed access market, as defined, is not presumed to require regulation under the 2020 EU Commission Recommendation on relevant markets*." (see p. 4; Section 5 of GO's response to MCA Consultation). Melita also *expresses support to the reasoning and conclusion of the MCA on this matter stating that "Melita supports the MCA's approach, particularly it recognition of obligations arising under various EU legislative instruments…*" (see p. 1; third paragraph of Melita's response to MCA Consultation).

5.2.1 Claims on the extent of barriers to entry

Epic claims that the MCA is ignoring barriers to entry and that real market conditions are adverse in this respect (see p. 95; para. 235 of Epic's response to MCA Consultation). The MCA carried out a thorough and forward-looking market analysis that carefully considers the presence and evolution of barriers to entry within Malta's wholesale fixed access and retail broadband markets.

Rather than ignoring such barriers, the MCA acknowledges the historical and structural challenges faced by new entrants, notably those related to network deployment costs and infrastructure availability. However, the MCA's findings demonstrate that these barriers have substantially diminished and are expected to continue lessening during the review period. This assessment is based on multiple factors:

- The presence of two well-established, nationwide networks operated by GO and Melita, which provide comprehensive self-supply wholesale inputs.

- The third player, Epic itself, has successfully deployed its own fibre infrastructure reaching approximately 7% of dwellings and utilizes regulated wholesale access (FTTx VULA) to expand its retail offerings beyond its footprint.

- The availability of alternative wholesale inputs, including cable IP-Bitstream access owned by Melita, which directly constrain incumbent operators and introduce competitive pressure.

- Evidence that GO has commercial incentives and a demonstrated willingness to continue offering wholesale access on commercial (non-regulated) terms, further mitigating barriers to entry.

- Market data showing continuous investment, infrastructure upgrades, and innovations by all operators, which reflect a dynamic and evolving market environment rather than an adverse and entry-blocking one.

Moreover, the MCA applies the standard 3CT analysis as mandated by the EECC to objectively assess barriers in conjunction with competitive dynamics and the sufficiency of competition law. This rigorous legal and economic framework reaffirms that structural and regulatory barriers do not currently prevent effective competition nor justify continued *ex ante* regulation. The MCA's analysis ultimately provides a balanced, evidence-based perspective that captures the realities of Malta's wholesale fixed access market.

In the context of barriers to entry, Epic expresses the view that "*…Epic's rollout was halted due to economic constraints and the lack of access to GO's duct infrastructure, which remain critical bottlenecks. Without regulated access to ducts, the cost of large-scale deployment is prohibitive, rendering further network expansion economically unviable.*" (see p. 95; para. 237 of Epic's response to MCA Consultation). The MCA acknowledges that control over duct infrastructure is a significant factor influencing market entry in telecommunications, with GO's extensive duct network historically posing challenges for new entrants seeking full network duplication. However, the Maltese market context reflects a more nuanced reality. Today, competitive outcomes and investment incentives persist due to several mitigating factors. These include the availability of alternative wholesale access products, commercial agreements facilitating infrastructure sharing, regulated access remedies (such as FTTx VULA), and the ongoing investments by both incumbents and new entrants in expanding fibre deployments.

Furthermore, existing infrastructure sharing arrangements, including the use of Enemalta's aerial infrastructure for last-drop connectivity, contribute to lowering deployment costs and overcoming traditional barriers associated with duct access. This evolving scenario ensures that while ducts constitute an important structural consideration, they do not preclude the emergence of effective competition or the incentive for further network investment. Consequently, the Maltese wholesale fixed access market retains a dynamic and competitive outlook, supported by a variety of access options that if competitively supplied would balance infrastructure control with continued market-driven development.

Epic disputes the MCA's view on diminishing structural barriers, stating that it "*…strongly disagrees with the MCA's assertion that recent investments and commercial developments indicate a diminishing influence of structural barriers in the retail broadband market*." (see p. 96; para. 241 of Epic's response to MCA Consultation). Additionally, Epic considers that the MCA is "*…ignoring the persistent structural asymmetries that continue to hinder effective competition.*" (see p. 96; para. 241 of Epic's response to MCA Consultation). The MCA emphasizes that recognizing historical barriers does not justify disregarding the clear progress and signs of emerging infrastructure-based competition. While remaining vigilant to market developments and willing to intervene if conditions worsen, the MCA finds no current evidence supporting claims of pervasive entry barriers or adverse market effects related to infrastructure availability.

5.2.2 Claims of a failure to properly assess the real impact of removing VULA

Epic argues that the "*…MCA fails to assess the real impact of removing regulated access to VULA, which remains the only functional wholesale access mechanism available to Epic.*" (see p. 95; para. 238 of Epic's response to MCA Consultation).

The MCA disagrees with Epic's assertion that the Authority has failed to accurately assess the impact of withdrawing regulated VULA. On the contrary, the MCA's market analysis and consultation document provide a thorough, evidence-based, and forward-looking assessment of the wholesale fixed access market in Malta.

First, the relevant wholesale market includes FTTx VULA and other access options, notably Melita's wholesale IP-Bitstream over cable. This market definition is based on a thorough substitutability analysis reflecting Malta's telecom context. While FTTx VULA (Layer 2) offers greater control and customization, Melita's Layer 3 IP-Bitstream access is considered functionally substitutable due to Malta's nationwide cable coverage and infrastructure capacity. Although switching costs and operational challenges exist, they do not undermine the overall interchangeability of these access products. Therefore, the MCA disagrees with Epic's assertion that VULA is the sole functional wholesale access option.

Second, the MCA rigorously applied the 3CT to determine if *ex ante* regulation (such as mandatory VULA) remains necessary. The MCA found that barriers to entry are low due to ongoing substantial investments by operators, market structure tends toward effective competition, and therefore wholesale regulation is not justified. The MCA is therefore withdrawing *ex ante* VULA regulation with a controlled transitional period to facilitate merchant wholesale access under competitive commercial conditions. More specifically:

- To mitigate the impact of removing VULA regulation, the MCA shall apply a 24-month sunset period during which existing VULA regulated terms would remain. This would give Epic adequate time to adjust wholesale arrangements and explore alternative inputs, thereby minimizing any adverse impact on its retail service provision capabilities.

- The MCA factored in external legal frameworks (such as the EU Broadband Cost Reduction Directive and forthcoming Gigabit Infrastructure Act) and commitments by GO to continue commercial wholesale offerings, ensuring ongoing market readiness and competitive conditions.

The MCA also notes that the small size and high population density of Malta pose a unique mix of economic challenges and opportunities for network expansion. In this regard, the MCA emphasizes that the withdrawal of VULA regulation would not preclude further infrastructure investment. Rather, the market's structural conditions suggest that all operators would

continue to invest in and operate their nationwide networks, including wholesale fixed access, driven by competitive pressures.

As already underlined above and in previous sections, GO has outlined its willingness to renegotiate commercial VULA agreements with access seekers like Epic post-regulation withdrawal. Moreover, the MCA underscores the importance of commercial wholesale agreements and infrastructure sharing as facilitators of future network deployments, mitigating the high sunk costs and barriers traditionally associated with new network rollouts. For example, Epic's ability to expand its footprint and customer base in the evolving market will depend on access arrangements, either through its own ongoing investments or by securing wholesale access from Melita's cable network or GO's fibre network on commercially negotiated terms. Both GO and Melita have indicated willingness in their response to the MCA Consultation to engage in such commercial agreements. This readiness, demonstrated in public statements, enhances market certainty and supports a flexible, demand-driven framework for continued competition and service innovation across Malta.

In conclusion, the MCA assesses that withdrawing the regulated VULA obligation is unlikely to impede or destabilize ongoing and future network deployments. The market's evolution is characterized by sustained investment commitments from established operators, the prospect of commercially negotiated wholesale access agreements, and active infrastructure sharing initiatives. These factors collectively foster a conducive environment for continued infrastructure-based competition and network rollout across Malta throughout the review period. Consequently, the assertion by Epic that the MCA disregards these substantive market impacts does not align with the comprehensive and detailed market analysis and regulatory framework formally advanced by the MCA.

5.2.3 Claims of no level playing field

Epic says that "*While the formal regulatory framework may apply equally on paper, its implementation does not ensure a level playing field in practice*."

Epic's claim overlooks significant evidence to the contrary within Malta's context. Market entry in the provision of fixed services clearly materialised, in line with the MCA's strategic objective outlined in its 2012-2013 assessment. The MCA's regulatory approach during that period, and which still holds to date, was specifically designed to facilitate new entry and to set the foundations for end-to-end infrastructure competition. Epic (initially known as Vodafone Malta) signalled its entry in the market in late 2018, by leveraging regulated FTTx VULA access. Eventually in 2021, this operator began deploying its own FTTH infrastructure.

The competitive outcome improved significantly over time, with current market circumstances notably more positive than those prevailing in prior years, even compared to those prevailing in 2023. This improved competitive outlook stems from several key developments:

- GO has substantially advanced its FTTH deployment, reaching 97.5% coverage of dwellings across Malta by September 2025, while Melita has launched its own FTTH

project, achieving around 11% coverage, and offering enhanced DOCSIS 3.1 services with speeds up to 2.5 Gbps covering approximately 50% of households.

