

Malta Communications Authority

Annual Report and Financial Statements 2024

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Our Mission

**To promote and safeguard a communications environment
that is conducive to investment, innovation,
economic growth and social well-being.**

Strategic Objectives

1

Promoting a competitive electronic communications sector that delivers efficient investment, innovation and choice.

2

Ensuring that electronic communications undertakings provide transparent, high-quality services to all users.

3

Maintaining open, safe and secure electronic communications.

4

Maximising the potential of radio spectrum.

5

Supervising the provision of digital services.

6

Promoting a competitive postal sector that delivers efficient investment, innovation and choice.

7

Ensuring that postal undertakings provide transparent, high-quality services to all users.

8

Contributing to the development and implementation of sector policy.

9

Conducting relevant research, exploring and developing emergent policy areas.

10

Maximising operational excellence to ensure regulatory effectiveness and relevance.



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02 Messages





Chairperson's Message

It is a privilege to have assumed the role of Chairman of the Malta Communications Authority in November 2024, and to serve alongside fellow Board members who offer a diverse wealth of experience, valuable insight, and a shared dedication to public service. Since our appointment, the Board has engaged closely with the organisation and its leadership. We have found an organisation marked by deep institutional knowledge, a clear sense of purpose, and a well-earned reputation for professionalism.

As Malta continues to push ahead with its digital ambitions, the MCA's role as an independent, forward-looking regulator is more vital than ever. The Authority's duties span every aspect of modern life, from electronic communications and online services to postal regulation, while promoting innovation, protecting end users, and

Ing. Jonathan Scerri
Chairperson of the Board of Directors
Malta Communications Authority

helping shape tomorrow's digital policies. The progress achieved in the telecommunications sector alone, underpinned by effective regulation, continues to support economic growth and social well-being.

The Board is tasked with providing strategic direction, upholding good governance, and ensuring that the Authority remains committed to serving public interest, always acting on principles of impartiality, transparency, and evidence-based judgment. We are mindful of the increasingly cross-cutting nature of digital regulation. The MCA's effectiveness depends not only on its internal expertise, but also on its ability to collaborate with other national and EU-level bodies in areas such as digital infrastructure, cybersecurity, data governance, and digital services.

Through its 24-year history, the MCA has shown remarkable resilience and adaptability, consistently evolving to meet the nation's dynamic digital landscape. As Malta prepares to navigate an increasingly complex regulatory environment, spanning reforms in EU digital networks, postal services regulation, cybersecurity, and platform governance, the Authority's mandate is set to grow significantly. Meeting these new challenges will require even greater institutional capacity and sustained investment in the Authority's ability to deliver.

These responsibilities are growing both in scope and complexity, demanding forward planning, expertise, and a robust organisational foundation.

In this context, the Board remains firmly committed to supporting the MCA in strengthening its impact and reinforcing its role as a trusted, credible and independent voice, while remaining responsive to the evolving needs of a digital society. We recognise the importance of equipping the Authority with the human capacity, expertise and resources needed to address both current and emerging responsibilities effectively.

I would like to express my deep appreciation to Mr Jesmond Bugeja, the Authority's Chief Executive Officer, for his steady and capable leadership, and to the entire management team and staff of the MCA for their unwavering professionalism, commitment and integrity. These qualities continue to define the organisation and are at the heart of the MCA's success and established reputation.

The Board stands ready to support the Authority at this meaningful juncture, fully mindful of both its proud legacy and its vital future.



CEO's Foreword

2024 was a landmark year in the Malta Communications Authority's journey, a year that saw us step confidently into new territory as the digital world around us grew more complex, more connected, and more critical to everyday life.

Two major developments significantly broadened our mandate: the implementation of the Digital Services Act (DSA) and the preparations for the NIS2 Directive. As Malta's Digital Services Coordinator, the MCA now plays a central role in ensuring online platforms uphold the DSA's core principles – transparency, accountability, and user safety. This is more than just a new legal duty; it represents a bold new chapter in digital governance, demanding technical expertise, cross-sectoral collaboration, and decisive leadership in coordinating arising DSA matters.

At the same time, we have been deeply involved in Malta's national preparations for the NIS2 Directive, which raises the bar for cyber security across essential and digital services. As digital infrastructure

Mr Jesmond Bugeja
Chief Executive Officer
Malta Communications Authority

becomes ever more vital to our economy and society, the MCA is committed to contributing to keeping systems secure, resilient, and future-proof.

However, these developments are just part of a wider evolution. As attested in this Annual Report, throughout 2024 the MCA delivered a substantial volume of regulatory, supervisory and strategic policy work, building on the momentum of previous years and reflecting the Authority's growing remit. Key initiatives included a fresh market analysis for the wholesale fixed broadband sector, strengthened consumer protection and quality of service measures, action to combat number spoofing and scam calls, and the introduction of new pricing and performance frameworks for the universal postal service. We continued overseeing web accessibility and initiated preparatory work in support of Government and other competent bodies for the effective implementation of the European Digital Identity Regulation. During the year, we also initiated work to support the relevant authorities in preparing for the implementation of the Gigabit Infrastructure Act (GIA), which aims to accelerate and streamline the deployment of Very High Capacity Networks. Across all areas, we remained actively engaged in shaping regulatory and policy developments at both national and European levels.

Delivering on this increasingly complex and evolving portfolio requires not only foresight, but also a sustained investment in our internal capabilities. In 2024, we continued to prioritise staff development, recognising that a well-prepared team is essential to fulfilling our responsibilities. We rolled out tailored training programmes to help our people build the skills needed to navigate new legal frameworks and understand the challenges of emerging technologies. This remains a key organisational priority.

We also strengthened our operational capacity, attracting individuals with the skills, mindset, and public service ethos needed to drive the Authority forward. Our recruitment is guided by a clear vision: to build a workforce that is agile, technically competent, and committed to serving the public interest.

Our work increasingly extends beyond Malta's borders. In 2024, I had the honour of serving on the ITU's global advisory board on submarine cable resilience, contributing to international efforts to protect one of the most critical components of global connectivity, a position which I still hold. I also actively participated in plenary meetings of BEREC and ERGP, ensuring Malta's voice is heard in shaping Europe's regulatory future.

Today, the MCA is an active member of multiple international groups spanning telecommunications, postal services, and digital services. Our involvement goes far beyond attendance. We hold two co-chair positions, one vice-chair role, and contribute as lead drafters on four major working documents. Through this work, our experts help shape technical guidance, regulatory approaches, and best practices that inform policy across Europe and beyond.

This level of engagement reflects the trust and credibility the MCA has earned, but more importantly, it shows our commitment to collaborative, informed, and forward-looking regulation.

As we look ahead to our 25th anniversary in 2026, we do so with purpose and optimism. We will continue supporting national and European efforts that promote effective regulation, enable innovation, and serve the public interest.





03 Board of Directors & Management Committee

Board of Directors

Appointed 7 November 2024



Ing. Jonathan Scerri
Chairperson



Ms Kristy Debono
Deputy Chairperson



Mr Victor Carachi
Member



Mr Paul Debono
Member



Dr Nathaniel Falzon
Member



Dr Mario Rodgers
Member



Mr Brian Scicluna
Member



Ms Therese Gauci
Board Secretary

Until 7 November 2024

Mr Mark Musù
Chairperson

Mr Kevin Abela
Member

Ms Graziella Farrugia
Member

Mr Mario Fava
Member

Dr Alexandra Mizzi
Member

Mr Brian Scicluna
Member

Ms Thea Borg
Board Secretary

Management Committee



Mr Jesmond Bugeja
Chief Executive Officer



Mr Ian Agius
Chief of Operations



Mr Robert Mifsud
*Chief of External
Relations*



Ing. Antoine C. Sciberras
*Chief of Spectrum
Management & Technology*



Mr Damian Gatt
Chief of Policy & Planning



Dr Paul Edgar Micallef
*Chief of Legal, retiring
31 December 2025*



Dr Rosette Cassar
*Chief Legal Adviser,
commencing 12 May 2025*



Mr Joseph Seychell
*Chief of ICT & Digital
Services, commencing
12 May 2025*

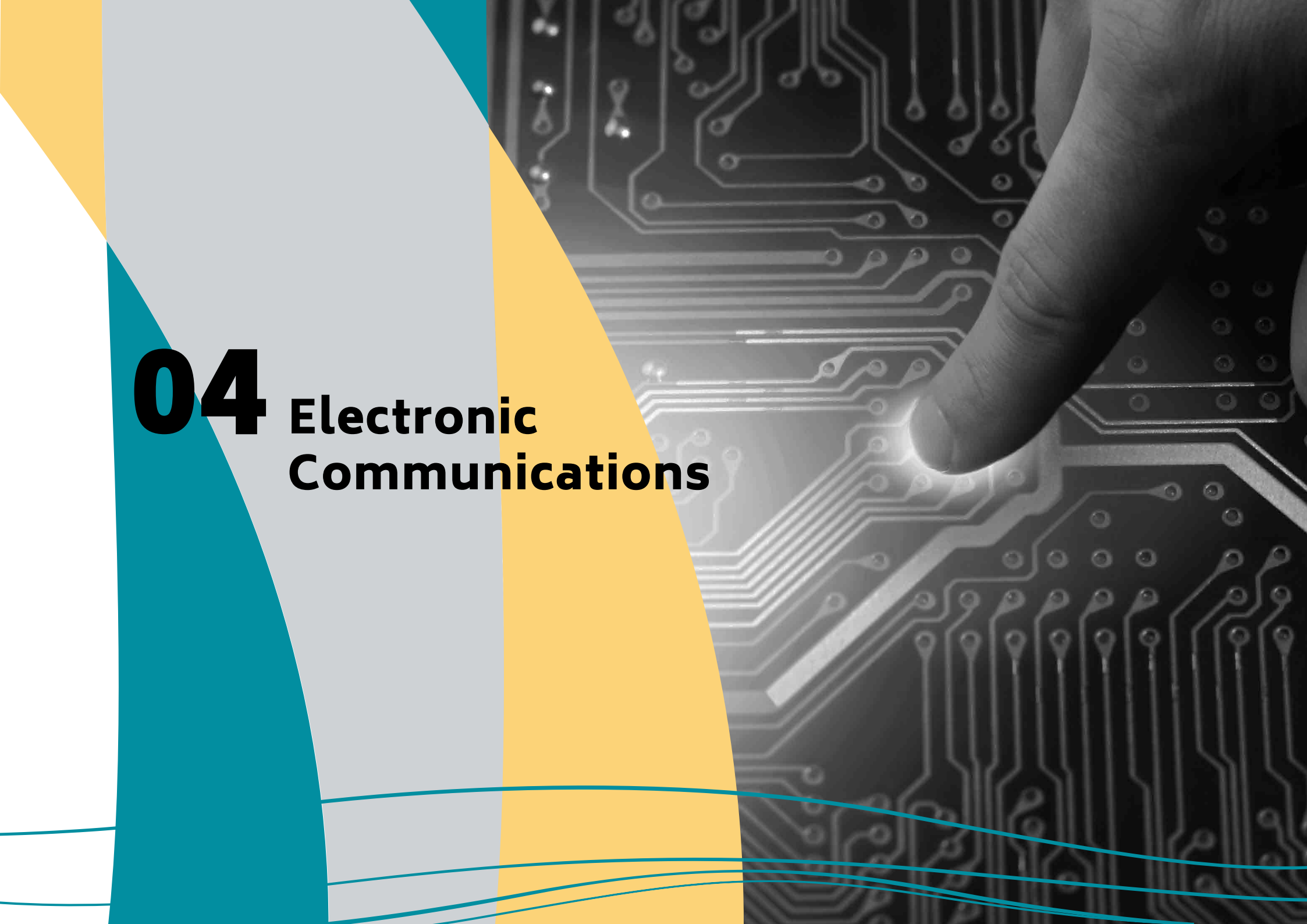


Mr Jason Galea
Financial Controller



Ms Nevise Borg Caligari
*Senior Manager,
Human Resources &
Administration*





04 Electronic Communications

04

Electronic Communications

4.1 Market Review¹

The electronic communications sector in Malta continued its positive trajectory in 2024, with sustained investments in digital infrastructure and evolving consumer preferences driving growth across key service segments. Mobile telephony, fixed broadband, and Pay-TV services all registered an increase in subscriptions, reflecting the expanding demand for high-speed connectivity and data-rich services. The rising uptake of fast and ultra-fast internet speeds is not solely driven by end-user demand. In several instances, operators themselves have played a significant role in steering customers towards upgrading their plans. However, there is also a strong element of genuine demand that has been central to this growth, particularly through the sustained popularity of Over-the-Top (OTT) platforms, Internet of Things (IoT), cloud services, and Internet-Protocol TV (IPTV), which continue to influence consumer expectations and drive the need for robust digital infrastructure.

1 Figures are based on data supplied by operators as at 25 March 2025, corresponding with the Q4 2024 Data Report Sheet (DRS) publication. Subsequent DRS publications may reflect revisions to previously reported data.

Mobile telephony remained a key driver of growth in 2024, with subscriptions rising by 2.3% year-on-year. Post-paid plans continued to outpace pre-paid ones, driven by consumers' increasing appetite for data-rich offerings. This shift reinforced the sector's role as the prevalent platform for voice communications and highlights the record levels of data consumption reached during the year. The continuous rise in mobile data usage highlights the industry's shift towards a market focused on connectivity and data services. Meanwhile, mobile calls and SMS have continued to decline year-on-year, both domestically and while roaming, which may indicate a broader move towards OTT services for communication. In contrast, the fixed telephony segment continues to decline in both subscriptions and traffic volumes, reflecting the ongoing transition towards mobile solutions or OTT alternatives. The latter trend is well aligned with the broader move to internet-based communication channels and consistent with long-term trends in consumer behaviour.

Fixed broadband also experienced steady growth in 2024, with subscriptions rising by 1.8% year-on-year. A significant development

was the continued transition away from legacy copper-based services, spearheaded by one of the longest-established operators, GO, which is now nearing nationwide Fibre-to-the-Home (FTTH) coverage. This rollout of FTTH infrastructure, coupled with the widespread availability of Melita's nationwide DOCSIS 3.1 cable network and the presence of a third fixed network operator Epic, is supporting the growing adoption of fast and ultra-fast internet access across Malta. Notably, the market share of fixed broadband subscribers with gigabit connectivity grew from 14.2% in 2023 to 20.0% in 2024, with 47,930 subscribers benefiting from gigabit speeds by the end of the year.

The Pay-TV market segment was also driven by evolving consumer preferences and operators' investments in IP-based services. IPTV services continued to gain ground, now accounting for 47.5% of all Pay-TV subscriptions. This growing adoption of IPTV reflects the shift towards more flexible, on-demand content delivery models supported by improved broadband infrastructure.