- The three-player market structure has matured, with Epic establishing itself as a genuine disruptor, capturing a 4.2% retail market share by end June 2025 (including subscriptions based on VULA). Both established operators experienced a decline in retail market share following Epic's entry, with their retail market positions remaining below pre-2023 levels despite some recent stabilization. While GO recorded a marginal recovery between the end of 2023 and June 2025, this still represents a decline from the higher retail market shares prior to 2023. Meanwhile, Melita's market share declined steadily over the same period. This pattern demonstrates the sustained competitive pressure exerted by Epic as the new market entrant (see sub-section 3.6.2 of this document).

  At the wholesale level, market share developments (which take into account self-supply) largely mirrored these retail trends, with GO experiencing market share changes based also on Epic's performance when it comes to take-up of retail broadband services via VULA. As a result, GO recorded an increase in wholesale market share between 2022 and June 2025. Melita's wholesale market share at the end of June 2025 is lower than that prevailing at the end of 2022.

Wholesale market shares as at end of period	2021	2022	2023	2024	2025 - June
GO	48.1%	47.7%	48.0%	49.3%	49.9%
Melita	51.8%	51.8%	51.1%	49.6%	49.0%
Epic	0.1%	0.5%	0.9%	1.1%	1.1%

Table 9: Wholesale market shares, including self-supply, as at end of period (updated).

- GO has explicitly committed to negotiate FTTx VULA services on commercial terms, absent wholesale regulation. This in itself reflects the competitive constraints imposed by Melita's nationwide cable infrastructure and Epic's growing presence. Melita's infrastructure constraint creates direct retail competition and potential wholesale alternatives through IP-Bitstream access. Epic keeps demonstrating its disruptive potential, as a competitor to GO and Melita on price and service quality.

- The functional equivalence between FTTH and cable DOCSIS 3.1 technologies in delivering retail Gigabit services has created effective substitutability at the retail level and allows for the possibility for substitutability at the wholesale level. In these circumstances, GO cannot afford to discontinue wholesale services because it would risk losing wholesale revenues whilst also potentially accelerate Epic's infrastructure

expansion in high-density areas. Melita's cable network also provides a viable alternative wholesale platform.

It is within this context that the MCA disagrees with Epic's assessment of the competitive landscape in Malta's wholesale fixed access market. Epic contends that *"…the presence of three active operators, infrastructure investments, and service innovation is not in itself evidence of effective competition*" and argues that "*The near-identical retail and wholesale market shares are not a sign of healthy competition, but rather of entrenched dominance and limited wholesale access options.*" (see p. 99, para. 250 of Epic's response to MCA Consultation). Epic further maintains that "…*service upgrades and price changes are also not reliable indicators of competitive dynamics. These service upgrades often coincide with price increases and reduced consumer choice…*" (see p. 99, para. 251 of Epic's response to MCA Consultation).

While Epic dismisses infrastructure investment and service innovation as inadequate indicators of competition, these elements are precisely the hallmarks of a dynamic competitive environment. The presence of three operators actively investing in network upgrades, expanding coverage, and introducing new services demonstrates genuine competitive pressure that benefits end-users through improved choice, quality, and value.

Regarding Epic's characterization of market shares as evidence of "*entrenched dominance*," the MCA considers that this operator's analysis in this respect misinterprets the competitive dynamics at play. The relatively balanced retail market shares between GO and Melita indicate robust competition between two substantial players, neither of whom can exercise unilateral market control. Epic's own growing presence as a newer entrant further validates the market's openness to competition and innovation.

Furthermore, Epic's dismissal of service upgrades and pricing changes as unreliable competitive indicators overlooks the tangible benefits these developments have delivered to consumers, including enhanced speeds, improved service quality, and more flexible pricing options that have emerged specifically due to competitive pressures in the market.

5.2.4 Claims of an imbalanced regulatory approach

Epic also adds that it *"…continues to face unequal access to essential infrastructure, including GO's ducts…*". According to Epic, *"…key aspects of the Broadband Cost Reduction Directive…*" are not being implemented effectively, and this alongside *"…lack of effective access to passive infrastructure, dependence on regulated wholesale inputs, and the MCA's failure to enforce or account for key regulatory obligations all point to a market that remains heavily imbalanced and resistant to new entry*." (see p. 98; para. 245 to para. 247 of Epic's response to MCA Consultation)

The MCA does not see legal or regulatory impediments preventing effective competition or new entry. The regulatory framework applies uniformly to all operators, and no market

asymmetries or state-imposed restrictions are deemed to be present and preventing fair competition. The currently applicable access remedies have also facilitated new market entry.

This being said, the MCA acknowledges the importance of access to duct infrastructure for the market under investigation. However, given the observed market dynamics, access to such infrastructure has been granted historically via long-standing agreements, with the possibility for similar arrangements to materialise for all operators seeking to expand their network footprint. Telecom ducts are available, with GO offering access to Melita, whilst Melita and Epic have some commercial agreements in place that are much smaller in scale than is the case for the legacy duct sharing agreement between GO and Melita (i.e. cover a very minor proportion of the duct infrastructure covered by GO). Furthermore, there is non-ECN physical infrastructure available for operators in Malta, namely Enemalta's aerial pole infrastructure which is used by each of GO, Melita and Epic for last-mile connectivity, and duct infrastructure owned by Infrastructure Malta[71], used by the established operators on commercial terms for fibre deployment purposes.

The MCA notes that there is already regulation in place which requires all physical infrastructure providers to grant access to their networks, by way of the Broadband Cost Reduction Directive (BCRD). Under the BCRD, which was transposed into Maltese Law in 2016, operators should supply access to their physical infrastructure to Epic. Importantly, Epic has never opened a formal dispute under the BCRD.

Meanwhile, the implementation of complementary regulatory measures under the EECC (Articles 44, 60, and 61), and the forthcoming Gigabit Infrastructure Act (GIA) establish additional frameworks that are aimed to facilitate infrastructure development and enhance competitive dynamics. These measures operate independently of and are not mutually exclusive to SMP-based *ex ante* regulation. The MCA does not regard these frameworks as substitutes for targeted wholesale access obligations where SMP is established, but rather as complementary tools that can coexist with sector-specific remedies when market circumstances warrant intervention.

In competitive markets where SMP-based wholesale access regulation is not required, as the MCA considers to be the case for the wholesale fixed access market in Malta, the BCRD and GIA provisions assume greater significance as mechanisms to facilitate infrastructure deployment through cost reduction and streamlined access to physical infrastructure. These frameworks foster investment and competition by providing symmetric access rights and cost-oriented access to essential physical infrastructure for all market participants, without distinction between operators based on market position.

The MCA remains committed to continuous market monitoring to ensure that infrastructure-based competition and alternative service offerings sustain effective market dynamics. The

[71] Infrastructure Malta is the agency entrusted with the development, maintenance and upgrading of roads and other infrastructure in the Maltese Islands.

Authority aims to keep its oversight on access to physical infrastructure, as governed by the BCRD and the GIA. Notably, while the practical application of the BCRD in Malta has been limited to date, this does not imply a lack of effectiveness or suitability of the. Rather, the observed limited use is reflective of the existence of commercial PIA sharing agreements that has facilitated further deployment of networks and a degree of market openness.

Furthermore, the evolution of demand for telecom physical infrastructure access in Malta remains uncertain, even when considering the trend observed for established operators using Enemalta's nationwide aerial infrastructure for last drop purposes and Infrastructure Malta infrastructure. This is highlighted by Epic's decision not to pursue active further expansion of its fibre network in the immediate term, as well as the stabilization of Melita's fibre last-mile deployment at roughly 7% of Maltese dwellings. Such developments emphasize the importance of the MCA's continued assessment of the actual needs for regulated physical infrastructure access to ensure that regulatory tools remain proportionate and responsive to market realities. The MCA's assessment supporting the withdrawal of wholesale regulation from the provision of fixed access reflects confidence that Malta's fixed broadband access market can sustain effective competition through market-driven mechanisms. This transition toward commercially negotiated infrastructure competition and enhanced consumer choice demonstrates the market's evolution toward self-sustaining competitive dynamics.

This, alongside improved competitive outcomes, is indicative that the regulatory environment remains balanced and does not pose insurmountable barriers to expansion. It is relevant to point out that Epic's claims of unequal access to essential infrastructure is also being investigated by the Office for Competition within the MCCAA.

5.2.5 Claims on the necessity of assessing the Third Criterion

Epic states that it "… *strongly objects to the MCA's position that an assessment of the third criterion is unnecessary on the basis that the first two criteria are not satisfied. This approach is both procedurally flawed and inconsistent with the EC's 2020 Explanatory Note."* (see p. 102, para. 254 of Epic's response to MCA Consultation) Epic moreover argues that *"…competition law alone is not sufficient to address urgent and persistent market failures*." (see p. 105, para. 264 of Epic's response to MCA Consultation)

The MCA notes that its approach to the assessment of the 3CT aligns closely with the EC's 2020 Recommendation and the associated EC Explanatory Note, which focuses on the importance of the three criteria being met in order to determine that ex ante regulation is justified. More specifically the EC Recommendation states in recital 7:

> *"In accordance with Article 67(1) of the Code, imposition of ex ante regulatory obligations may be justified only in*
>
> *markets where the three criteria referred to in Article 67(1)(a), (b), (c) are cumulatively met."*

The MCA's analysis has in fact found that the first two criteria are not satisfied in the current Maltese wholesale fixed access market, due to:

- reduced structural and legal barriers to entry, supported by investments from all operators including Epic, and relatively low hurdles in accessing essential infrastructure; and

- the market's evident progress towards effective competition, highlighted by the coexistence and competitive interaction of GO, Melita, and Epic at retail and wholesale levels, including reliance on and deployment of competing infrastructures.