4.1.1 Fixed Broadband

The local fixed broadband segment is marked by the ongoing investments in very high-capacity networks and a steady increase in internet speeds. Throughout 2024, all major internet operators have strengthened their service offerings, investing in the expansion of their network infrastructure and introducing higher-speed plans. The transition from legacy copper networks to FTTH has been a notable development, and the operator driving this transition has nearly achieved nationwide FTTH coverage. In parallel, the nationwide DOCSIS 3.1 cable network has continued to play a key role in addressing



demand for fast and ultra-fast connectivity, whilst the presence of a third fixed network operator consolidated market competition.

Operators have not only introduced new high-speed plans but have also upgraded the speed profiles of existing packages. In some cases, existing subscribers were migrated to higher-tier plans either at the same monthly access fee or with increases ranging from €1 to €3 per month. Competitive pressures have also led to the consolidation of applicable discounts to retail offerings for new clients, including discounted promotional periods of up to 12 months for new subscribers.

Overall, these efforts alongside organic increases in demand drove the adoption of gigabit-capable broadband services, as well as faster connections in the "500 Mbps to 1 Gbps" range. The market's competitive dynamism is further reflected through the decline of the average rate per Mbps and a relatively stable average revenue per user (ARPU).

Fixed Broadband Subscriptions

The number of fixed broadband subscriptions has increased to 240,162 by the end of 2024, with a combined average penetration rate of 83.8%² of Maltese households and registered active business units.

Cable and FTTH were the two most commonly utilised fixed broadband technologies by the end of 2024, accounting for 45.6% and 43.8% of all subscriptions respectively.

2 The fixed broadband penetration rate is calculated based on the total number of Maltese households and the number of active registered business units.

Figure 1: Number of fixed broadband subscriptions by technology, as at end 2024

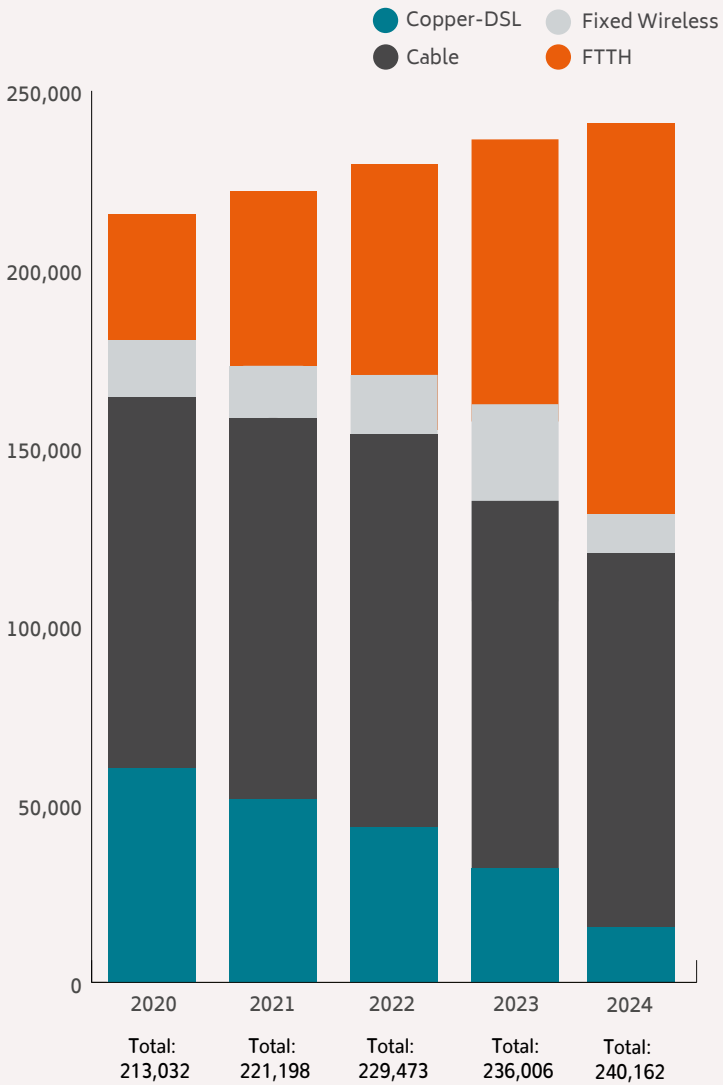
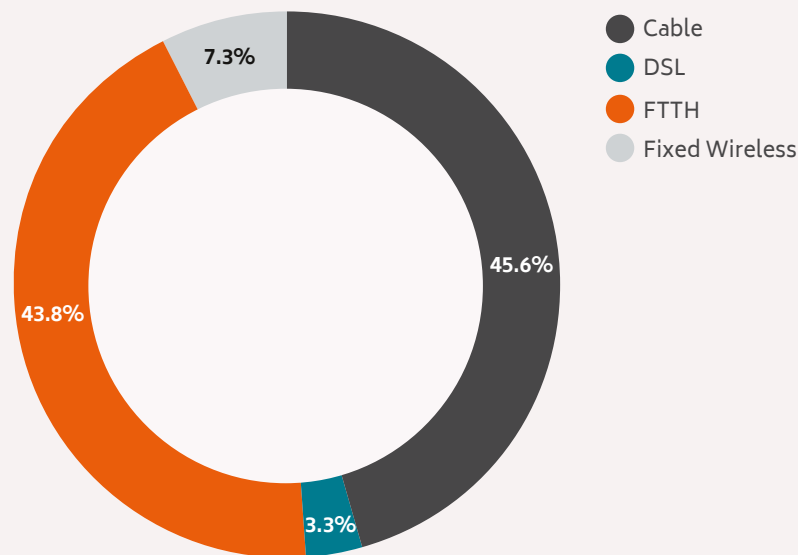


Figure 2: Market share by technology, as at end 2024



GO's FTTH coverage reached 93.5% of the national dwellings. Meanwhile, in its first reporting year of fibre deployment, Melita successfully reached 7.7% of Maltese dwellings. Epic's FTTH coverage, which was launched in 2021, stood at 6.9% by the end of 2024. Overall, the FTTH segment witnessed a year-on-year expansion in terms of aggregate subscriptions, increasing by 41.5% between 2023 and 2024.

Figure 3: FTTH coverage in Malta, as at end 2024

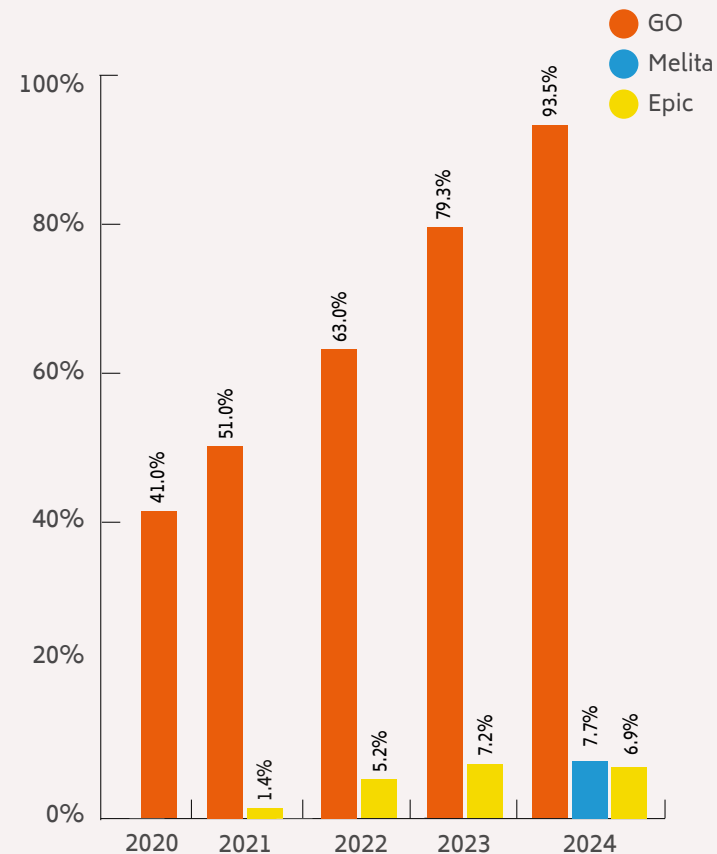


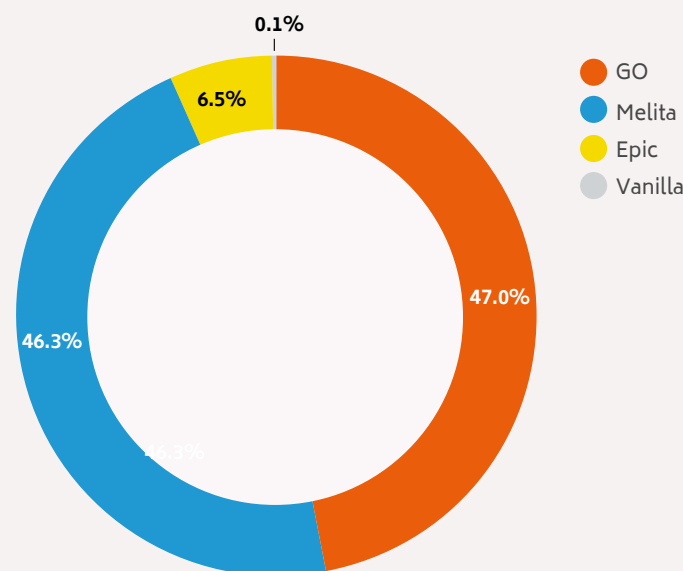
Figure 4: Number of fixed broadband subscriptions by headline download speed as at end 2024

Fixed broadband subscriptions	Total	Cable Platform	DSL Platform	FTTH Platform	Fixed Wireless
< 30 Mbps	835	-	242	286	307
≥ 30 Mbps and < 100 Mbps	32,582	7,248	7,697	1,645	15,992
≥ 100 Mbps and < 500 Mbps	78,736	7,463	-	69,986	1,287
≥ 500 Mbps and < 1 Gbps	80,079	70,474	-	9,602	3
≥ 1 Gbps	47,930	24,258	-	23,670	2

By the end of 2024, fixed broadband consumers were prevalently subscribed to internet speeds of either between 100 Mbps and 500 Mbps or between 500 Mbps and 1 Gbps, with subscription market shares of 32.8% (2023; 28.9%) and 33.3% (2023; 30.7%) respectively. One in every five fixed connections were subscribed to speeds being advertised at 1 Gbps or more. In turn, the gigabit user penetration (GUP) relative to local households and registered active business units increased from 12.1% in 2023 to 16.8% in 2024.

GO and Melita accounted for the greatest market share of internet subscriptions, at 47.0% and 46.3% respectively. Additionally, Epic has slightly increased its market share from 5.9% in 2023 to 6.5% in 2024, while Vanilla Telecom's market share in terms of subscriptions remains stable at 0.1%.

Figure 5: Market share by operator - including fixed wireless subscriptions - as at end 2024



Subscriptions in a bundle

Bundling remains a prevalent option for many fixed broadband users in Malta, with 90% of all subscriptions by the end of 2024 forming part of a bundle. Most of these bundled subscriptions combine broadband with either fixed-line telephony (27.7%) or with both fixed-line telephony and Pay-TV services (72.3%).

While bundles continue to be widely adopted, their growth has not kept pace with the overall increase in fixed broadband subscriptions. This points to a possible evolving trend among new subscribers who may be choosing stand-alone broadband services to meet their connectivity needs.

Figure 6: Number of fixed broadband subscriptions in a bundle as at end 2024

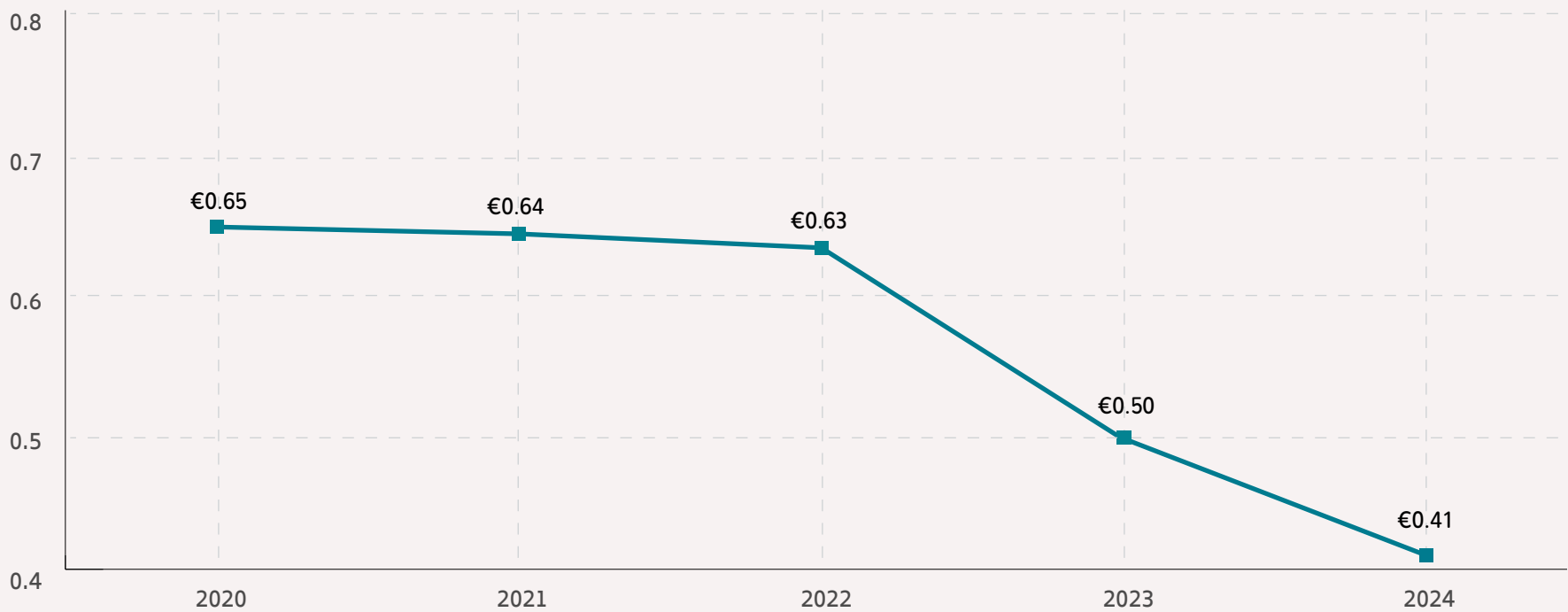
Fixed Broadband subscriptions in a bundle	2020 198,482	2021 208,620	2022 210,869	2023 215,312	2024 216,183
Dual play	61,280	67,511	64,418	63,238	59,987
Fixed Telephony + Fixed Broadband	61,280	67,511	64,418	63,238	59,987
Triple play	137,202	141,109	146,451	152,074	156,196
Fixed Telephony + Mobile Telephony + Fixed Broadband	59,435	-	-	-	-
Fixed Telephony + Fixed Broadband + TV	77,767	141,109	146,451	152,074	156,196
Number Fixed Broadband subscriptions (end of period)	213,032	221,198	229,343	236,006	240,162
as a percentage of total Fixed Broadband subscriptions	93.2%	94.2%	91.9%	91.2%	90.0%

Pricing and Revenue indicators

On a quarterly basis, the MCA monitors the advertised prices as listed on the operators’ websites. These advertised prices are then used to calculate the average rate per Mbps.³ This metric includes both dual-play bundles and stand-alone subscriptions. For bundles, the entry-level access fee is adjusted by deducting the estimated value of the other bundled service, based on the actual or estimated stand-alone prices.