This implies the assessment of the third criterion would only carry weight if the first two criteria are met, as otherwise failing any one criterion excludes the market from *ex ante* regulation. The MCA therefore considers that there is no procedural or substantive flaw in not evaluating the third criterion when the factual prerequisites for ex ante regulation are clearly not satisfied.

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The MCA also considers that its prudent analytical approach respects procedural proportionality by not extending regulatory action where competition conditions render it unnecessary. The historical imposition of remedies on GO since 2013 reflects prior market conditions that justified intervention. Given the current findings, supported by data on market shares, infrastructure deployment, and observed market conduct, the continuation of such

remedies would constitute regulatory overreach inconsistent with the guiding principles of the EECC. A 24-month sunset period would therefore facilitate and safeguard access seekers' operational continuity while preserving competitive pressures.

5.2.6 MCA's overall considerations

The MCA's forward-looking evaluation concludes that the wholesale fixed access market in Malta neither exhibits persistent structural barriers nor lacks effective competition. Barriers to entry are no longer significant enough to justify continued *ex ante* regulation. This finding rests on consistent evidence of infrastructure-based competition, demonstrated by the presence of multiple operators, including Epic's investment in modern fibre and mobile networks, as well as Melita's competitive cable infrastructure. The availability of alternative wholesale inputs and the potential for commercially negotiated access arrangements underscore the reduced structural and legal impediments in the market.

The MCA also fully considered the real impact of removing the VULA obligation, as it explicitly outlines the commercial incentives for incumbents to continue offering VULA on a non-regulated basis, and anticipates that market dynamics will sustain competitive wholesale alternatives.

Concerns regarding the alleged absence of a level playing field and an imbalanced regulatory approach must be viewed in light of the MCA's commitment to a harmonized and technology-neutral analytical framework. The MCA seeks to ensure fair access opportunities and the ongoing monitoring of market developments. The emerging trend towards infrastructure-based competition and market-driven commercial agreements diminishes the relevance of asymmetric regulatory measures based on the SMP analytical framework. The MCA recognizes the evolving landscape and remains vigilant, providing for a 24-month sunset period to facilitate and safeguard access seekers' operational continuity while preserving competitive pressures.

Regarding the necessity of assessing the third criterion in the 3CT, MCA's approach aligns with European regulatory precedent emphasizing procedural efficiency and proportionality. The MCA considers that an assessment of the third criterion assessment would not carry weight when the first two criteria are not met.

Importantly, the MCA does not dismiss the relevance of competition law or future *ex ante* regulatory action but rather balances these tools in a manner suited to current market realities. The MCA retains the option to reassess should conditions materially change. This in order to ensures a continued dynamic and responsive regulatory environment conducive to sustainable competition and innovation.

6 Regulatory Approach

6.1 Legal background

In accordance with regulation 55(1) of the ECNSR, where an operator is designated as having SMP on a relevant market, either individually or jointly with others, the MCA is obliged to impose on such operator appropriate regulatory obligations, referred to in regulations 56 to 61, and 63 to 67 of the ECNSR, or to maintain or amend such obligations where they already exist.

Also, in accordance with regulation 54(6) of the ECNSR, where the MCA concludes that a finding of dominance can no longer be ascertained in an already regulated market and that such market no longer justifies the imposition of regulatory obligations, then the MCA is to withdraw such obligations placed on undertakings. The withdrawal notice is subject to an appropriate period of notice to be given to all parties affected by such withdrawal.

The MCA considers that given the findings for the 3CT Test, the market is tending towards effective competition and therefore the current *ex ante* remedies imposed on GO by way of the 2013 MCA Decision concerning the wholesale unbundled access market should be withdrawn, subject to a sunset period.

6.1.1 Existing obligations

In 2012, the MCA carried out a market analysis with respect to the wholesale market concerning the provision of unbundled infrastructure access. The market analysis was issued for consultation on the 15th of June 2012 and subsequently a decision was published on the 6th of March 2013.

Under that review and the relevant Decision, the MCA established that GO held SMP in the provision of wholesale unbundled infrastructure access. To this effect, the MCA had therefore concluded that the relevant wholesale market was not effectively competitive. Given the position of dominance held by GO, the MCA imposed on this operator an obligation to grant access whenever required, subject to non-discrimination, transparency, price control, cost accounting and accounting separation.

The type of wholesale access to be provided by GO subject to the afore-mentioned conditions included:

- LLU and SLU (including shared access) and associated facilities, and reasonable requests for access to service variants;
- access to specified network elements and/or associated facilities, where such access is required for the purpose of the provision of LLU and SLU;

- co-location or other forms of facility and site sharing, where applicable for the purpose of LLU and SLU;
- access to backhaul services for the purpose of LLU and SLU, including Ethernet services, dark fibre and duct access.
- access for VULA-based services, where the fibre network has been deployed.[72]

6.1.2 Current findings and implications

The MCA considers that the wholesale fixed access market exhibits characteristics of prospective competition, supporting the assessment that no operator holds SMP in this market. Consequently, the conditions for maintaining the remedies stipulated in the MCA 2013 WUIA Decision on the wholesale unbundled access market, including a regulated FTTx VULA agreement, are no longer satisfied under EU law or local regulatory norms. Instead, commercial negotiations are expected to sustain competitive outcomes for end-users, particularly given the evolving market dynamics and the wholesale constraints posed by Melita and GO.

Based on the wholesale competition analysis in Section 5, the MCA identifies multiple viable pathways facilitating operators to enter and compete in the retail fixed broadband market, absent regulation:

- **Vertically Integrated Self-Supply:** Operators such as GO and Melita continue to use their fibre-based or cable-based networks (the latter only in the case of Melita) to deliver retail services nationwide, while Epic provides services via own network on a more limited scale. Epic's course of action in respect of scale and network coverage remains subject to internal commercial considerations.
- **Wholesale Purchase:** Access seekers can procure wholesale services from GO or Melita, including by way of a commercially negotiated FTTx VULA agreement and/or a wholesale bitstream access agreement.

The MCA's forward-looking assessment emphasizes that these competitive dynamics are driven by several key factors. The presence of Melita's cable-based wholesale broadband network allows for the provision of wholesale IP-Bitstream access and serves as a direct constraint on fibre-based services such as FTTx VULA offered by GO. Additionally, downstream competition in retail broadband services reinforces these constraints and supports the likelihood of sustained competitive pressure in the wholesale market.

[72] As already stated, FTTx VULA has been mandated since 26 February 2016 (MCA/D/16-2513) and has been in use since August 2019, based on a wholesale access agreement that was signed by Epic (formerly Vodafone Malta Limited) in October 2018. Demand for FTTx VULA is fully attributable to Epic.

Given these considerations, the MCA concludes that the wholesale fixed access market is sufficiently competitive on a prospective basis, negating the need for continued *ex ante* regulatory remedies. The MCA will continue to monitor market developments to ensure that the competitive environment evolves in a manner that benefits end-users.

6.1.3 Relevance of commercial agreements

The EECC provides that when considering mandating SMP obligations, NRAs should take into account commercial agreements and co-operative arrangements that can contribute to VHCN deployment.[73] This should include (but is not limited to) co-investment arrangements that meet the conditions of Article 76 of the EECC as well as any commitments made under Article 79 of the EECC which the MCA may make binding.

The MCA observes that the current FTTx VULA agreement between GO and Epic, in place since October 2018 (following the MCA Decisions in 2013 and 2016), has been effectively maintained under the regulatory oversight of the MCA. However, the forward-looking analysis suggests that market dynamics increasingly incentivize GO to continue offering FTTx VULA on a commercial basis even without regulation. This conclusion is primarily driven by the competitive pressure exerted by Melita, which constrains GO's market behaviour at both the wholesale and retail levels.

In a letter dated September 15, 2023, the MCA requested GO to provide long-term commitments concerning conditions for access. GO's response, dated October 5, 2023, affirmed its willingness to negotiate a commercial agreement with Epic. GO explicitly stated:

> "*if the Authority conducts a thorough evaluation of the market and declares it competitive, GO commits to maintaining its provision of services to Epic under the current VULA agreement in the interim. This commitment stands as long as negotiations are conducted in a fair and constructive manner.*"

This statement underscores GO's commitment to maintaining cooperative arrangements with market participants on commercially negotiated terms, reflecting a market-oriented approach to fostering competition. The MCA also recognizes the potential for Melita to begin offering wholesale cable IP-Bitstream access, as also indicated by this operator in its response to consultation, which could further enhance competitive dynamics in the wholesale access market.

The withdrawal of existing regulation from the wholesale access market and the introduction of the 24-month sunset period are framed without prejudice to current agreements in other respects. In a competitive environment, it is expected that operators capable of supplying wholesale access would make available reference offers that are transparent and sufficiently

[73] Article 68 of the EECC.

detailed. This transparency is important not only to sustaining existing competition but also to enabling new market entry, ensuring a dynamic and evolving market landscape.

Such practices would not only demonstrate market readiness but could also serve as a benchmark for assessing competitive behaviour in future reviews of the physical infrastructure access market. This forward-looking approach ensures that the market remains adaptive, fair, and conducive to innovation and investment while safeguarding the interests of end-users.

6.2 Withdrawal of remedies and sunset period

The MCA's analysis determines that no operator holds SMP. As a result, the conditions for maintaining *ex ante* regulatory obligations are no longer satisfied under EU law or local regulatory norms. Accordingly, the relevant wholesale market does not justify retaining the SMP obligations previously imposed on GO through the 2013 MCA WUIA Decision. The MCA will thus withdraw these SMP obligations, including those established in the 2016 Virtual Unbundled Access to Fibre-to-the-Home Decision and the 2018 Non-Discrimination Obligations.[74]

The MCA must also ensure that all parties - including end-users - affected by such a withdrawal of obligations receive an appropriate notice period, balancing the need to ensure an orderly and structured transition for the beneficiaries of those obligations and end-users, end-user choice, and that regulation does not continue for longer than necessary.[75]

Hence, the MCA shall set a twenty-four (24)-month sunset period beginning on the effective date of the publication of this MCA Decision. During this transition period, access to existing FTTx VULA will remain available at prices no higher than the prevailing rates. At the conclusion of the twenty-four (24) month period, these remaining obligations will also be withdrawn.

While GO will not be required to accommodate requests for new lines based on the regulated FTTx VULA during the sunset period, the MCA anticipates that such access - or equivalent solutions - will be made available on a commercial basis.

The MCA considers this sunset period essential for enabling an orderly adjustment to the removal of *ex ante* remedies, enabling operators to be able to identify and put in place an alternative solution, if required. Such a transition period provides access seekers the necessary time to secure backhaul arrangements and, if the case, interconnect with new aggregation nodes on GO's network, facilitating continued access to wholesale fixed services,

[74] In reference to the 2016 MCA Decision titled 'Virtual Unbundled Access to Fibre-to-the-Home - Response to Consultation and Decision' and the 2018 MCA Decision titled "Virtual Unbundled Access to Fibre-To-The-Home: Enhancing the Non-Discrimination Obligation".

[75] Article 67(3) (Market Analysis Procedure) of the EECC.

including FTTx VULA, at newly established network points. This approach aims to maintain stability in the market and support sustained competition.

In this respect, the existing obligations shall be withdrawn upon publication of the MCA final Decision, other than as set out above for the twenty-four (24) month sunset period.

The MCA will continue to monitor, including during the transition period, the evolution of competitive conditions in this market. The findings are without prejudice to future market analyses that the MCA may need to carry out.

6.3 Response to consultation submissions

The MCA's rationale for withdrawing regulatory remedies from the relevant wholesale fixed access market in Malta is anchored in a thorough, data-driven assessment that rigorously applies the 3CT in line with EC guidance. This approach ensures the regulatory framework remains fit-for-purpose, reflects evolving market dynamics, and supports investment and consumer interest.

GO states that "*GO remains open to offering Epic access on commercial terms even once the obligations mandated on GO are lifted, on the understanding that discussions are carried out in a fair and constructive spirit. In fact, since the publication of the consultation document, the CEOs of both companies have already been in touch to explore the potential for renewed bilateral negotiations, and GO has offered to extend the existing VULA agreement for an interim period until a commercial arrangement is reached.*" [see p. 6; sub-section 6.1.3 of GO's response to MCA Consultation]. However, GO expresses reservations on the 24-month sunset period and claims that this *"…is unwarranted at this stage for a number of reasons*." These reasons are also addressed in the third bullet point hereunder. [see p. 7; section 6.2 of GO's response to MCA Consultation].

Meanwhile, Melita and GO agree in principle with the MCA's approach to withdraw regulation from the relevant wholesale market. Melita states that "*Melita agrees with the deregulation of a market which has been deemed to be competitive and therefore not requiring any ex ante regulation. This is in line with the Code which requires that ex ante regulatory obligations ought to be lifted when there is effective competition.*" [see p. 2 of Melita's response to MCA Consultation]. On the publication of a reference offer, Melita acknowledges that it "…*would be very eager to provide a reference offer…*," but considers that such an approach "…*is warranted only where there is clear and concrete interest from a third party in obtaining wholesale access."* [see p. 2 of Melita's response to MCA Consultation].

Epic reiterates many of the views previously expressed in earlier sections when elaborating on its position as to why it disagrees with the MCA's regulatory approach. To avoid unnecessary repetition of similar points raised by Epic, the forthcoming bullet points reference the main issues raised and the MCA's response by indicating the specific headings and page numbers in Epic's submission document.

- **Evidence of more effective competition and reduced barriers**

  [In response to Epic's points in heading '*3.5.1.1. Sub-section 6.1.2 Current findings and implications*'; p. 108; para. 273]

  Epic states that "…*the MCA's conclusion that the wholesale fixed access market is sufficiently competitive to justify the removal of regulated VULA and other ex ante remedies. This view is based on speculative assumptions rather than market evidence, and it ignores persistent structural barriers, most notably, the lack of regulated access to GO's passive infrastructure*."

  - The MCA considers that the market now exhibits clear signs of infrastructure-based competition, with both GO and Melita maintaining nationwide networks and Epic establishing itself as a credible competitive force, notably increasing its retail market share from 2.5% to 4.2% between end-2023 and mid-2025.

    Epic's growth was initially reliant on regulated VULA access. This operator later moved into direct network investment. This explicitly demonstrates that retail and wholesale entry barriers have diminished considerably. This, alongside the presence of alternative and substitutable wholesale access products and operators' willingness and ability to negotiate commercial terms, goes to indicate that mandated access is not required for ensuring end-user choice and competitive outcomes.

  - The MCA's assessment extended well beyond a superficial review of product offerings. It included a comprehensive consideration of retail price dynamics, product substitutability, network coverage, migration trends (e.g., movement from VDSL to FTTH or cable), and the role of commercial wholesale agreements. This evidence base demonstrates the absence of persistent structural or legal impediments that would justify continued *ex ante* remedies.

  - The MCA acknowledges that access to passive infrastructure, such as ducts and physical elements, is a critical factor in fostering infrastructure-based competition. However, the MCA's comprehensive market analysis shows that Malta's market has evolved significantly, with clear signs of infrastructure-based competition and diminishing barriers to entry.

    Both GO and Melita maintain extensive nationwide fibre and hybrid networks, while Epic has deployed its own FTTH network alongside an engagement in commercial negotiations for wholesale fixed access. Furthermore, the MCA explicitly considers the availability of alternative wholesale inputs, including Melita's bitstream access over cable and Epic's growing fibre footprint, which provide viable substitutes and competitive constraints.

The MCA disagrees with Epic's statements and highlights that the market now shows clear and tangible signs of infrastructure-based competition. Both GO and Melita operate nationwide networks, while Epic has demonstrated itself as a credible competitor, disrupting competition dynamics and increasing its retail market share. Epic's initial reliance on regulated VULA access was critical for market entry. However, the subsequent investments by this operator in direct network infrastructure and the engagement in commercial negotiations underscore the fact that retail and wholesale barriers have decreased substantially.

- **No robust counter-evidence from Epic to undermine MCA's conclusions**

[In response to Epic's points raised under heading '3.*5.1.2. Sub-section 6.1.3 Relevance of commercial agreements*'; p. 108]

- On the need for VULA and high barriers, Epic's arguments regarding continuing dependence on regulated wholesale inputs are directly rebutted by Epic's own commercial evolution and subscriber gains. The market's ability to sustain vigorous competition, including Epic's innovations and niche offerings, clearly refutes the claim that regulatory withdrawal would harm end-user or wholesale market outcomes.

- Epic's claims of a failure by the MCA to assess the real impact of removing VULA are not factual. The MCA's analysis explicitly accounted for transition risks through a sunset period and evaluated how loss of regulated VULA would impact Epic's ability to compete, concluding that Epic's bargaining power and network investments would fill the gap. The MCA's assessment did not narrowly focus on ultra-fast plans, but rather on whole-market competitive effects, offering a holistic, competition law-based perspective.

- Regarding Epic's concerns about the absence of a level playing field and the existence of regulatory imbalances in the wholesale market, the MCA robustly demonstrated that these claims are unsubstantiated. All operators, regardless of their infrastructure or market position, are subject to a harmonized, technology-neutral regulatory framework that fosters fair and equitable treatment across the board. In addition, the MCA maintains ongoing market surveillance to promptly identify and address any unforeseen adverse effects. The current shift in policy is not about advantaging any one player but rather represents the natural evolution of the regulatory environment, from pre-emptive, *ex ante* measures to a reliance on *ex post* tools, as competitive intensity and market maturity increase. This ensures that regulation remains proportionate, targeted, and conducive to continued investment and innovation.

- Regarding Epic's call for the necessity of assessing the third criterion, the MCA considers that the analysis was appropriately concluded upon determining that neither high and non-transitory barriers to entry nor a lack of effective competition were present, meaning the first two criteria were not satisfied. There is thus neither a procedural nor substantive flaw in this approach, as it reflects both the letter and spirit of European regulatory guidance.

- Epic's statement that "*…competition law alone is not sufficient to address these risks, given enforcement delays, procedural hurdles, and limited institutional capacity.*" (see p.106, para. 268 of Epic's response to MCA Consultation). does not amount to proof of ineffectiveness. It is normal for disputes to arise in competitive markets, and Malta's authorities have demonstrated the ability to intervene promptly where needed, with ongoing improvements in responsiveness. Any substantiated, persistent market harms may trigger further regulatory assessment or ex post intervention.