With time, the average price paid per Mbps has been decreasing steadily, suggesting better value for consumers as higher speed plans become more affordable. This decrease is for two main reasons: (1) local operators migrate their subscribers to higher-allowance plans with little or no fee increases, or (2) local operators increase data allowances without increasing monthly access fees.

Figure 7: Average price per Mbps (average for 2024)⁴

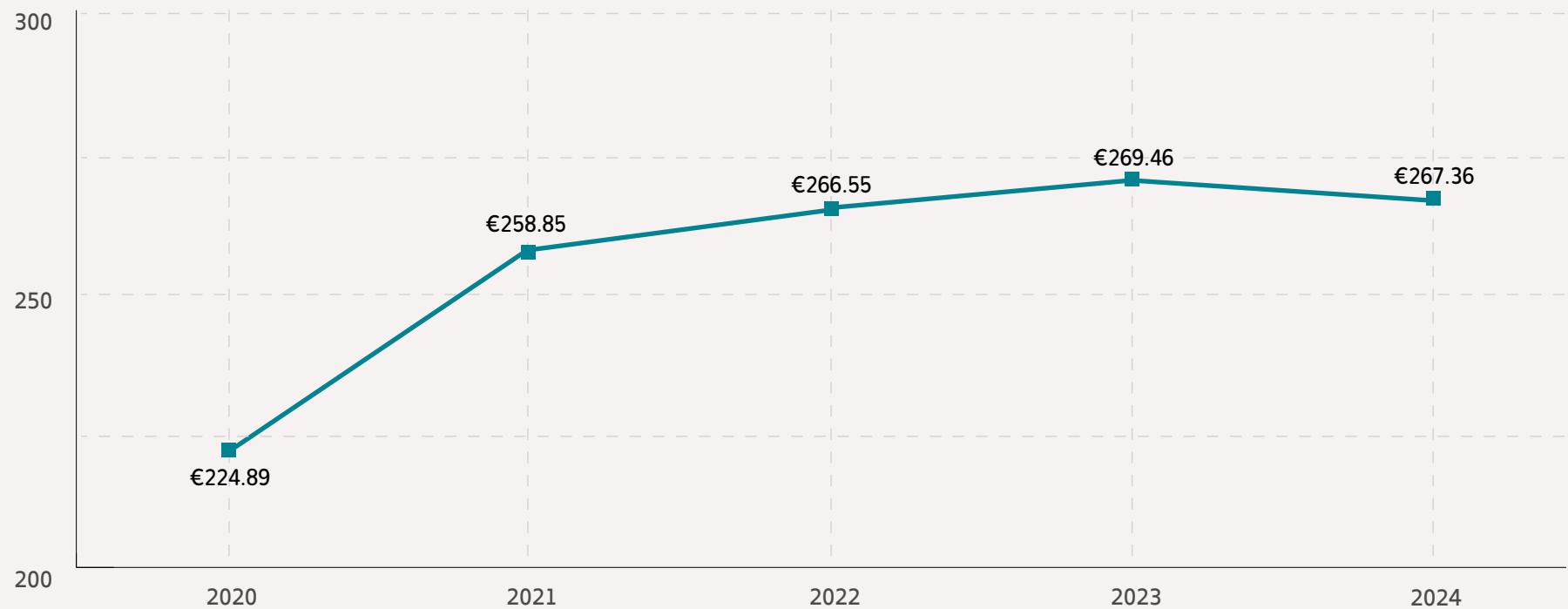


3 The average rate per Mbps considers only those plans which are available nationwide, regardless of whether they are provided for residential or business use.

4 Figures may differ from the 2023 Annual Report, as last year’s report did not take into account some tariff plans.

These same reasons, together with the provision of discounted access fees for new clients, have also contributed to a lower fixed broadband ARPU, which decreased from €269.46 in 2023 to €267.36 in 2024. Despite this slight decrease, fixed broadband ARPU has remained relatively stable over the years, suggesting that while users are getting more value for money, operators are still managing to sustain their overall revenue level.

Figure 8: Average revenue per fixed broadband user on an annual basis



4.1.2 Mobile Telephony

Throughout 2024, mobile telephony operators have continued to strengthen their networks and adapt to evolving consumer behaviours. Key developments during the year included improvements in data and voice allowances, reflecting the growing demand for more flexible and data-driven mobile services.

Post-paid plans remained on an upward trajectory, consistently outpacing pre-paid subscriptions, as consumers increasingly prioritise getting data allowances. In this context, local operators enhanced their offerings to meet demand. A notable development was the expansion of the Roam-Like-at-Home (RLAH) framework beyond the EU's regulatory requirements – Melita extended coverage to destinations like the USA and Moldova, and GO included Switzerland. In some cases, roaming charges for calls and data were also reduced.

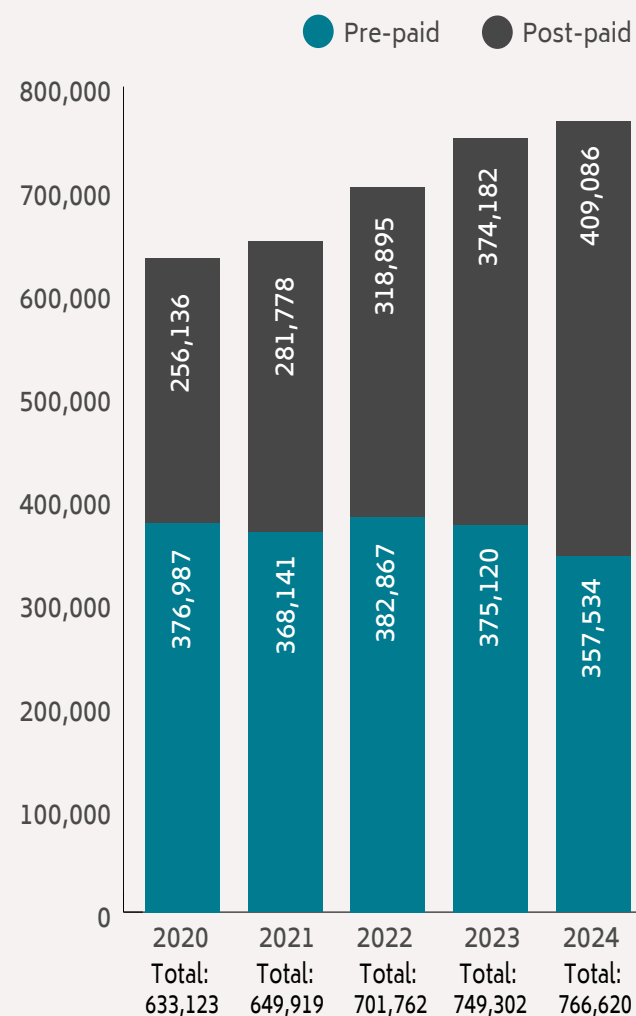
Despite these efforts, the inbound and outbound roaming calls and minutes declined year-on-year. On the other hand, roaming data usage stood on an upward trajectory, highlighting the preference of travellers to rely more on OTT communication services than on traditional voice services when travelling.

Mobile Telephony Subscriptions

The mobile telephony subscription base has expanded by 2.3% year-on-year, totalling 766,620 subscriptions by the end of 2024.

In recent years, a clear shift in consumer preference towards post-paid mobile subscriptions has been observed. Of note for 2024 is that the number of subscriptions for post-paid plans has exceeded those for pre-paid plans. This is the first time that this happened since such data has been collected. By the end of 2024, 53.4% of mobile telephony subscribers were on a post-paid plan, up from 49.9% a year earlier.

Figure 9: Number of mobile telephony subscriptions as at end 2024

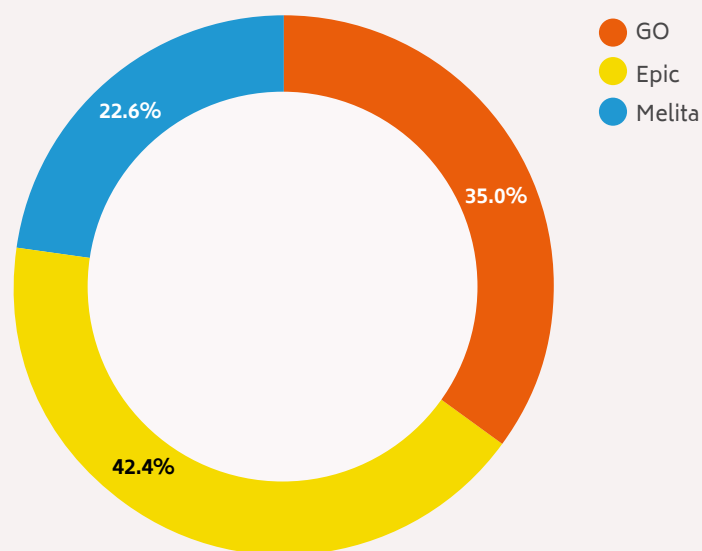


Mobile telephony remains a highly personalised service, with a penetration rate reaching 133.4% of the Maltese population in 2024, up from 132.9% in the previous year. Unlike other electronic communications services, mobile telephony is predominantly acquired as a stand-alone service. By the end of 2024, only 0.2% of all mobile subscriptions were part of a bundled offering, marking a slight decline from 0.3% in 2023.

Market Share in Terms of Subscriptions

The Maltese mobile telephony market is served by three active operators: GO, Melita, and Epic. During the reporting period, GO and Epic expanded their respective subscription base, increasing their subscription market shares to 35.0% and 42.4%, up from 34.4% and 41.9% respectively in 2023. Melita's share lost one percentage point of its market share, closing the year at 22.6%.

Figure 10: Market share by operator, as at end 2024



Mobile Number Portability

Mobile number portability refers to instances where consumers change from one mobile service provider to another whilst keeping their existing phone number. The aggregate total of inward ported numbers amounted to 19,620 in 2024. Due to a change in methodology used to measure mobile inward portings from 2024 onwards, the 2024 value is not directly comparable with figures from previous years.

Traffic Activity Levels

The number of mobile-originated calls and the average number of calls per subscriber have been declining year-on-year, from approximately 682 calls per subscriber in 2023 to around 649 in 2024. Despite this reduction in call frequency, the total volume of originating call minutes increased by 1.9% between 2023 and 2024. This was partly driven by a rise in average call duration, which grew from 2.3 minutes in 2023 to 2.4 minutes in 2024. The shift may reflect the growing prevalence of post-paid plans that include extensive or unlimited voice allowances, encouraging longer, less time-conscious calling behaviour. Post-paid plans also tend to offer favourable SMS bundles or unlimited texting. However, this has not reversed the continued decline in traditional text messaging. In fact, the average number of SMSs sent per active user has decreased year-on-year, from 194 SMSs in 2023 to 158 SMS per active subscriber in 2024. This downward trend is likely to continue due to the increase in use of OTT communication platforms, such as online messaging apps and messages conveyed via Rich Communication Services (RCS).