- Epic also alludes that the MCA is somewhat relying on Articles 76 and 79 of the EECC "*to justify its regulatory approach is fundamentally flawed and internally inconsistent, particularly given its simultaneous assertion that no operator holds SMP in Malta*." This assertion misinterprets the nature and purpose of this reference in the consultation document. The MCA's reference to these Articles is intended to provide supplementary regulatory context and legal basis for the overall framework and transition strategy that shall be implemented.

  Articles 76 and 79 of the EECC empower the MCA to withdraw regulatory obligations and to do so in a transparent, consultative manner. The MCA cites these two articles to underscore the procedural robustness of its withdrawal assessment, highlighting that any modifications to regulatory obligations is always accompanied by the necessary consultation and stakeholder engagement.

  Moreover, as indicated by GO, the MCA anticipates that GO is ready to offer commercial commitments that reduce or even obviate the need for the full sunset period, benefiting all market participants including Epic, by fostering certainty and continuity in access arrangements.

In summary, the MCA's decision to withdraw regulatory remedies from the wholesale fixed access market is firmly grounded in robust, forward-looking evidence that demonstrates effective infrastructure-based competition, genuine commercial alternatives to regulation, and lower barriers to entry or expansion. Contrary to assertions that competition is not sufficiently developed, recent data validates that market dynamics are conducive to sustainable rivalry, as exhibited by way of developments for the newer entrant, Epic. This operator gained market share, invested in fibre infrastructure, and engaged in viable commercial negotiations with other operators.

- **The appropriateness of the twenty-four (24) month sunset period**

Given the importance of the twenty-four (24) month sunset period and the MCA's assessment to withdraw regulation, the MCA considers it appropriate to quote and address each of Epic's arguments related to this aspect individually below. This structured approach ensures that all concerns are thoroughly examined in the context of the regulatory transition. Also, but for different reasons, GO outlines its views against the sunset period. The MCA adopts a similar approach in providing a response to GO's claims in this respect.

- [In response to Epic's points in heading '*3.5.2. Sub-section 6.2 Withdrawal of remedies and sunset period*'; p. 110]

  Epic states that '*Epic does not consider the proposed 24-month sunset period to be sufficient, especially in light of the MCA's position that GO will not be required to accommodate new requests for regulated VULA lines from the effective date of the MCA's Decision following this consultation….*'

  Epic's claims regarding the premature nature of deregulatory measures and the risk of entrenching GO's dominance are strongly rebutted by the comprehensive analysis underpinning the MCA's position. The assessment demonstrates that regulatory withdrawal will not be undertaken in a vacuum, but within the context of ongoing market monitoring and a 24-month transition period. Additionally, *ex post* safeguards remain in place.

  The 24-month transition sunset period ensures that the withdrawal of remedies does not result in regulatory gaps. This approach takes into account the maturity of the Maltese market, in line with EU policy goals, which emphasize the progressive reduction of sector-specific rules as competition takes root.

  The MCA's approach has been set to ensure regulatory certainty, consistent with European Commission precedent. The approach is being transparently communicated to all stakeholders. This transition guarantees that sustainable and effective competition and consumer welfare remain safeguarded, while simultaneously sending strong investment signals to market participants in a regulatory environment that is proportionate and fully responsive to Malta's evolving communications landscape.

  Regarding Epic's concern that GO will not be required to accommodate new requests for regulated VULA lines from the effective date of the publication of the MCA's final Decision, which in Epic's view would undermine service continuity and limit competitive options, the MCA considers that GO has a strong commercial incentive to continue offering VULA or equivalent wholesale access both throughout and beyond the sunset period. This is also consistent with GO's stated

commercial commitment. Epic also has an interest to conclude such commercial negotiations.

The MCA is aware that the two parties - namely GO and Epic - are discussing a potential commercial agreement and strongly encourages both parties to conclude an agreement as soon as possible. Epic benefits from securing access on commercially sustainable terms, while GO has an incentive to maintain wholesale access opportunities. Furthermore, alternative wholesale inputs, such as Melita's bitstream access alongside network investments by this operator and Epic's own network investments, help mitigate any risk of access constraints.

The MCA will continue to closely monitor the market and to intervene if competitive conditions deteriorate and commercial arrangements fail to protect effective competition and consumer choice. This approach balances the objective of deregulation with necessary safeguards to ensure market stability and healthy competition during the transition.

The EC Comments Letter on Case MT/2025/2606 underlines the EC endorsement of the 24-month sunset period as appropriate for commercial agreement transition, acknowledging positive retail dynamics from Epic's VULA-enabled entry but noting its competitive disadvantage. The EC comments on the need for ongoing MCA monitoring of competition sustainability, commercial agreement viability (GO VULA, Melita bitstream), retail prices/choices, and market developments, standing ready for new analysis or Article 32 of the EECC interim measures if needed.

- [In response to Epic's points in heading '*3.5.2. Sub-section 6.2 Withdrawal of remedies and sunset period*'; p. 112; para. 289]

Epic states that *'While noting expectation that GO will offer VULA, or equivalent access, on a commercial basis, Epic underlines that GO has not disclosed any commercial terms to date and informed Epic that such information would be available for Epic consideration only following this consultation. Without transparency on pricing, conditions, and service levels, it is impossible to assess whether these commercial offers will be viable or acceptable. Therefore, Epic further submits that the sunset period to accommodate new VULA lines should not begin until GO has made available a clear and complete commercial offer, as only at such point can meaningful negotiations begin, and alternative commercial arrangements be considered. This would also prevent GO for further delaying commercial discussions (as experienced by Epic in the past).'*

Epic's argument that the sunset period for new VULA lines should be delayed until GO publishes detailed commercial terms is not supported by the broader context of Malta's wholesale market dynamics and regulatory safeguards. While

transparency of commercial terms is important for meaningful negotiations, it is also recognized that commercial negotiations naturally follow regulatory consultations and market developments. The MCA notes that GO has expressed its commitment to offer VULA inputs on a commercial basis post-regulation and that such negotiations are inherently iterative and subject to commercial confidentiality until finalized.

Most importantly, the MCA's direction for a 24-month sunset period provides sufficient flexibility to accommodate the set-up of commercial agreements, including the disclosure, consideration, and negotiation of VULA offerings. This transition ensures that market participants like Epic have sufficient time to engage constructively rather than suffer from sudden withdrawal of access.

Finally, the broader competitive landscape reflects that alternative wholesale inputs are available, including Melita's bitstream access and Epic's own fibre deployment initiatives, which further mitigate any potential short-term access constraints. The MCA remains vigilant and will intervene if competitive conditions deteriorate and commercial arrangements prove inadequate, ensuring that the regulatory framework remains responsive and protective of competitive outcomes and consumer choice.

- [In response to GO's points under heading '*Sub-section 6.2 Withdrawal of remedies and sunset period*'; p. 112; para. 289]

GO has raised several objections to the proposed 24-month sunset period, arguing that it should be removed or significantly shortened. GO says "…*that a sunset period is in fact not necessary considering the circumstances of the market.*" As for the reasons highlighted for this stance, GO argues that "*Extending the current VULA agreement for an additional two years would not facilitate commercial negotiations between the two parties*.", as *"…The prospect of having two more years under the current arrangement could reduce the urgency to reach a new, mutually beneficial commercial agreement*.". Additionally, GO considers that "…*it is not a fair regulatory obligation to extend the remedy for an additional two years, especially considering the already excessive period during which these obligations have been imposed*." and as *"…GO will remain subject to the burden of considerable obligations. These include the extensive procedures associated with the 2016 VULA decision and the accompanying ERT framework, particularly when GO implements changes to its retail pricing*." Ultimately, GO advocates for a much shorter transition period, highlighting that, at the retail level, the MCA requires only a 30-day notice period for tariff changes.

The MCA maintains that the sunset period is a proportionate and balanced measure, serving important transitional objectives considering current market realities and the broader competitive context.

Firstly, the MCA reiterates that 24-month period is a carefully considered safeguard designed to balance deregulation against the risk of sudden withdrawal of access. The existing regulatory obligations are being withdrawn, with the primary exception that existing access will be safeguarded to ensure service continuity, consumer protection, and market stability during a significant regulatory shift. The Maltese wholesale fixed access market has evolved, yet this evolution has been relatively recent in the long history of telecommunications in Malta. A well-defined transition period provides sufficient time for access seekers such as Epic, and any other operators, to adjust commercial arrangements, secure wholesale access through negotiation, and adapt operationally to the new, deregulated environment. Without such a transitional buffer, there is a risk of disruption or a vacuum in competitive safeguards, particularly affecting end-users reliant on current wholesale arrangements.

Secondly, the sunset period does not diminish the incentive for commercial negotiations; rather, it provides a clear framework within which those negotiations can take place, with a definite endpoint. The regulated entity, GO, is encouraged to offer commercial commitments at the earliest opportunity, which may, in practice, reduce the need for the full duration of the sunset period. This flexibility enhances market certainty and aligns with sound regulatory norms. Moreover, both GO and wholesale customers retain operational and strategic clarity about the timeline for change and have a framework within which to innovate and adapt.

Thirdly, while the MCA is sensitive to concerns regarding ongoing obligations, it is also guided by the need for procedural fairness and a level playing field for all market participants. The sunset period is not only a protection for existing access recipients but also an exit strategy for the incumbent, ensuring an orderly transition from *ex ante* regulated terms to commercial agreements and *ex post* safeguards, thus reinforcing market confidence. The 24-month requirement that existing FTTx VULA products will remain available, at prices no higher than the prevailing rates, obviates any need to maintain the procedures specified in the 2016 VULA decision and the accompanying ERT framework during the sunset period. Drawing comparisons with retail tariff notification periods is not appropriate, as wholesale market arrangements involve significantly more complex commercial and technical considerations.