Figure 11: Number of outgoing voice calls in millions

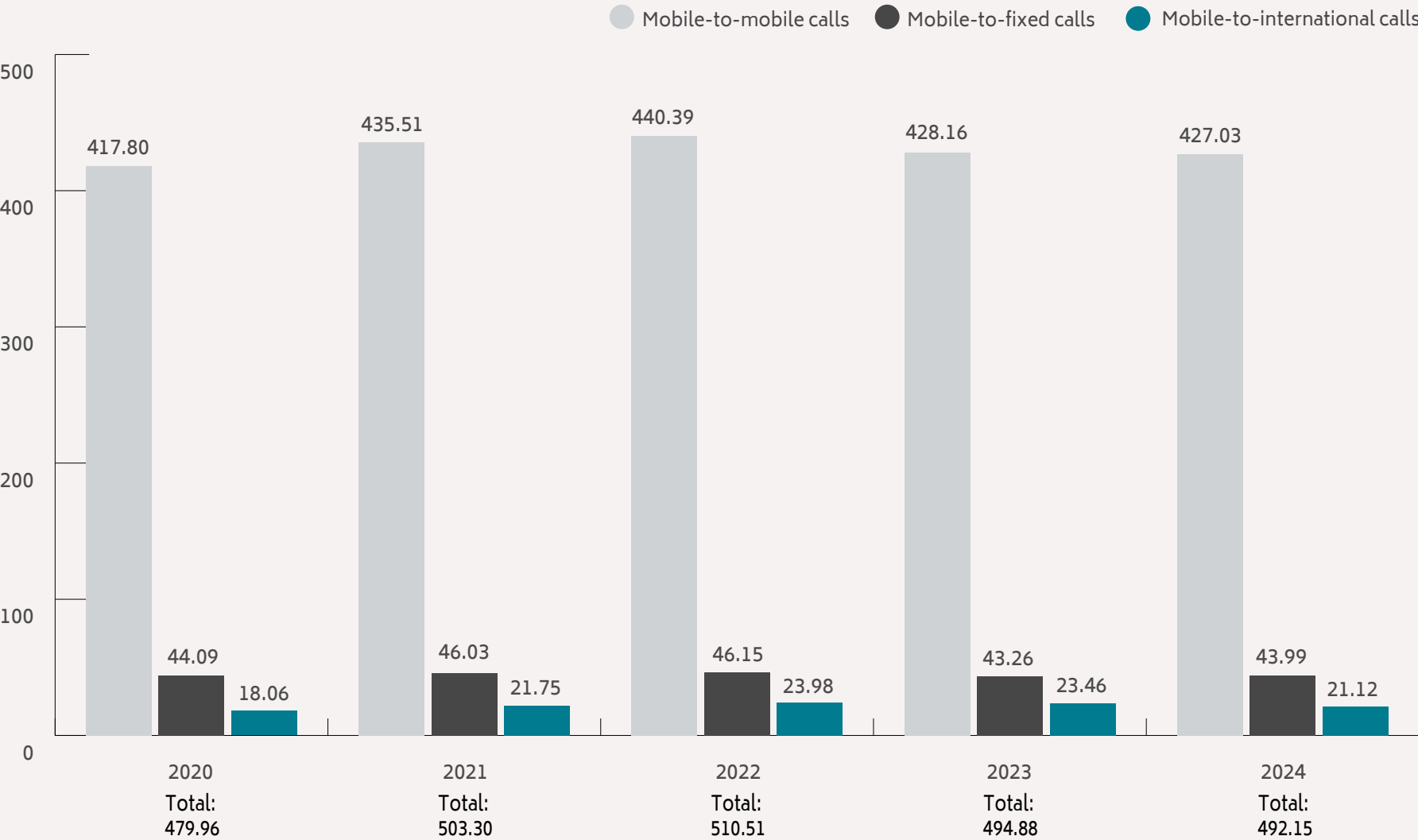
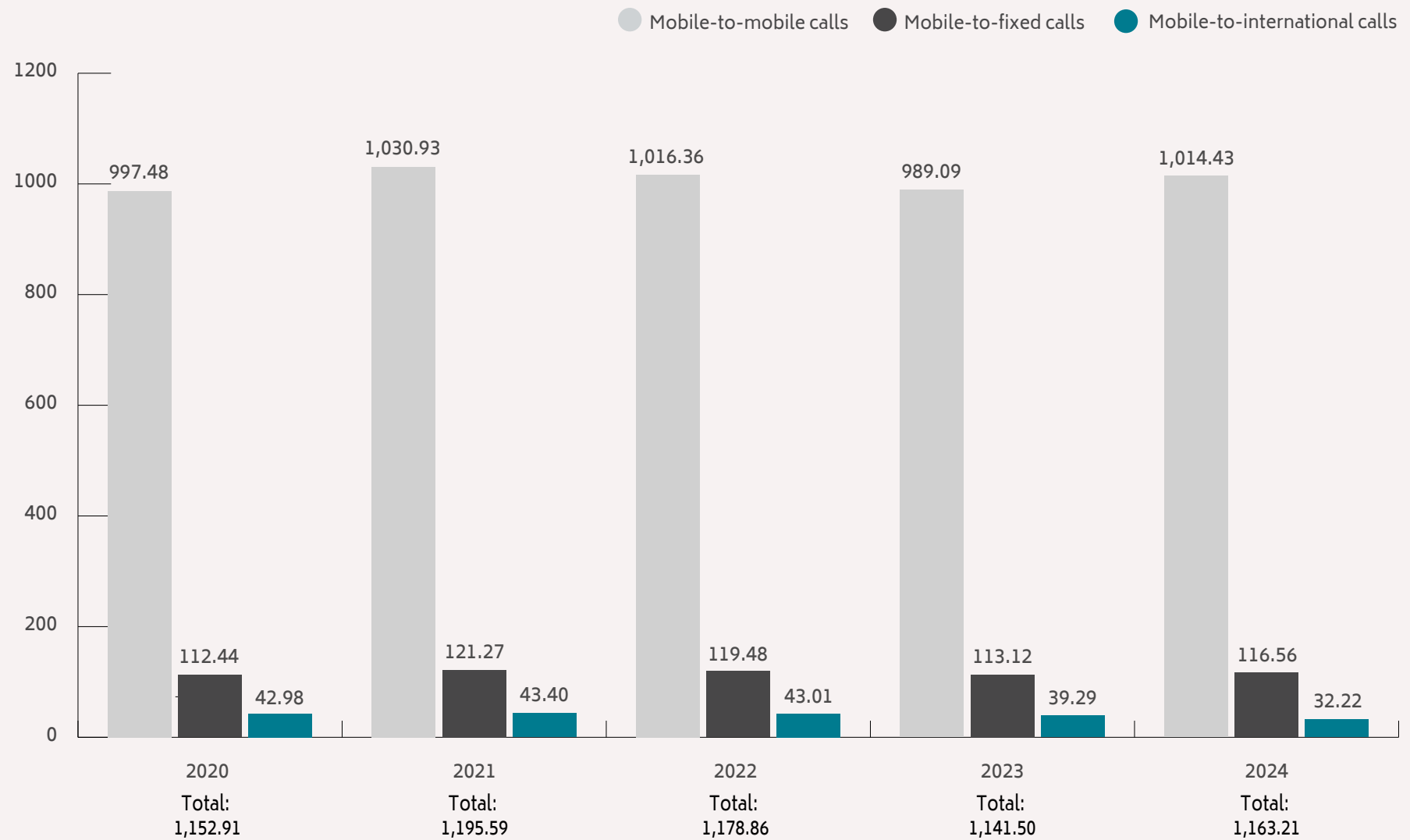


Figure 12: Number of outgoing voice call minutes in millions⁵



⁵ Figures may not add up due to rounding.

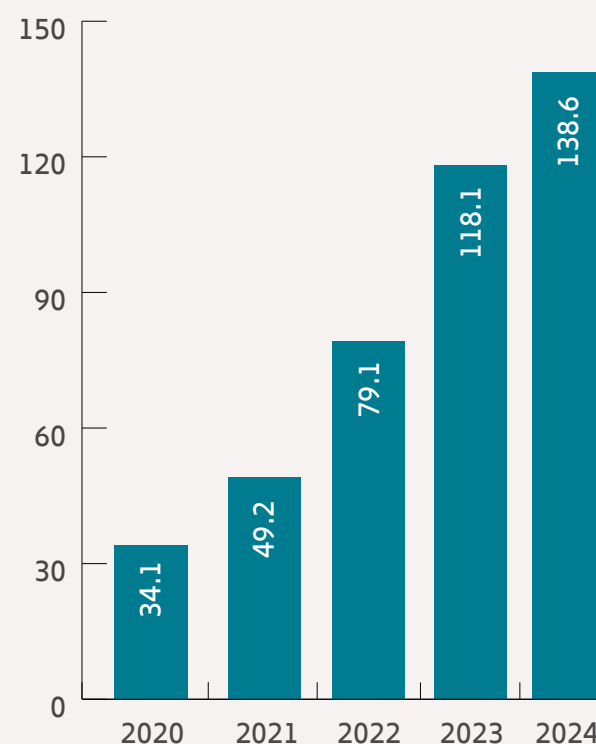
Figure 13: Traffic activity per active subscription

Average usage (traffic per active mobile subscription)	2020	2021	2022	2023	2024
Calls	758	785	755	682	649
Call minutes	1,819	1,864	1,744	1,573	1,534
SMSs	284	266	232	194	158
Data (MB)	53,786	76,638	117,109	162,721	182,876

The continued expansion of internet-based applications and content services has significantly contributed to the surge in mobile data consumption over recent years. Total data usage over mobile communication networks platforms reached approximately 138.6 petabytes by the end of 2024, up from 34.1 billion megabytes in 2020.

On a per-user basis, mobile data consumption also increased notably, rising from 162,721 megabytes per active subscriber in 2023 to 182,876 megabytes in 2024. This upward trajectory underscores the growing reliance on mobile networks for data-driven services and highlights the evolving usage patterns among subscribers.

Figure 14: Mobile data consumption per year (billion MB)



International roaming

Despite the ongoing application of the RLAH framework, which allows consumers to use mobile services within EU countries at no additional cost, both inbound and outbound roaming call volumes continued to decline in 2024.⁶ This marks a reversal from previous years of growth and suggests that both local and foreign travellers may be increasingly relying on OTT communication platforms and Travel eSIM services while travelling.

Price Movements

The average rate per unit of consumption is calculated to determine the average price that mobile subscribers are paying for a particular service, such as voice call minutes, data MB, etc. This metric is estimated by dividing the service providers' total revenue for the service in question by the corresponding unit of consumption.

The average effective rate per national voice minute decreased slightly to €0.034, while the rate per megabyte of data fell to €0.0003. These downward price movements per unit reflect both competitive pricing strategies and the efficiencies of scale associated with high data consumption. However, only a limited number of non-EU destinations are included in the unlimited voice allowance basket of local operators' post-paid plans. As a result, the average rate per minute of international voice call has risen from €0.192 in 2023 to €0.245 in 2024.

⁶ Outbound roaming calls refer to calls made on foreign mobile networks by local subscribers when they are abroad, whereas inbound roaming calls refers to calls made on local mobile networks by tourists when they are in Malta.



Figure 15: Roaming traffic volumes: number of calls

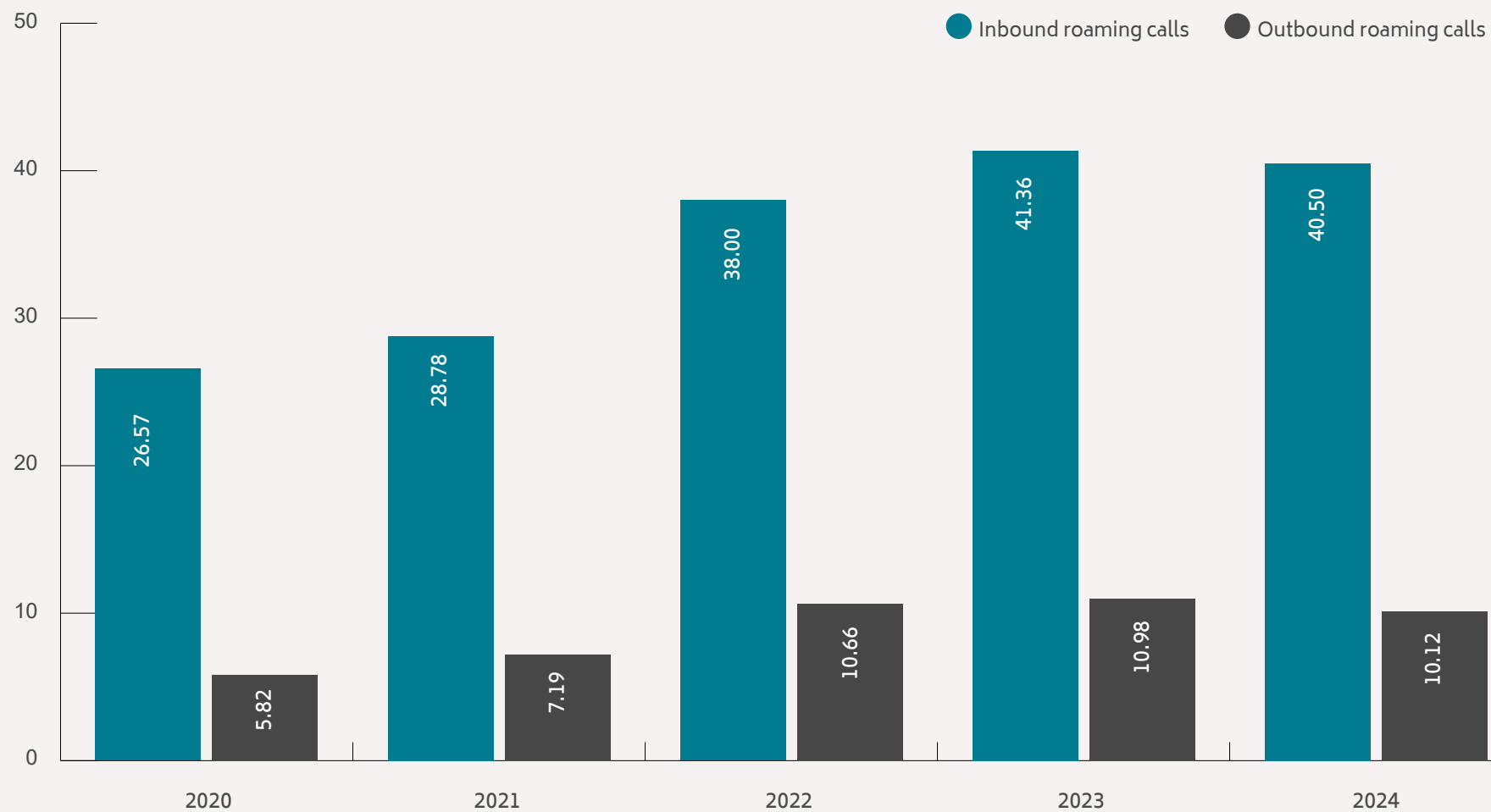


Figure 16: Roaming traffic volumes: number of minutes in millions

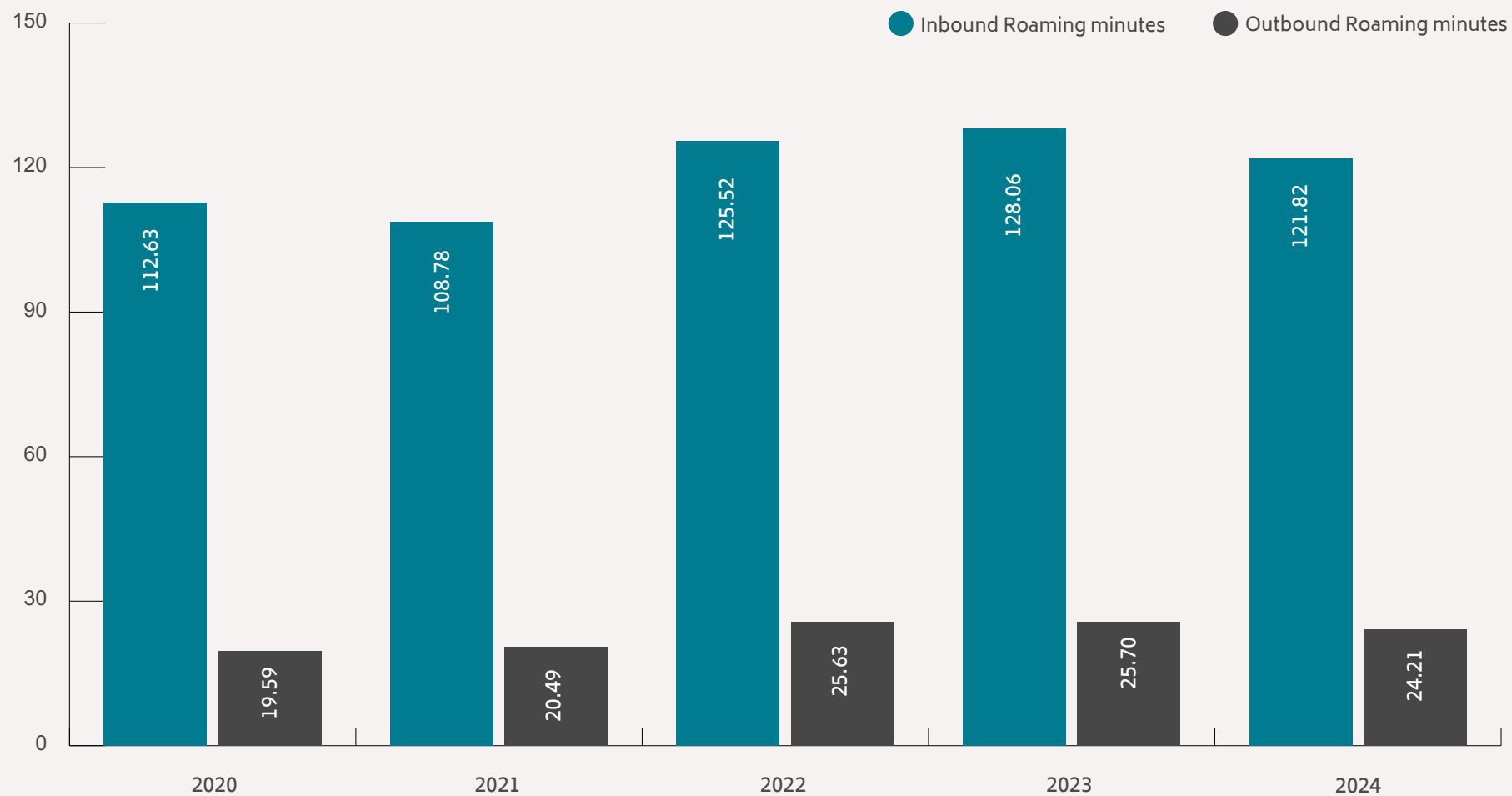
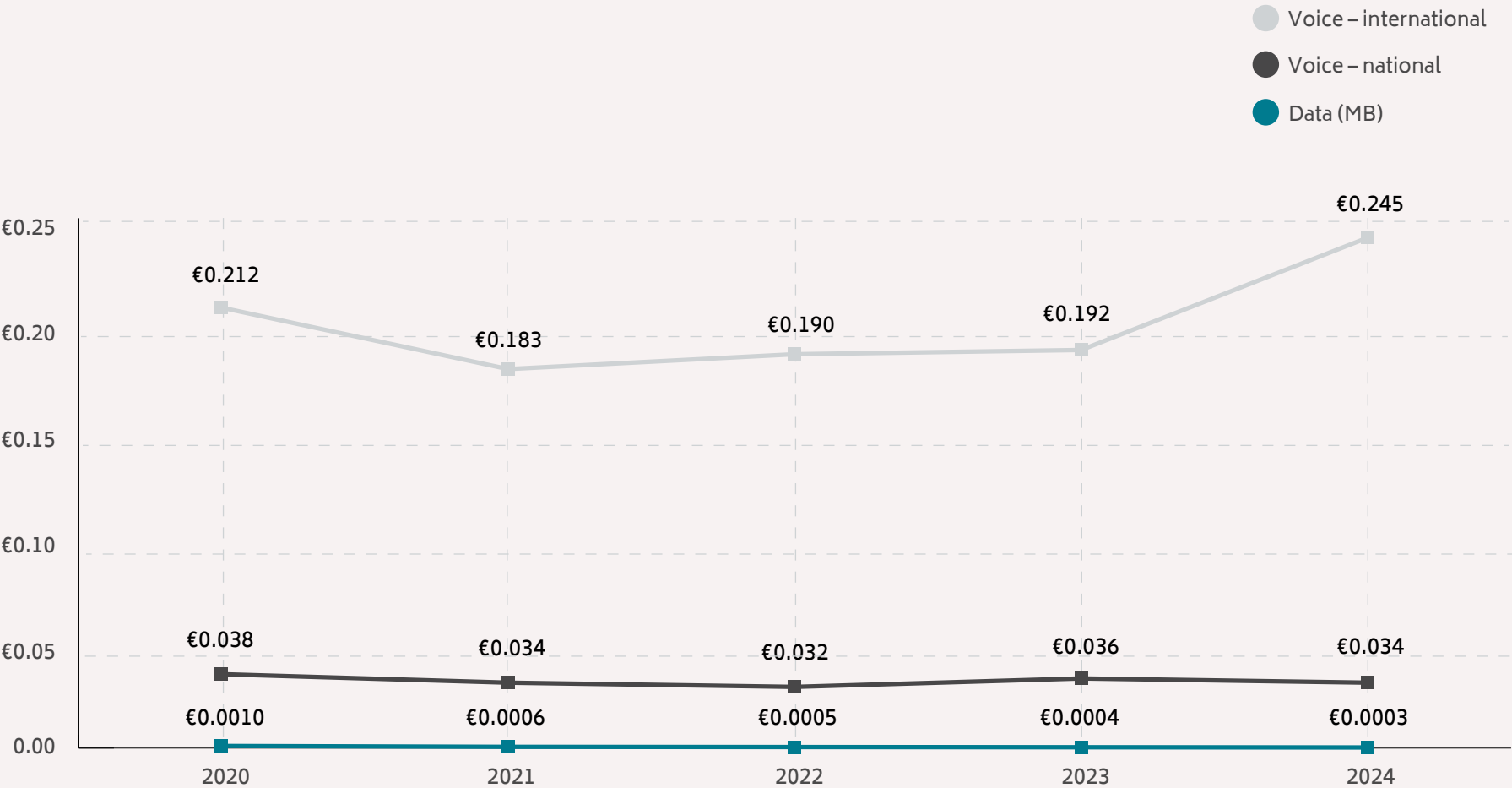


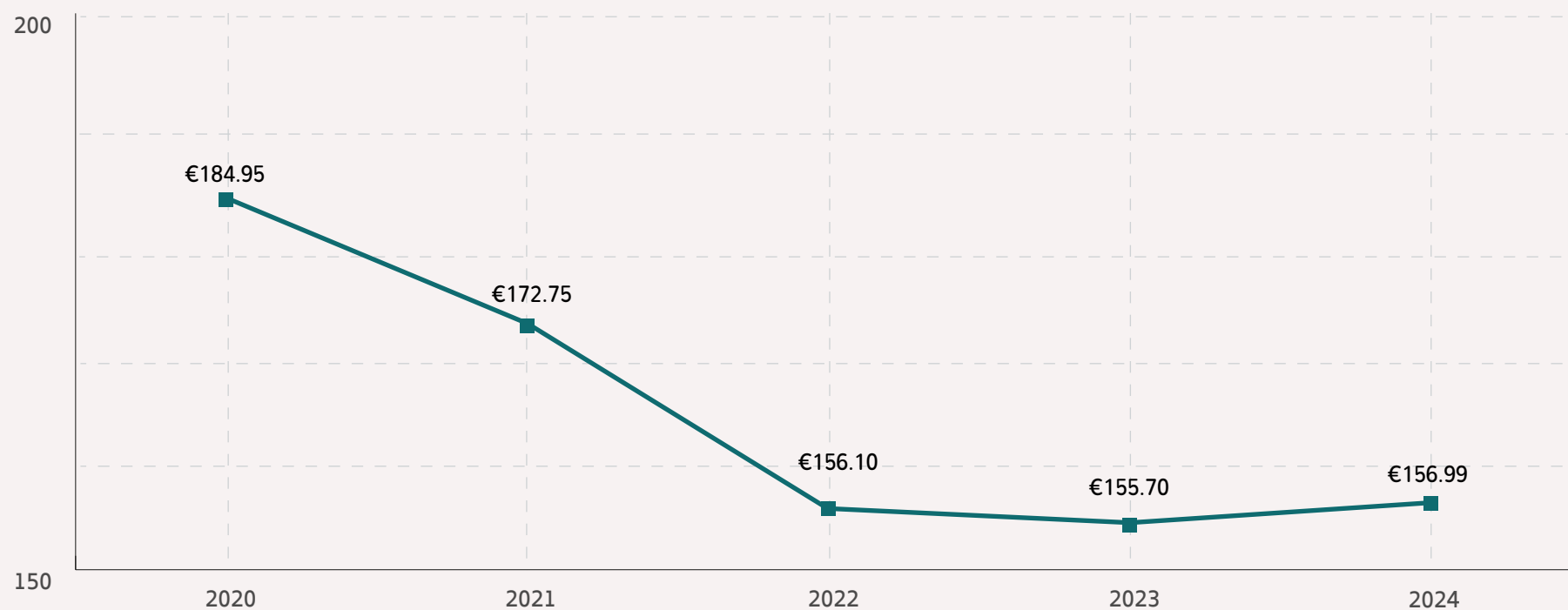
Figure 17: Average price per unit of communication



Mobile average revenue per user

After several years of decline, mobile telephony ARPU recorded a modest year-on-year increase of 0.8% in 2024, reaching €156.99. This growth is largely attributed to the increased uptake of post-paid plans, which contribute to revenue stability through fixed monthly charges, regardless of consumption levels. This shift in user preferences not only supports revenue growth but also underscores the market's gradual transition toward data-centric and contract-based service models.

Figure 18: Average revenue per mobile telephony user on an annual basis



4.1.3 Fixed Line Telephony

The fixed telephony segment has continued its gradual decline in both subscriptions and usage, in line with evolving communication habits and the widespread availability of mobile services. While the service still carries a nominal value and is often priced accordingly, its perceived relevance among most users, particularly residential, is diminishing. This is particularly evident given the near-universal take-



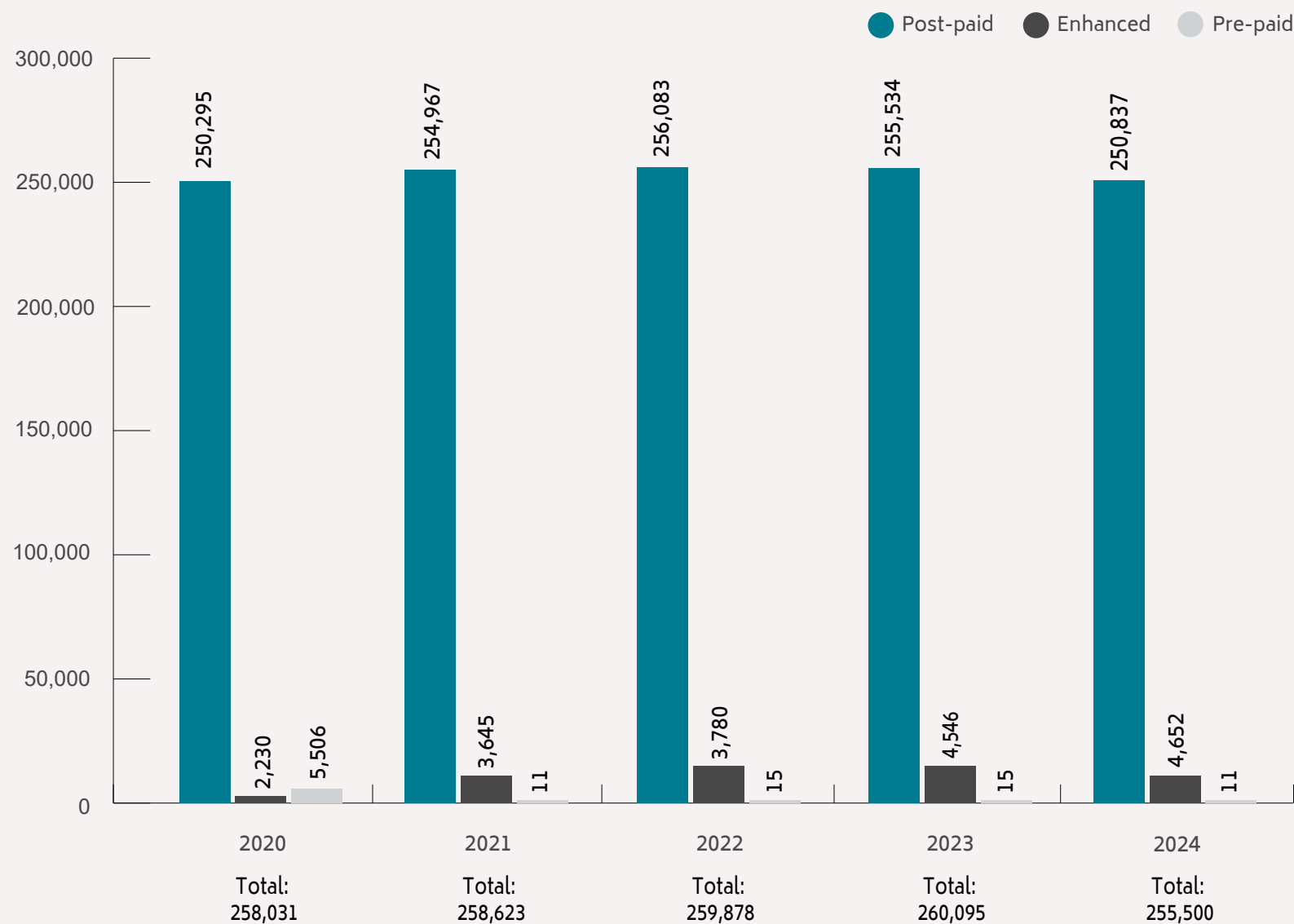
up of mobile telephony, which has generally become the default mode of voice communication. As a result, fixed telephony is often included in bundled packages more as a legacy feature than a service actively sought by subscribers.

Nonetheless, local operators have over time repositioned their fixed telephony within their commercial offerings, focusing on value-added solutions tailored to business needs. These include unified communications platforms (such as by way of integration with Microsoft Teams), cloud-based PBX systems, and SIP trunking – all of which enable companies to maintain secure and scalable voice infrastructures while integrating with digital workflows. This strategic pivot reflects the evolving role of fixed telephony, not as a universal service but as a targeted tool within a more specialised, enterprise-focused context. This indicates that while general consumer demand may be waning, opportunities for innovation and value creation remain within specific market niches.

Fixed Telephony Subscriptions

The number of fixed telephony subscriptions declined by 1.8% year-on-year, falling from 260,095 in 2023 to 255,500 by the end of 2024. This overall reduction reflects the continuing shift in service relevance across different user segments. In recent years, modest growth in the fixed telephony market was sustained primarily by an increase in enhanced fixed line subscriptions, used almost exclusively by business clients. However, in 2024, growth in this niche segment was not sufficient to offset the continued decline in residential post-paid and pre-paid subscriptions, resulting in a net contraction of the fixed telephony base.

Figure 19: Number of fixed telephony subscriptions as at end 2024



Fixed Number Portability

Fixed number portability refers to instances where consumers change from one fixed line service provider to another whilst keeping their existing phone number. The aggregate total of inward ported numbers amounted to 1,341 in 2024. Due to a change in methodology used to measure fixed inward portings from 2024 onwards, the 2024 value is not directly comparable with figures from previous years.

Fixed telephony services are still predominantly accessed as part of a bundled offering, with 87.3% of all standard post-paid subscriptions in

2024 forming part of a bundle, up slightly from 86% in 2023. However, this bundling often reflects legacy habits and commercial packaging rather than strong stand-alone demand for fixed voice services. Most subscribers access fixed telephony as part of either a dual-play bundle with fixed broadband (23.5%) or a triple-play bundle including both fixed broadband and Pay-TV (61.1%). As mobile telephony continues to meet most residential voice communication needs, the inclusion of fixed telephony in bundles increasingly serves a complementary or convenience-based role, rather than reflecting active consumer preference.