The MCA's decision to deregulate the wholesale fixed access market, coupled with the 24-month sunset clause, represents the most balanced and effective outcome given the current market conditions and regulatory objectives. This approach recognizes the tangible evidence of growing infrastructure-based competition and the availability of commercial alternatives to regulatory remedies. The sunset period safeguards service continuity by providing ample time for market participants to adjust, negotiate, and finalize alternative commercial arrangements, thus minimizing risk to end-users and preserving market stability.

Moreover, the sunset clause incentivises the incumbent operator to voluntarily offer commercial commitments early, potentially reducing the transition period and enhancing market certainty. This flexible framework both supports investment signals in the sector and aligns with EU regulatory norms favouring proportionality, subsidiarity, and forward-looking market analysis.

The EC Comments Letter on Case MT/2025/2606 underlines the EC endorsement of the 24-month sunset period as appropriate for commercial agreement transition, acknowledging positive retail dynamics from Epic's VULA-enabled entry but noting its competitive disadvantage. The MCA reiterates that it will continue monitoring of competition sustainability, commercial agreement viability (such as GO VULA, Melita bitstream), retail prices/choices, and market developments, standing ready for new analyses or using Article 32 of the EECC interim measures if needed. Likewise, it also stands ready to adjust the regulatory approach should new evidence or commercial commitments warrant a shorter transition period.

Annex 1 - Fixed broadband prices for different users, published on consultation

This Annex lists various broadband plans targeting different users, including residential and business (or non-residential) users and plans for users seeking month-on-month payment terms or 24-month contract term agreements. The entry-level plans for the different user categories are highlighted in the tables below. Quoted rates are as those published in the 2025 MCA Consultation.

Month-to-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**100Mbps download / 15Mbps upload**	**300Mbps download / 30Mbps upload**	**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload**	
	Dec 2023	**Feb 2025**	**Dec 2023**	**Feb 2025**	**Dec 2023**	**Feb 2025**
Monthly access fee – DDM excl.	€30.99	€32.99	Not applicable	€30.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	€29.99	€31.99	Not applicable	€30.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fixed telephony	Calls at €0.05c for local fixed calls and €0.22c for local mobile calls	Calls at €0.05c for local fixed calls and €0.22c for local mobile calls	Not applicable	Included but no free minutes	Not applicable	Not applicable
TV	Not applicable	Not applicable	Not applicable	Free TV Starter App	Not applicable	Not applicable
Installation	€75.00	€75.00	Not applicable	Not applicable	Not applicable	Not applicable

Table 10 – Month-to-month entry-level bundle plan for residential users (incl. VAT)

24-month entry-level stand-alone plan for residential users						
Operator	**GO[76]**		**Melita**		**Epic[77]**	
Speeds	**100Mbps download / 15Mbps upload**	**300Mbps download / 30Mbps upload**	**100Mbps download / 10Mbps upload**		**2000Mbps download / 100Mbps upload**	
	Dec 2023	**Feb 2025**	**Dec 2023**	**Feb 2025**	**Dec 2023**	**Feb 2025**
Monthly access fee – DDM excl.	Not applicable	Not applicable	€19.99	€19.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	Not applicable	Not applicable	€19.49	€19.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Installation	Not applicable	Not applicable	Free	Free	Not applicable	Not applicable

Table 11 – 24-month entry-level stand-alone plan for residential users (incl. VAT)

[76] GO plans are available but with fixed telephony. Hence it is assumed that part of the access fee charged by GO for such plans would be attributed to the fixed line telephony service, even though the end-user does not make use of such a service. The situation is the same for month-on-month entry-level plans as reported in Table 10.

[77] Epic also includes fixed telephony in the plan and hence is adopting the same strategy used by GO. The situation is the same as reported for month-on-month entry-level plans as reported in Table 10.

Month-on-month entry-level stand-alone plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**100Mbps download / 15Mbps upload**		**100Mbps download / 10Mbps upload**		**2000Mbps download / 100Mbps upload**	
	Dec 2023	**Feb 2025**	**Dec 2023**	**Feb 2025**	**Dec 2023**	**Feb 2025**
Monthly access fee – DDM excl.	Not applicable	Not applicable	€24.99	€24.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	Not applicable	Not applicable	€24.49	€24.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Installation	Not applicable	Not applicable	€75	€75	Not applicable	Not applicable

Table 12 – Month-on-month entry-level stand-alone plan for residential users (incl. VAT)

24-month entry-level bundle plan for business users (incl. VAT)						
Operator	**GO**		**Melita**		**Epic**[78]	
Speeds	**100Mbps download / 15Mbps upload**	**300Mbps download / 30Mbps upload**	**250Mbps download / 15Mbps upload**		**2000Mbps download / 200Mbps upload**	
	Dec 2023	**Feb 2025**	**Dec 2023**	**Feb 2025**	**Dec 2023**	**Feb 2025**
Monthly access fee – DDM excl.	€41.30	€47.20	Not applicable	€41.29	Not applicable	€37.15
Monthly access fee – DDM incl.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	€35.38
Discount	€10 discount in case download speed is less than 45 Mbps	No access fee for the first 3 months of subscription	Not applicable	Not applicable	Not applicable	Not applicable
Fixed telephony	Included with unlimited minutes to fixed lines	Included with unlimited minutes to fixed lines	Not applicable	Included with unlimited minutes to all local numbers	Not applicable	Included with unlimited minutes to all local numbers
Installation	Free	Free	Not applicable	Free	Not applicable	€24.99

Table 13 – 24-month entry-level bundle plan for business users (incl. VAT)

[78] Epic's entry-level 'up to 500Mbps' plan is offered at a monthly fee of €60.75 (or €59.26 with DDM applied). However, this plan is based on the regulated VULA service provided by GO. Therefore, the focus of this table is on plans supplied directly by each operator. The same approach is applied in Table 12.

Month-on-month entry-level bundle plan for business users (incl. VAT)						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**100Mbps download / 15Mbps upload**	**300Mbps download / 30Mbps upload**	**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload**	
	Dec 2023	**Feb 2025**	**Dec 2023**	**Feb 2025**	**Dec 2023**	**Feb 2025**
Monthly access fee – DDM excl.	Not applicable (minimum term of 24 months)	Not applicable (minimum term of 24 months)	Not applicable	€53.08	Not applicable (minimum term of 24 months)	Not applicable (minimum term of 24 months)
Monthly access fee – DDM incl.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fixed telephony	Not applicable	Not applicable	Not applicable	Included but no free minutes	Not applicable	Not applicable
TV	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Installation	Not applicable	Not applicable	Not applicable	€75	Not applicable	Not applicable

Table 14 – Month-on-month entry-level bundle plan for business users (incl. VAT)

Gigabit plans - 2 year contract (incl. VAT)	Jun-18	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jul-24	Sep-24	Nov-24	Dec-24	Feb-25
GO - 1000Mbps + fixed telephony + TV		€ 55.99	€ 50.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99
Melita - 1000Mbps - stand-alone										€ 36.99	€ 36.99
Melita - 1000Mbps + fixed telephony + TV	€ 58.00	€ 50.49	€ 50.49	€ 50.49	€ 40.49	€ 40.49	€ 40.49	€ 40.99	€ 40.99	€ 40.99	€ 40.99
Melita - 1200Mbps + fixed telephony + TV					€ 50.49	€ 50.49	€ 50.49				
Melita - 2500Mbps + fixed telephony + TV								€ 45.99	€ 45.99	€ 45.99	€ 45.99
Epic - 1000Mbps		€ 51.49	€ 51.49	€ 51.49	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99
Epic - 2000Mbps (own FTTH)					€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99

Table 15 – Monthly access fees for Gigabit plans to residential users (incl. VAT)[79]

[79] Quoted fees do not take into account of applicable discounts, such as no monthly or discounted fees for the first months of subscription. For example, in case of Melita, no monthly access fees apply for the first six month of a 24-month bundle subscription, which is also the case for GO. Epic charges half the standard access fee for the first 12 months of a 24-month subscription, for both the 1000Mbps and the 2000Mbps plans.

Annex 2 - FTTH deployment in a demographic context

With an area of only 315km^2, Malta is the smallest country within the EU, which makes it the most densely populated EU Member State with 1,721 persons per square kilometre. Malta comprises six regional districts, including the island of Gozo, with varying densities.[80]

Population, household and dwelling statistics	Gozo	Northern Region (N)	Western Region (W)	Northern Harbour Region (NH)	Southern Harbour Region (SH)	South Eastern Region (SE)	Total
Square km (km²)	69 km^2	74 km^2	72 km^2	24 km^2	26 km^2	50 km^2	315 km^2
Population (2022)	40,191	99,295	66,993	168,636	87,438	79,498	542,051
Population density (/km²)	582	1,342	930	7,027	3,363	1,590	1,721
Number of households (2022)[81]	14,162	37,530	23,221	73,729	33,132	29,560	211,334
Household density (/km²)	205.24	507.16	322.51	3,072.04	1,274.31	591.20	670.90
Number of dwellings – end of November 2024[82]	42,450	72,256	41,785	117,573	56,943	58,611	389,618
Note 1	The largest three localities are San Pawl il-Baħar (Region: N; Pop: 35,419), Birkirkara (Region: NH; Pop: 27,555) and Il-Mosta (Region: N; Pop: 24.290) – accounting for 16.1% of the total population.						
Note 2	Tas-Sliema is the most densely populated locality with 16,287 persons per square kilometre (Region: NH; Pop: 21,108).						