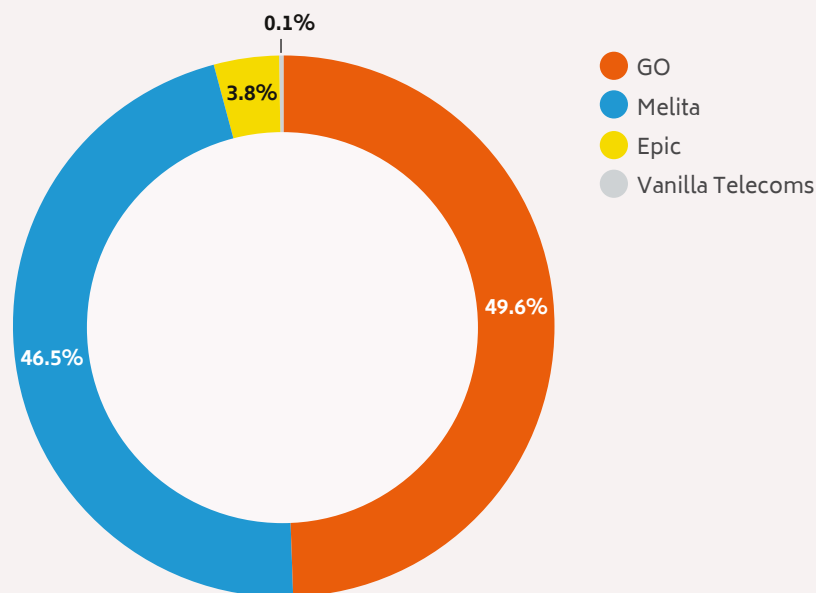
Figure 20: Number of fixed telephony subscriptions in a bundle as at end 2024

Fixed telephony subscriptions in a bundle	2020 207,967	2021 217,462	2022 219,210	2023 222,982	2024 222,942
Dual play	70,765	76,353	72,759	70,908	66,746
Fixed Telephony + Mobile Telephony	3,561	3,008	2,515	1,971	1,549
Fixed Telephony + Fixed Broadband	61,280	67,279	64,418	63,238	59,987
Fixed Telephony + TV	5,924	6,066	5,826	5,699	5,210
Triple play	137,202	141,109	146,451	152,074	156,196
Fixed Telephony + Mobile Telephony + Fixed Broadband	3,465	-	-	-	-
Fixed Telephony + Fixed Broadband + TV	77,767	141,109	146,451	152,074	156,196
Number of fixed line subscriptions (end of period)	258,031	258,623	259,878	260,095	255,500
as a percentage of fixed line subscriptions	80.6%	84.2%	84.6%	86.0%	87.3%

Market Share in Terms of Subscription

GO and Melita continue to represent the majority of the market, holding 49.6% and 46.5% of subscriptions, respectively. These shares have remained steady, largely reflecting long-standing customer relationships and legacy bundling practices rather than active growth in stand-alone demand. Epic registered a modest increase in market share, from 3.6% in 2023 to 3.8% in 2024, while Vanilla Telecoms maintained a marginal presence at approximately 0.1%. The overall picture suggests a mature and contracting market, where subscription figures are shaped more by inertia and bundled service configurations than by competitive shifts or new uptake.

Figure 21: Market share by operator as at end 2024



GO and Melita continue to represent the majority of the market, holding 49.6% and 46.5% of subscriptions, respectively.

Traffic Activity Levels

In line with broader market shifts, fixed telephony usage declined further in 2024. Total outgoing calls fell by 17% to 31.38 million, with voice call minutes also down 17% to 118.85 million. These declines reflect the ongoing reduction in active subscriptions and the

widespread reliance on mobile and internet-based communication. Outgoing traffic remained concentrated in fixed-to-fixed calls, which made up 68.6% of all minutes, followed by fixed-to-mobile calls at 24%.

Figure 22: Number of outgoing voice calls in millions

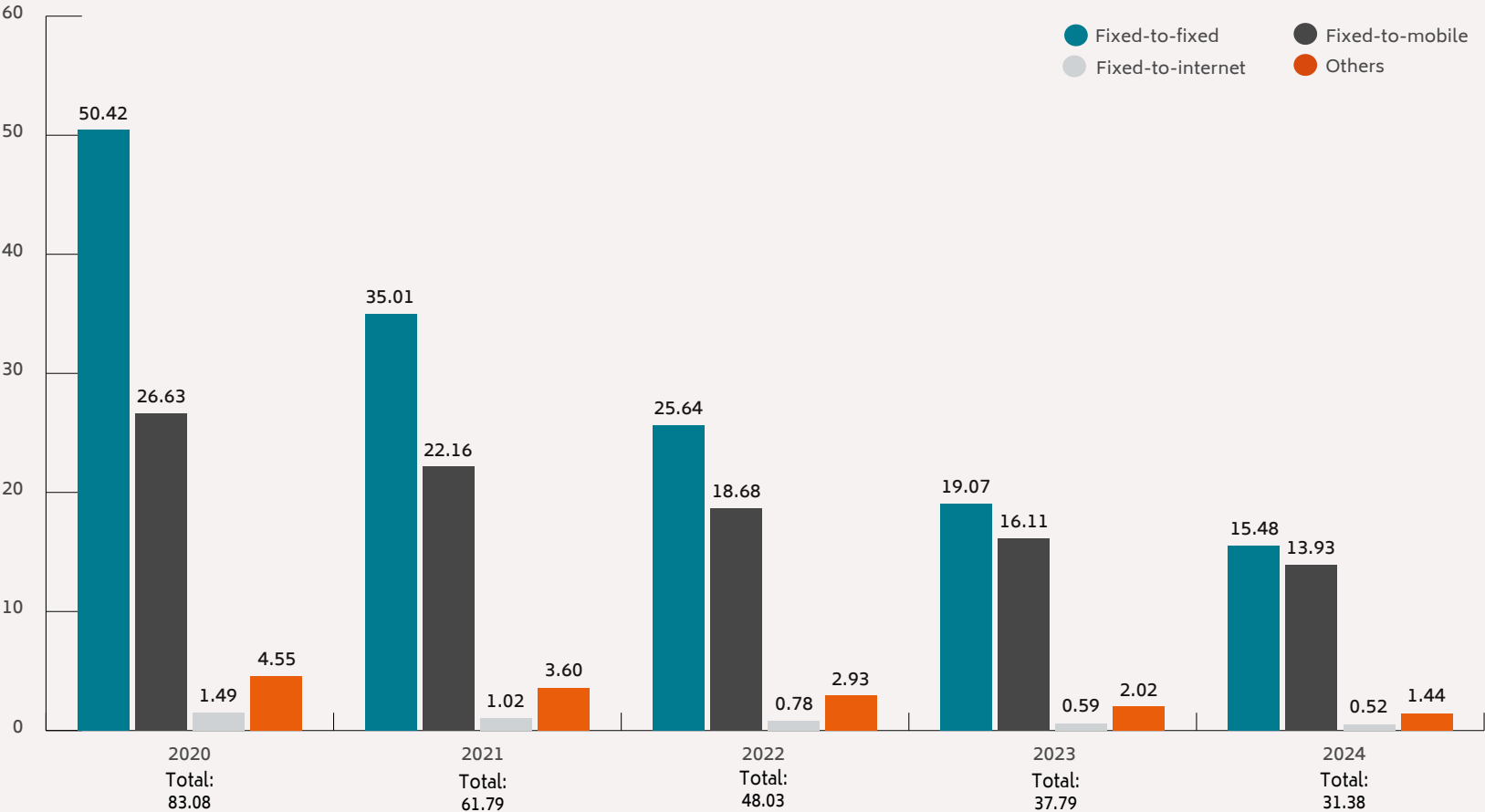
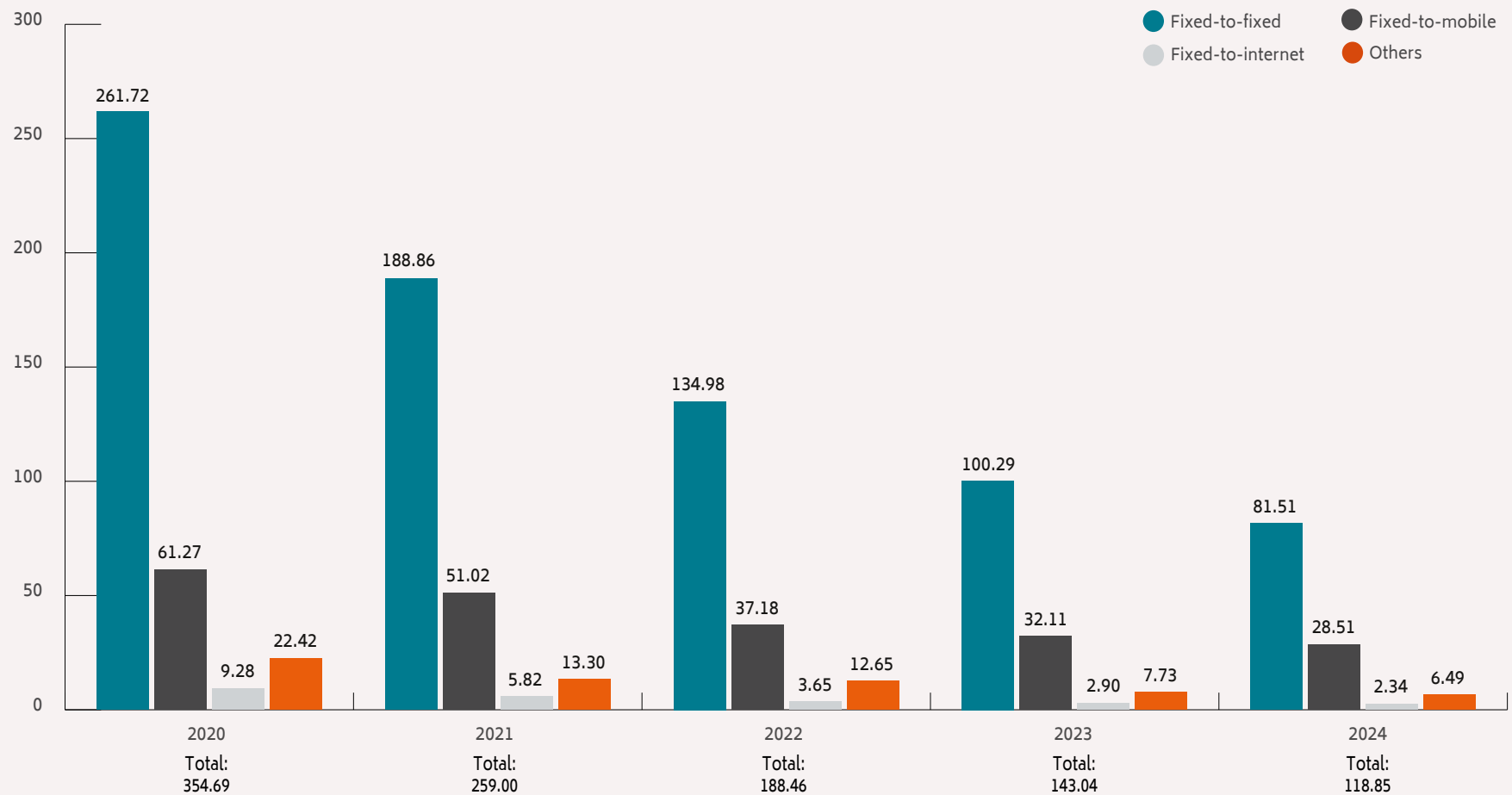


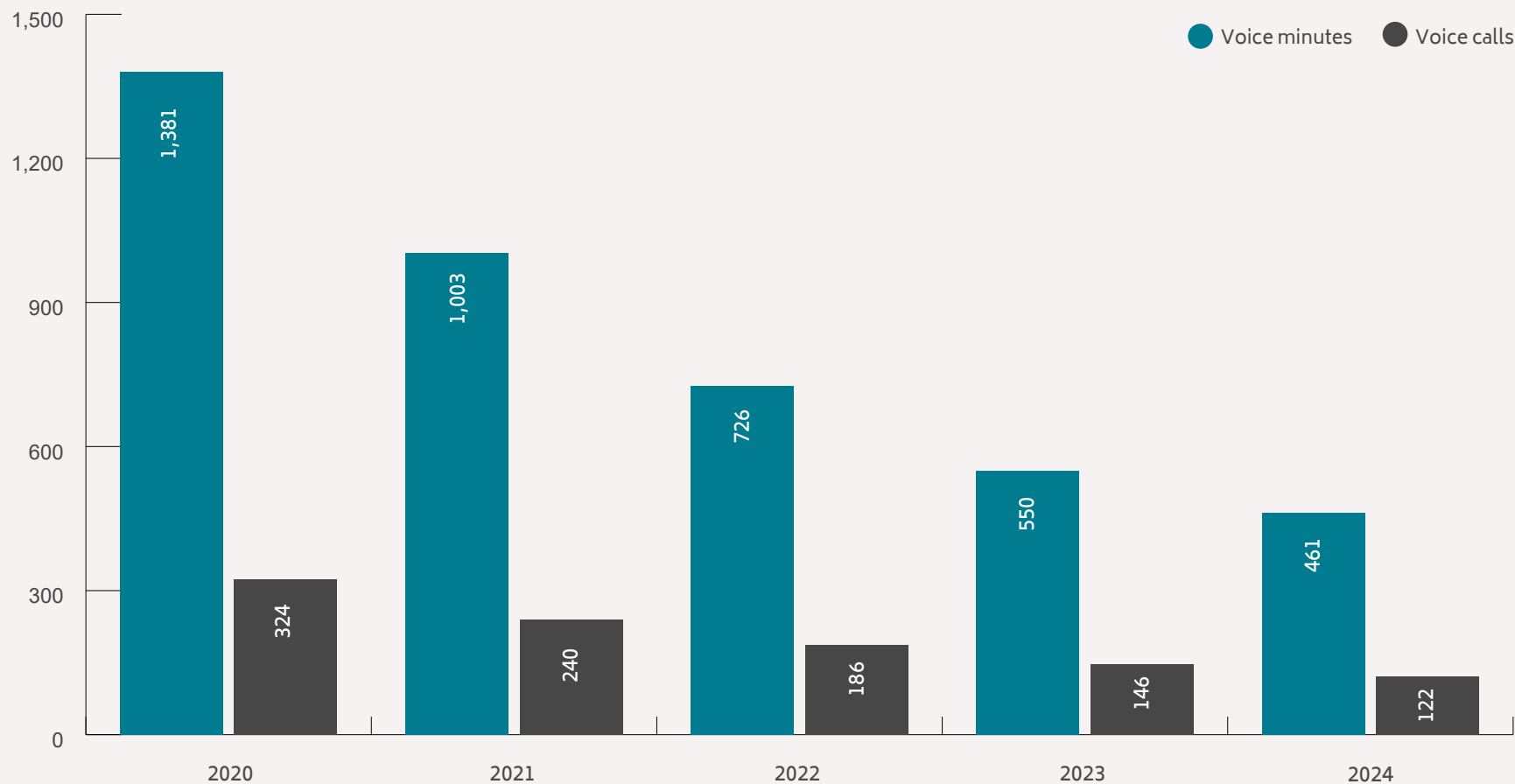
Figure 23: Number of outgoing voice call minutes in millions



Usage per active subscriber

To contextualise the overall decline, usage per active fixed telephony subscription averaged 461 outgoing minutes in 2024, down from 550 minutes in 2023. This figure includes both residential and business users, suggesting that actual residential usage is likely even lower.

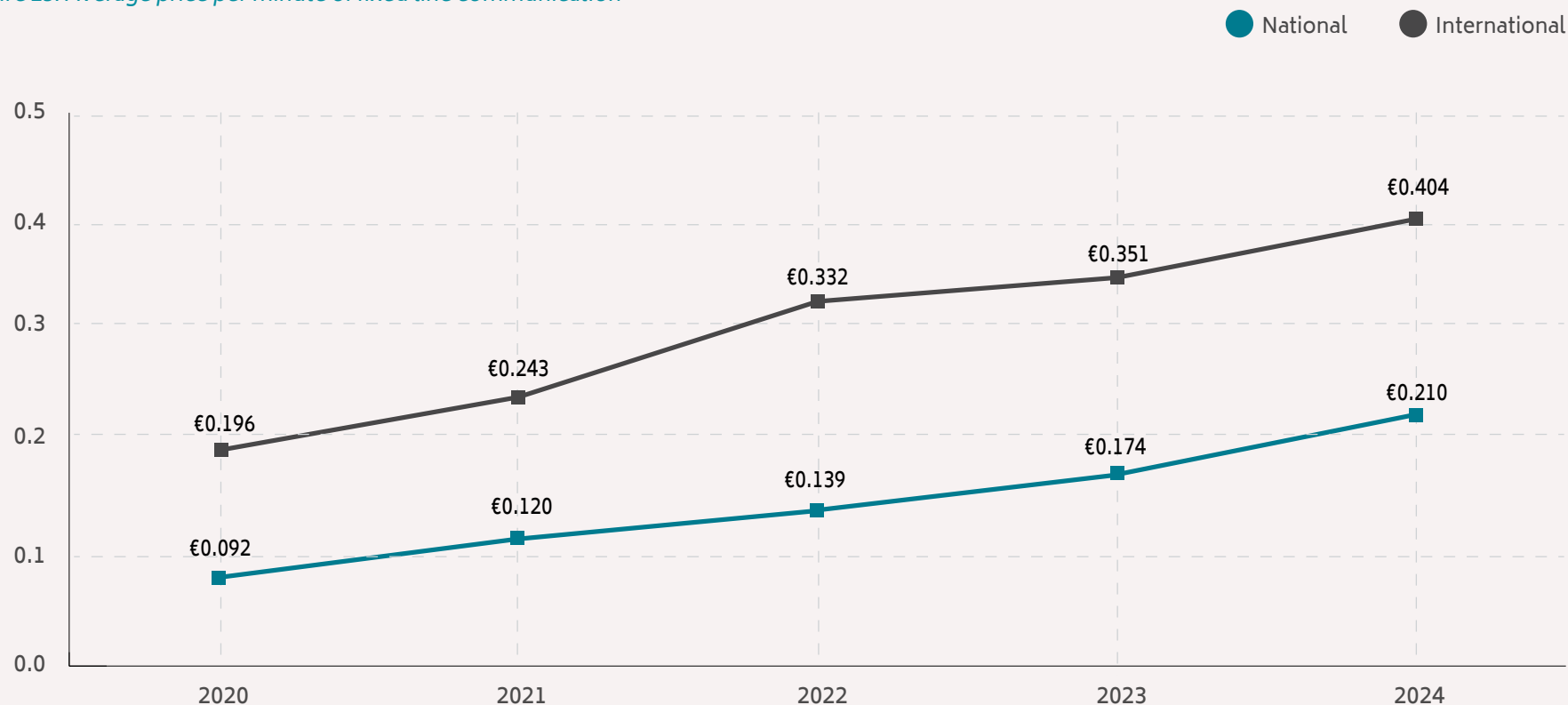
Figure 24: Fixed telephony traffic activity per subscriber



Price Movement

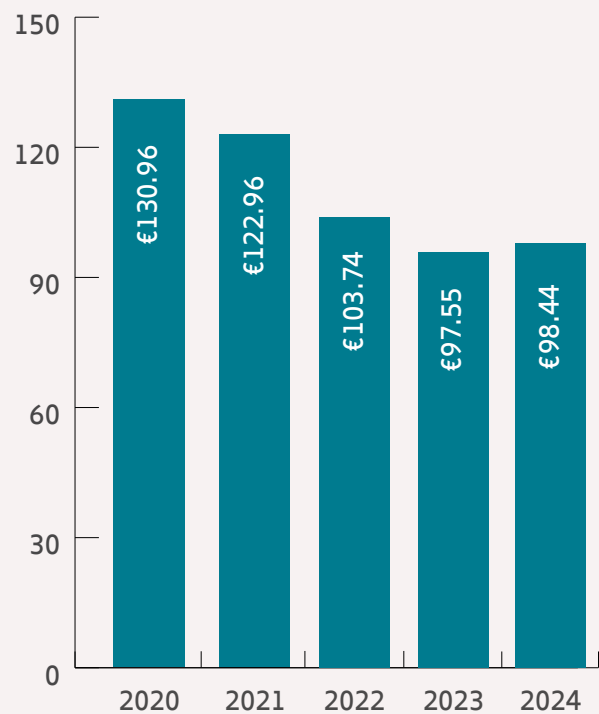
The average rate per minute for fixed voice calls has continued to rise in recent years. This trend reflects the nature of fixed telephony as a bundled service, often included at no apparent extra cost. As usage declines while associated revenues remain relatively stable through bundling, the resulting cost per minute increases. This indicates that fixed telephony is increasingly becoming a passive service, especially in the residential segment, used infrequently but still carrying a nominal value within bundled offers.

Figure 25: Average price per minute of fixed line communication



The fixed telephony ARPU provides insight into the revenue generated per active subscriber. After several years of decline, a modest increase was observed in 2024, rising from €97.55 in 2023 to €98.44. This reversal is largely driven by growth in enhanced fixed telephony subscriptions, which predominantly serve business customers. These higher-value business plans help offset the ongoing decline in standard residential subscriptions, reflecting a market increasingly focused on specialised, enterprise-grade services.

Figure 26: Average revenue per fixed line user



4.1.4 Pay-TV

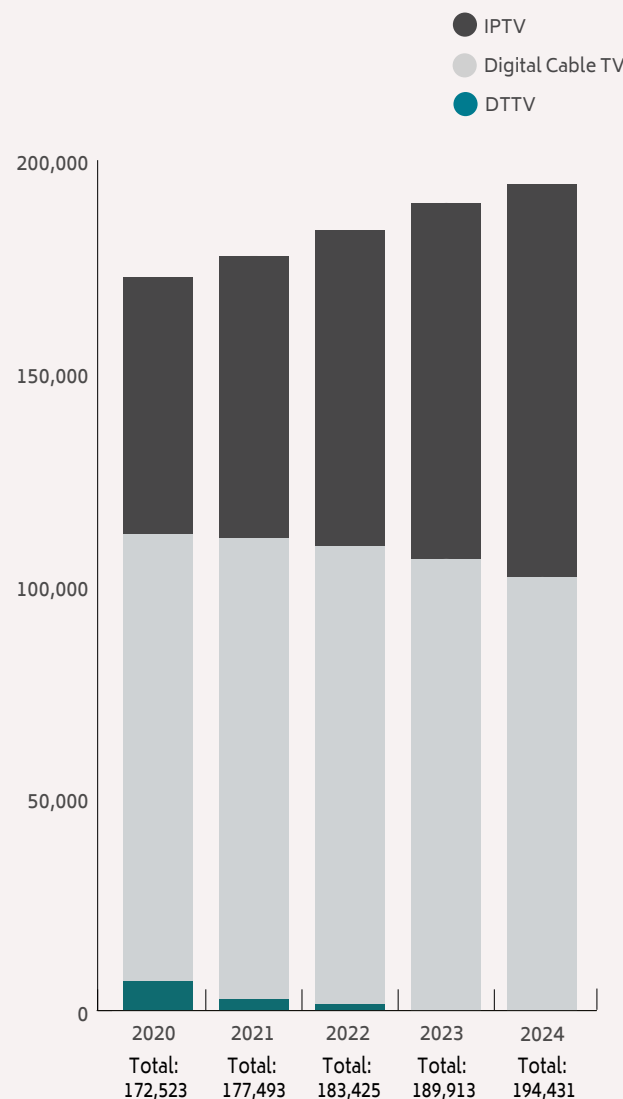
The year-on-year growth in Pay-TV subscriptions underscores ongoing technological advancements and heightened competition within the sector. Across mature telecommunications markets globally, similar trends have been observed: the rise of app-based TV platforms and the increasing adoption of OTT services are reshaping consumer expectations towards more personalised, on-demand entertainment options.

Reflecting these broader shifts, all local Pay-TV operators now offer app-based features over IPTV that cater to consumers’ growing preference for flexibility and content accessibility. This evolution aligns with patterns seen in countries such as the UK and Nordic regions, where IPTV and OTT integration have become standard in delivering television services.

Pay-TV subscriptions

The Pay-TV segment experienced a 2.3% increase in subscriptions year-on-year, reaching 194,431 by the end of 2024. The stability of bundled purchases remains notable, with approximately 83% of Pay-TV subscriptions sold as part of bundles that include fixed telephony and broadband – predominantly triple-play packages (96.8%). This bundling strategy, common across many developed markets, supports customer retention and drives integrated service consumption.

Figure 27: Number of Pay-TV subscriptions by platform as at end 2024



Digital cable technology has historically dominated the Pay-TV landscape, accounting for 52.5% of subscriptions by the end of 2024. However, over the past few years, most operators' efforts were directed to full IPTV, which now represents 47.5% of all Pay-TV subscriptions. This development mirrors global industry dynamics where IPTV and OTT platforms are progressively gaining market share due to their flexibility and richer user experiences.

Pay-TV is generally purchased either alongside fixed telephony in a dual-play bundle (3.2%) or else alongside fixed telephony and internet in a triple-play bundle (96.8%).

Figure 28: Number of Pay-TV subscriptions by platform as at end 2024

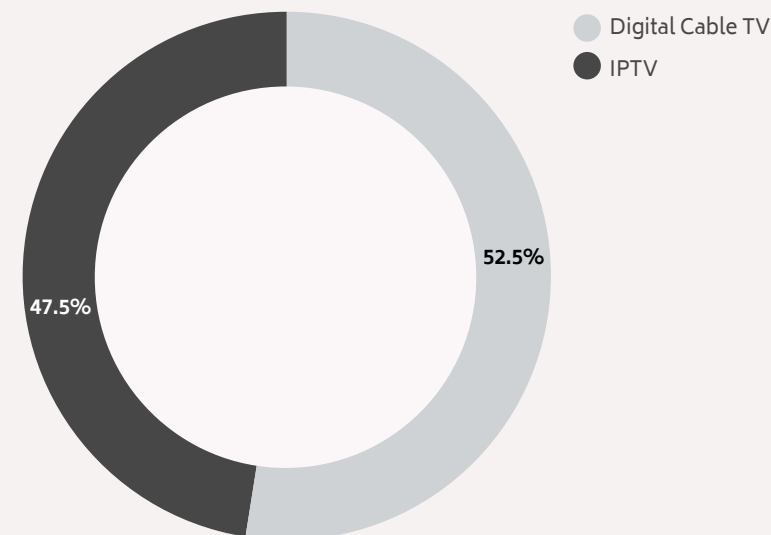


Figure 29: Number of Pay-TV subscriptions in a bundle as at end 2024

Pay-TV subscriptions in a bundle	2020 139,661	2021 147,175	2022 152,277	2023 157,773	2024 161,406
Dual play	5,924	6,066	5,826	5,699	5,210
Fixed Telephony + TV	5,924	6,066	5,826	5,699	5,210
Triple play	133,737	141,109	146,451	152,074	156,196
Fixed Telephony + Fixed Broadband + TV	133,737	141,109	146,451	152,074	156,196
Number of Pay-TV subscriptions (end of period)	172,523	177,493	183,425	189,975	194,431
as a percentage of Pay-TV subscriptions	81.0%	82.9%	83.0%	83.1%	83.0%

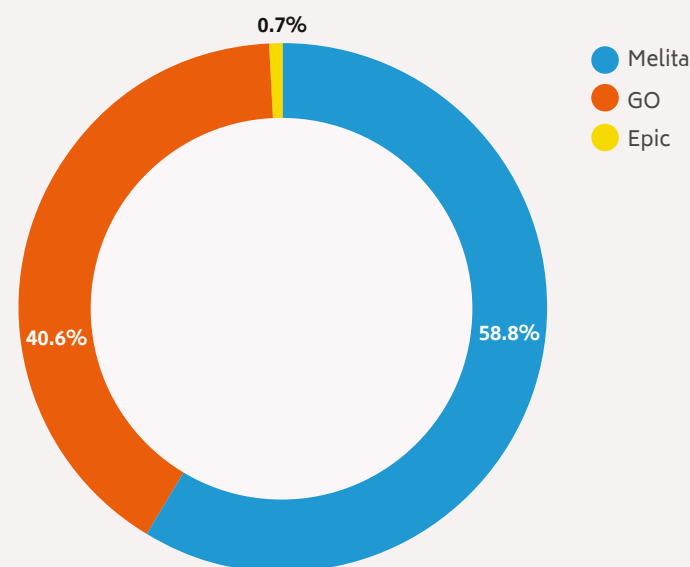
Market Share in Terms of Subscriptions

Melita continues to lead the Pay-TV market with a 58.8% subscription share, followed by GO at 40.6% by the end of 2024. Epic, having launched its Pay-TV service in early 2023, gradually established a foothold, capturing 0.7% of the market by year-end.