Table 16: Population and population density in Malta, by geographic region and other relevant data

The northern harbour region exhibits the highest population density, at almost twice the levels of the southern harbour region, which is the second densest region in Malta. The western region and the northern harbour region also exhibit a significant concentration of businesses, such as financial and gaming businesses. The National Statistics Office (NSO) reports that

[80] These regions are identified based on the local administrative units (LAUs), which are used to divide up the economic territory of the EU for statistical purposes at the local level. The LAUs have been established by Eurostat and are compatible with NUTS. This classification system is equivalent to the six districts in which all Maltese localities are classified, as designated by the Malta Geographic Codes (MGC). For more information, please refer to the following link:

https://msdi.data.gov.mt/geonetwork/j_spring_security_logout/api/records/3609662c-41ef-4795-8394-7ff560563faa

[81] Figures are sourced from a publication by the National Statistics Office in Malta entitled 'Regional Statistics MALTA 2024 Edition'. Link:

https://nso.gov.mt/themes_publications/regional-statistics-malta-2024-edition/

[82] Based on information supplied by GO.

'*Enterprises with a registered address in Ħal Luqa, Marsa, Birkirkara, San Ġiljan and Tas-Sliema generated the largest aggregated amounts of GOS in the Maltese non-financial economy in 2019.*'[83]

Figure 1: Malta's main geographic regions (Source: NSO)

Melita and GO provide nearly universal coverage of fixed access infrastructure across Malta and Gozo. GO's FTTH network reaches 97.5% of dwellings, while Melita's cable DOCSIS network covers almost all households. Additionally, Melita is piloting the deployment of fibre in certain localities, achieving coverage of around 11% of dwellings as of the end of September 2025. Epic has also rolled out its own FTTH infrastructure in specific localities, covering circa 7% of dwellings.

[83] Link to NSO report: https://nso.gov.mt/en/News_Releases/Documents/2021/07/News2021_120.pdf. Relevant to underline that, according to the NSO, '*non-financial' businesses incorporate 'Industry, Construction, Wholesale and retail trade and Services activities*'. Also, the NSO states interprets the term 'Gross Operating Surplus (GOS)' as equivalent to the term '*profits*'. The localities of Birkirkara, San Giljan and Tas-Sliema are found in the Northern Harbour Region.

Annex 3 - Fixed broadband prices for different users, updated as at end of September 2025

This Annex lists various broadband plans targeting different users, including residential and business (or non-residential) users and plans for users seeking month-on-month payment terms or 24-month contract term agreements. The entry-level plans for the different user categories are highlighted in the tables below. Quoted rates are as at end August 2025.

24-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload** **(available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Sep 2025**	**Jun 2025**	**Sep 2025**	**Jun 2025**	**Sep 2025**
Monthly access fee - DDM excl.	€27.99	€27.99	€25.99	€25.99	€26.99	€26.99
Monthly access fee - DDM incl.	€26.99	€26.99	€25.49	€25.49	€24.99	€24.99
Discount	Not applicable	Not applicable	Free - first six months	Free - first six months	€13.49 per month - first 12 months	€13.49 per month - first 12 months
Fixed telephony	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Included but no free minutes	Included but no free minutes	Included with free calls to all local landlines and on-net mobile numbers	Included with free calls to all local landlines and on-net mobile numbers

TV	Optional Free TV stream for the first 24 months. Additional TV streams @ €5.99/month	Optional Free TV stream for the first 24 months. Additional TV streams @ €5.99/month	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee
Installation	Free	Free	€15	€15	€24.99	€24.99

Table 17 – Month-on-month entry-level bundle plan for residential users (incl. VAT)

Month-to-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload** **(available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Sep 2025**	**Jun 2025**	**Sep 2025**	**Jun 2025**	**Sep 2025**
Monthly access fee – DDM excl.	€32.99	€32.99	€30.99	€30.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	€31.99	€31.99	€30.49	€30.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	€5/month for the first 6 months	€5/month for the first 3 months	Not applicable	Not applicable
Fixed telephony	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Included but no free minutes	Included but no free minutes	Not applicable	Not applicable
TV	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Not applicable	Not applicable
Installation	€75	€75	€15	€15	Not applicable	Not applicable

Table 18 – Month-on-month entry-level bundle plan for residential users (incl. VAT)

12-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload (available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Sep 2025**	**Jun 2025**	**Sep 2025**	**Jun 2025**	**Sep 2025**
Monthly access fee - DDM excl.	Not applicable	Not applicable	Not applicable	Not applicable	€29.99	€29.99
Monthly access fee - DDM incl.	Not applicable	Not applicable	Not applicable	Not applicable	€27.99	€27.99
Discount	Not applicable	Not applicable	Not applicable	Not applicable	€14.99 for the first 2 months	€14.99 for the first 2 months
Fixed telephony	Not applicable	Not applicable	Not applicable	Not applicable	Included with free calls to all local landlines and on-net mobile numbers	Included with free calls to all local landlines and on-net mobile numbers
TV	Not applicable	Not applicable	Not applicable	Not applicable	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee
Installation	Not applicable	Not applicable	Not applicable	Not applicable	€24.99	€24.99

Table 19 – 12-month entry-level bundle plan for residential users (incl. VAT)

24-month entry-level stand-alone plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**100Mbps download / 15Mbps upload**		**100Mbps download / 10Mbps upload**		**2000Mbps download / 100Mbps upload (available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Sep 2025**	**Jun 2025**	**Sep 2025**	**Jun 2025**	**Sep 2025**
Monthly access fee – DDM excl.	Not applicable	Not applicable	€19.99	€19.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	Not applicable	Not applicable	€19.49	€19.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Installation	Not applicable	Not applicable	€25	€25	Not applicable	Not applicable

Table 20 – 24-month entry-level stand-alone plan for residential users (incl. VAT)

Month-on-month entry-level stand-alone plan for residential users						
Operator	**GO**		**Melita**		**Epic** (available at Attard, Birkirkara, Balzan, Qormi and Mosta)	
Speeds	**100Mbps download / 15Mbps upload**		**100Mbps download / 10Mbps upload**		**2000Mbps download / 100Mbps upload**	
	Jun 2025	**Sep 2025**	**Jun 2025**	**Sep 2025**	**Jun 2025**	**Sep 2025**
Monthly access fee – DDM excl.	Not applicable	Not applicable	€24.99	€24.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	Not applicable	Not applicable	€24.49	€24.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Installation	Not applicable	Not applicable	€75	€75	Not applicable	Not applicable

Table 21 – Month-on-month entry-level stand-alone plan for residential users (incl. VAT)

24-month entry-level bundle plan for business users (incl. VAT)						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 200Mbps upload** **(available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Sep 2025**	**Jun 2025**	**Sep 2025**	**Jun 2025**	**Sep 2025**
Monthly access fee – DDM excl.	€44.84	€44.84	€41.29	€41.29	€37.15	€37.15
Monthly access fee – DDM incl.	Not applicable	Not applicable	Not applicable	Not applicable	€35.38	€35.38
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fixed telephony	Included with unlimited minutes to fixed lines	Included with unlimited minutes to fixed lines	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers
TV	Opt-in at an additional monthly fee	1 Gold TV + 1 GO Sports stream included Additional streams available at €15/stream	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee	Not applicable	Not applicable
Installation	Free	Free	Internet charge @ €45 Fixed telephony charge @ €45	Internet charge @ €45 Fixed telephony charge @ €45	€24.99	€24.99

Table 22 – 24-month entry-level bundle plan for business users (incl. VAT)

Month-on-month entry-level bundle plan for business users (incl. VAT)						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 200Mbps upload** **(available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Sep 2025**	**Jun 2025**	**Sep 2025**	**Jun 2025**	**Sep 2025**
Monthly access fee - DDM excl.	Not applicable (minimum term of 24 months)	Not applicable (minimum term of 24 months)	€51.29	€51.29	Not applicable (minimum term of 24 months)	Not applicable (minimum term of 24 months)
Monthly access fee - DDM incl.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fixed telephony	Not applicable	Not applicable	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers	Not applicable	Not applicable
TV	Not applicable	Not applicable	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee	Not applicable	Not applicable
Installation	Not applicable	Not applicable	€75	€75	Not applicable	Not applicable

Table 23 – Month-on-month entry-level bundle plan for business users (incl. VAT)

Gigabit plans - 2 year contract (incl. VAT)	Jun-18	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jul-24	Sept-24	Nov-24	Dec-24	Feb-25	Mar-25	Jun-25	Aug-25
GO - 1000Mbps + fixed telephony + TV		€ 55.99	€ 50.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99
GO - 5000Mbps													€ 104.00	€ 104.00
Melita - 1000Mbps - stand-alone										€ 36.99	€ 36.99	€ 36.99	€ 36.99	€ 36.99
Melita - 1000Mbps + fixed telephony + TV	€ 58.00	€ 50.49	€ 50.49	€ 50.49	€ 40.49	€ 40.49	€ 40.49	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99
Melita - 1200Mbps + fixed telephony + TV					€ 50.49	€ 50.49	€ 50.49							
Melita - 2500Mbps + fixed telephony + TV								€ 45.99	€ 45.99	€ 45.99	€ 45.99	€ 45.99	€ 45.99	€ 45.99
Epic - 1000Mbps		€ 51.49	€ 51.49	€ 51.49	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99
Epic - 2000Mbps (own FTTH)					€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99

Table 24 – Monthly access fees for Gigabit plans to residential users (incl. VAT)[84]

[84] Quoted fees do not take into account of applicable discounts, such as no monthly or discounted fees for the first months of subscription. For example, in case of Melita, no monthly access fees apply for the first six month of a 24-month bundle subscription, which is also the case for GO. Epic charges half the standard access fee for the first 12 months of a 24-month subscription, for both the 1000Mbps and the 2000Mbps plans.

Annex 4 - Fixed broadband prices for different users, updated as at end of December 2025

This Annex lists various broadband plans targeting different users, including residential and business (or non-residential) users and plans for users seeking month-on-month payment terms or 24-month contract term agreements. The entry-level plans for the different user categories are highlighted in the tables below. Quoted rates are as at end December 2025.

24-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload (available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Dec 2025**	**Jun 2025**	**Dec 2025**	**Jun 2025**	**Dec 2025**
Monthly access fee - DDM excl.	€27.99	€27.99	€25.99	€25.99	€26.99	€26.99
Monthly access fee - DDM incl.	€26.99	€26.99	€25.49	€25.49	€24.99	€24.99
Discount	N/A	N/A	Free for the first 6 months	Free for the first 6 months	€13.49/month for the first 12 months	€13.49/month for the first 12 months
Fixed telephony	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Included, but no free minutes	Included, but no free minutes	Included with free minutes to all local landline and on-net mobile calls	Included with free minutes to all local landline and on-net mobile calls

TV	Optional Free TV stream for the first 24 months. Additional TV streams @ €5.99/ month	Optional Free TV stream for the first 24 months. Additional TV streams @ €5.99/ month Optional TV box at a charge	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee
Installation	€0	€0	€15 – one-time fee	€15 – one-time fee	€24.99 – one-time fee	€24.99 – one-time fee

Table 17 – Month-on-month entry-level bundle plan for residential users (incl. VAT)

Month-to-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload** **(available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Dec 2025**	**Jun 2025**	**Dec 2025**	**Jun 2025**	**Dec 2025**
Monthly access fee – DDM excl.	€32.99	€32.99	€30.99	€30.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	€31.99	€31.99	€30.49	€30.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	€5/month for the first 6 months	Not applicable	Not applicable	Not applicable
Fixed telephony	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Unlimited calls to local numbers for the first 3 months Otherwise, service included but no free minutes	Included but no free minutes	Included but no free minutes	Not applicable	Not applicable
TV	Not included in offer. Optional TV stream @ €5.99 per month per stream	Not included in offer. Optional TV stream @ €5.99 per month per stream	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Free TV Starter App included. Optional upgrades available at an additional monthly cost	Not applicable	Not applicable
Installation	€75	€75	€15	€15	Not applicable	Not applicable

Table 18 – Month-on-month entry-level bundle plan for residential users (incl. VAT)

12-month entry-level bundle plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 100Mbps upload (available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Dec 2025**	**Jun 2025**	**Dec 2025**	**Jun 2025**	**Dec 2025**
Monthly access fee - DDM excl.	Not applicable	Not applicable	Not applicable	Not applicable	€29.99	€29.99
Monthly access fee - DDM incl.	Not applicable	Not applicable	Not applicable	Not applicable	€27.99	€27.99
Discount	Not applicable	Not applicable	Not applicable	Not applicable	€14.99 for the first 2 months	€14.99 for the first 2 months
Fixed telephony	Not applicable	Not applicable	Not applicable	Not applicable	Included with free calls to all local landlines and on-net mobile numbers	Included with free calls to all local landlines and on-net mobile numbers
TV	Not applicable	Not applicable	Not applicable	Not applicable	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee
Installation	Not applicable	Not applicable	Not applicable	Not applicable	€24.99	€24.99

Table 19 – 12-month entry-level bundle plan for residential users (incl. VAT)

24-month entry-level stand-alone plan for residential users						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**100Mbps download / 15Mbps upload**		**100Mbps download / 10Mbps upload**		**2000Mbps download / 100Mbps upload (available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Dec 2025**	**Jun 2025**	**Dec 2025**	**Jun 2025**	**Dec 2025**
Monthly access fee – DDM excl.	Not applicable	Not applicable	€19.99	€19.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	Not applicable	Not applicable	€19.49	€19.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Installation	Not applicable	Not applicable	€25	€25	Not applicable	Not applicable

Table 20 – 24-month entry-level stand-alone plan for residential users (incl. VAT)

Month-on-month entry-level stand-alone plan for residential users						
Operator	**GO**		**Melita**		**Epic** (available at Attard, Birkirkara, Balzan, Qormi and Mosta)	
Speeds	**100Mbps download / 15Mbps upload**		**100Mbps download / 10Mbps upload**		**2000Mbps download / 100Mbps upload**	
	Jun 2025	**Dec 2025**	**Jun 2025**	**Dec 2025**	**Jun 2025**	**Dec 2025**
Monthly access fee – DDM excl.	Not applicable	Not applicable	€24.99	€24.99	Not applicable	Not applicable
Monthly access fee – DDM incl.	Not applicable	Not applicable	€24.49	€24.49	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Installation	Not applicable	Not applicable	€75	€75	Not applicable	Not applicable

Table 21 – Month-on-month entry-level stand-alone plan for residential users (incl. VAT)

24-month entry-level bundle plan for business users (incl. VAT)						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 200Mbps upload** **(available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Dec 2025**	**Jun 2025**	**Dec 2025**	**Jun 2025**	**Dec 2025**
Monthly access fee – DDM excl.	€44.84	€44.84	€41.29	€41.79	€37.15	€37.15
Monthly access fee – DDM incl.	Not applicable	Not applicable	Not applicable	€41.29	€35.38	€35.38
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fixed telephony	Included with unlimited minutes to fixed lines	Included with unlimited minutes to fixed lines	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers
TV	Opt-in at an additional monthly fee	1 Gold TV + 1 GO Sports stream included Additional streams available at €15/stream	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee	Not applicable	Not applicable
Installation	Free	Free	Internet charge @ €45 Fixed telephony charge @ €45	Internet charge @ €45 Fixed telephony charge @ €45	€24.99	€24.99

Table 22 – 24-month entry-level bundle plan for business users (incl. VAT)

Month-on-month entry-level bundle plan for business users (incl. VAT)						
Operator	**GO**		**Melita**		**Epic**	
Speeds	**300Mbps download / 30Mbps upload**		**250Mbps download / 15Mbps upload**		**2000Mbps download / 200Mbps upload** **(available at Attard, Birkirkara, Balzan, Qormi and Mosta)**	
	Jun 2025	**Dec 2025**	**Jun 2025**	**Dec 2025**	**Jun 2025**	**Dec 2025**
Monthly access fee - DDM excl.	Not applicable (minimum term of 24 months)	Not applicable (minimum term of 24 months)	€51.29	€51.79	Not applicable (minimum term of 24 months)	Not applicable (minimum term of 24 months)
Monthly access fee - DDM incl.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Discount	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Fixed telephony	Not applicable	Not applicable	Included with unlimited minutes to all local numbers	Included with unlimited minutes to all local numbers	Not applicable	Not applicable
TV	Not applicable	Not applicable	Opt-in at an additional monthly fee	Opt-in at an additional monthly fee	Not applicable	Not applicable
Installation	Not applicable	Not applicable	€75	€75	Not applicable	Not applicable

Table 23 – Month-on-month entry-level bundle plan for business users (incl. VAT)

Gigabit plans - 2 year contract (incl. VAT)	Jun-18	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Sept-24	Nov-24	Dec-24	Mar-25	Jun-25	Sept-25	Dec-25
GO - 1000Mbps + fixed telephony + TV		€ 55.99	€ 50.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99
GO - 5000Mbps												€ 104.00	€ 104.00	€ 104.00
Melita - 1000Mbps - stand-alone										€ 36.99	€ 36.99	€ 36.99	€ 36.99	€ 36.99
Melita - 1000Mbps + fixed telephony + TV	€ 58.00	€ 50.49	€ 50.49	€ 50.49	€ 40.49	€ 40.49	€ 40.49	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99	€ 40.99
Melita - 1200Mbps + fixed telephony + TV					€ 50.49	€ 50.49	€ 50.49							
Melita - 2500Mbps + fixed telephony + TV								€ 45.99	€ 45.99	€ 45.99	€ 45.99	€ 45.99	€ 45.99	€ 45.99
Epic - 1000Mbps		€ 51.49	€ 51.49	€ 51.49	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99	€ 41.99
Epic - 2000Mbps (own FTTH)					€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99	€ 26.99

Table 24 – Monthly access fees for Gigabit plans to residential users (incl. VAT)[85]

[85] Quoted fees do not take into account of applicable discounts, such as no monthly or discounted fees for the first months of subscription. For example, in case of Melita, no monthly access fees apply for the first six month of a 24-month bundle subscription, which is also the case for GO. Epic charges half the standard access fee for the first 12 months of a 24-month subscription, for both the 1000Mbps and the 2000Mbps plans.

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