Price Movements

On a quarterly basis, the MCA collects data from the operators' websites to assess the price movements for both local stand-alone and bundle Pay-TV services for residential use.⁷ The average advertised market

Figure 30: Pay-TV market shares by subscriptions as at end 2024

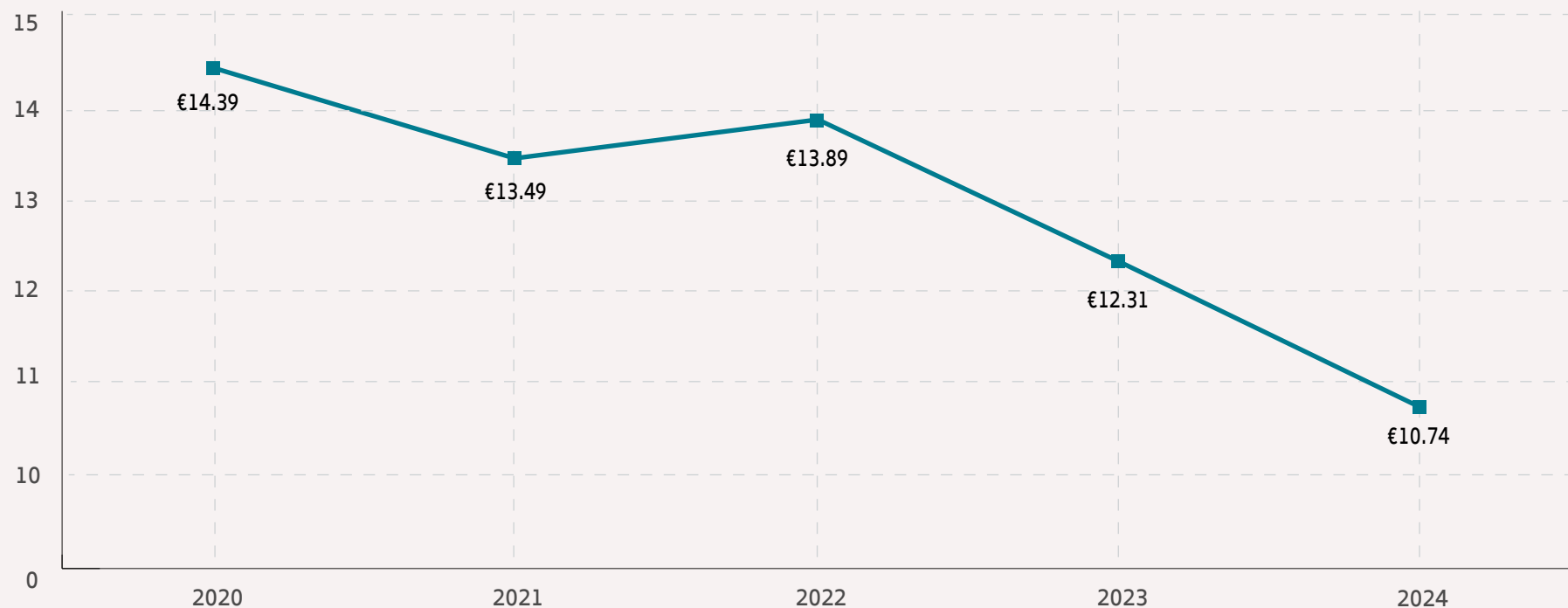


⁷ In the case of bundled services, a portion of the access fee is excluded to account for the value attributed to other components of the bundle.

rate is estimated by dividing the sum of all monthly access fees by the total number of packages available in a given offer.⁸

The overall average advertised rate within the local market has decreased from €12.31 in 2023 to €10.74 in 2024.

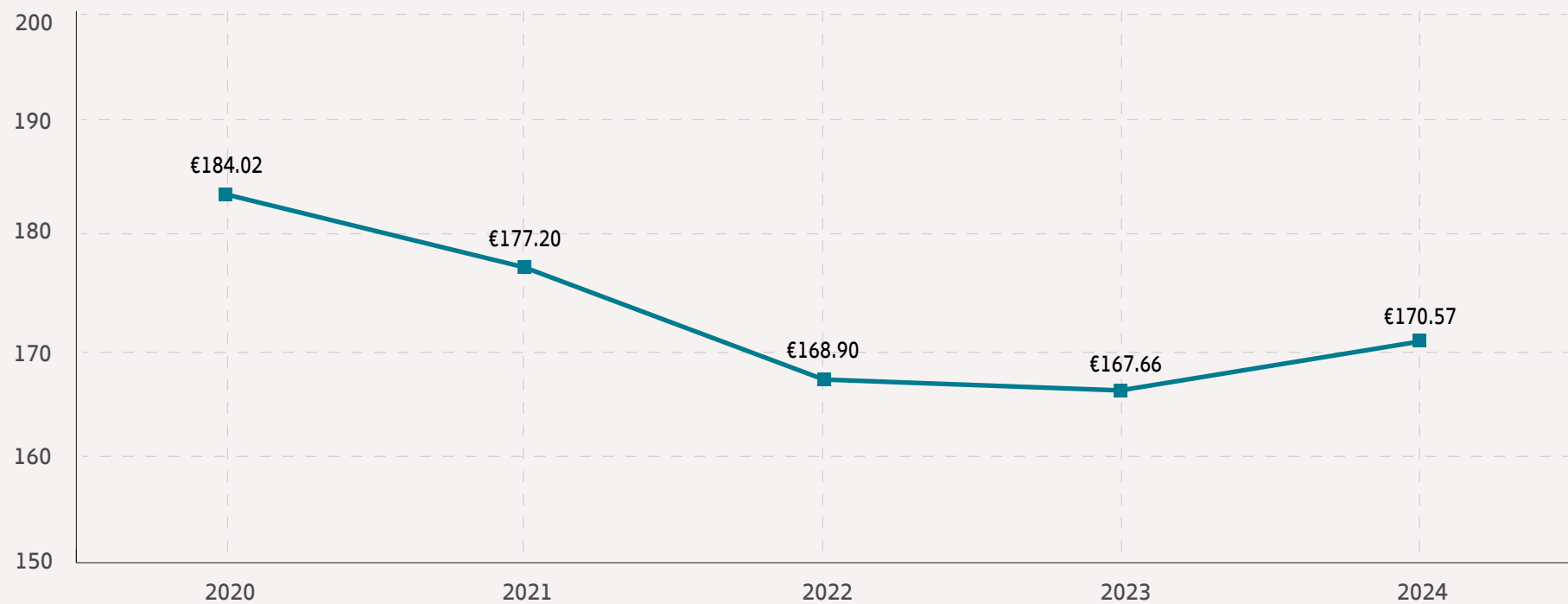
Figure 31: Average advertised price for TV plans offered stand-alone to households



⁸ Billing and other charges (such as fees related to the use of direct debit) are not included in the calculation of the average advertised market rate for stand-alone Pay-TV services as local operators provide end users with the possibility to avoid such charges.

An increase in the Pay-TV ARPU was reported between 2023 and 2024, rising from €167.66 to €170.57. This rise in ARPU is mainly attributed to the rise in IPTV services and to the increasing take-up of premium packages.

Figure 32: Average revenue per Pay-TV user on an annual basis



4.2 Regulation

4.2.1 Promoting and safeguarding competition in the Electronic Communications Sector

In 2024, the Malta Communications Authority (MCA) continued its efforts to ensure that competition in the electronic communications sector remains effective, sustainable, and aligned with market realities. A key milestone was the reassessment of the wholesale fixed broadband access market, following a European Commission veto of the MCA's initial deregulation proposal. This process reinforced the importance of evidence-based regulation and highlighted the need to consider all competitive forces in the market.

Alongside regulatory reviews, the MCA conducted targeted consumer and business surveys to better understand usage patterns, satisfaction levels, and market behaviour. These insights are helping to shape future policy decisions, with a focus on maintaining a fair and competitive environment that benefits end users and supports continued investment.

Safeguarding an effective and sustainable competitive environment

Ensuring robust and fair competition remains central to the MCA's regulatory mission. In 2024, this commitment was exemplified through a comprehensive review of the wholesale fixed broadband access market in Malta. The Authority embarked on a complex reassessment process following the European Commission's decision to veto its draft deregulation measure. This review not only underscores the MCA's proactive role in safeguarding market effectiveness but also

highlights its determination to maintain a sustainable competitive environment that fosters investment, innovation, and consumer welfare within the broader European regulatory context.

Market analysis of the wholesale fixed broadband access market in Malta

In 2024, MCA undertook a fresh market analysis of the wholesale fixed broadband access market, marking a pivotal moment in the evolution of broadband regulation in Malta. This initiative followed an extensive review process and a subsequent decision by the European Commission that prompted a complete reassessment of the regulatory framework.

The process began in late 2023, when the MCA notified the European Commission of its draft decision to deregulate the market by removing existing obligations on GO plc, the previously designated operator with Significant Market Power (SMP). The Authority argued that the Maltese broadband market had matured considerably, exhibiting high levels of infrastructure competition and sustained investment in high-speed networks. This draft decision was formally notified to the Commission on 28 December 2023.

However, the European Commission expressed serious concerns about the proposed deregulation. On 29 January 2024, it launched a Phase II in-depth investigation under Article 7a of the Framework Directive, questioning the MCA's exclusion of alternative infrastructures, such as Melita's cable network, from the relevant market. According to the Commission, this exclusion could lead to an inaccurate assessment of market power and ultimately jeopardise competition and consumer outcomes.

During the investigation, the Body of European Regulators for Electronic Communications (BEREC) reviewed the MCA's draft measure and issued its opinion on 23 February 2024. Contrary to the Commission's position, BEREC found that the MCA's approach was consistent with the EU regulatory framework and concluded that there were insufficient grounds to withdraw or amend the draft measure.

Despite BEREC's supportive stance, the European Commission proceeded to veto the MCA's proposal on 27 March 2024. In its decision, the Commission required the MCA to withdraw its draft regulation and conduct a new analysis, one that would better reflect the competitive constraints posed by all market players, including those operating alternative infrastructures.

In light of this, the MCA issued a formal notification on 30 July 2024 confirming its intention to re-assess the wholesale fixed broadband access market in full. The Authority emphasised that this new exercise would not be constrained by its earlier conclusions and would take into account the positions expressed by both the European Commission and BEREC, as well as input from market stakeholders. The reassessment aimed to ensure that the regulatory framework remains proportionate, forward-looking, and firmly grounded in evolving market realities.

To build on this work, the MCA committed to launching a public consultation on the findings of the new market analysis in early 2025. This consultation invites stakeholders to examine whether current access obligations between operators remain necessary, or whether market conditions have evolved to a point where effective competition can be sustained without *ex ante* regulatory intervention.

In parallel, the MCA will continue to collaborate closely with the European Commission and BEREC, contributing to the forthcoming review of the European Commission's Recommendation on relevant markets and the ongoing evaluation of the European Electronic Communications Code. These engagements ensure that Malta's regulatory approach remains aligned with European developments while addressing the specific needs of the national market.

Managing information as the means to promote competition

Understanding how consumers and businesses perceive and use electronic communications services is key to ensuring a competitive and efficient market. Through targeted surveys, the MCA gathers and analyses data to monitor market developments, inform regulatory decisions, and support evidence-based policymaking. The following sections present insights from two perception surveys conducted in 2024; one focusing on household use of bundled telecommunications services, and the other on electronic communications usage among businesses in Malta. These findings shed light on consumer preferences, spending patterns, satisfaction levels, and switching behaviour, offering a clearer picture of how competitive dynamics are evolving in both the residential and industrial segments.

Customer Perceptions Survey: Bundles

In January 2024, the MCA published the findings of a survey conducted in 2023 assessing consumer perceptions of bundled telecommunications services in Malta. The survey, which included 806 randomly selected households, revealed several key findings:

- 91% of respondents reported having a bundled subscription in 2023, consistent with findings from the 2020 survey. The main reasons for choosing bundled services were cost savings

through promotional offers (53%) and the convenience of a single consolidated bill (35%).

- Only 9% of households opt for stand-alone telecom services, indicating widespread adoption of bundled packages.
- Regarding monthly spending on bundles, 37% pay between €30 and €49.99, 26% pay between €50 and €69.99, and only 2% pay between €10 and €19.99. Perceived value varies significantly by price point: 96% of those paying €20-€29.99 and 87% of those paying €10-€19.99 believe their bundle is reasonably priced, while 57% of those paying €70 or more and 55% of those paying €50-€69.99 consider their subscription expensive.
- Satisfaction with bundle quality of service declined to 69% in 2023 from 89% in 2020, with neutral perceptions increasing from 9% to 24% over the same period.
- Despite reduced satisfaction, 94% of respondents had not switched providers in the past two years. Of those dissatisfied, nearly three-quarters still had no plans to switch, often due to the belief that all providers offer similar quality, a perception that rose sharply from 17% in 2020 to 59% in 2023.
- When asked how they would react to a 10% price increase, 29% said they would consider switching providers, 27% would retain their current bundle, and 25% would switch to a cheaper bundle from the same provider.
- Reports of service disruptions increased by 9 percentage points between 2020 and 2023, and satisfaction with fault resolution fell significantly from 86% in 2020 to 54% in 2023.

These findings highlight a stable adoption of bundled services in Malta, driven by cost savings and convenience. However, they also indicate growing concerns regarding service quality and a notable decline in customer satisfaction, despite limited switching behaviour among consumers.

Business Perception Survey: Electronic Communication Services

The MCA conducted two business perception surveys in early 2024 to assess how Maltese enterprises use electronic communication services. The main survey sampled 400 businesses of all sizes, while the booster survey focused on 150 small, medium, and large enterprises. Key findings include:

- Fixed broadband adoption remains nearly universal among businesses, with 97% of main survey respondents and 99% of booster survey respondents subscribing to this service. In the main survey, 99% of businesses obtain fixed broadband as part of a bundle, whereas in the booster survey, 79% purchase fixed telephony as part of a bundle.
- Mobile telephony usage for commercial activities has slightly declined, with 85% of main survey respondents and 87% of booster survey respondents reporting subscriptions in 2024, down from 92% and 96% respectively in 2021. Post-paid contracts dominate, with 83% in the main survey and 87% in the booster survey.
- Expenditure on stand-alone mobile telephony services has shifted. In the main survey, the proportion of businesses spending less than €100 per month decreased from 94% in 2021 to 66% in 2024. Conversely, the booster survey showed an increase in businesses spending less than €100 per month, rising from 9% in 2021 to 38% in 2024.

- Fixed telephony subscriptions have increased, with 75% of main survey respondents in 2024, up from 63% in 2021. Medium and large businesses show higher adoption rates, with 94% and 82% respectively in the main survey. In the booster survey, 91% of medium-sized and 95% of large-sized businesses subscribed to fixed line telephony. Expenditure on stand-alone fixed telephony has risen, with 31% of main survey respondents spending more than €100 per month in 2024, up from 6% in 2021. In the booster survey, 61% spent over €100 per month, up from 57% in 2021.
- Satisfaction with the quality of stand-alone fixed telephony services is high, with 74% of main survey respondents and 77% of booster survey respondents expressing overall satisfaction. Additionally, 94% of main survey respondents do not intend to cease their fixed line subscription over the next six to twelve months, compared to 83% in the booster survey.
- Mobile broadband usage has increased, with 66% of main survey respondents and 69% of booster survey respondents regularly using the service in 2024, up from 59% in 2021.
- Over-the-top (OTT) services have seen widespread adoption, with 81% of main survey respondents and 80% of booster survey respondents using these services, primarily for messaging and chat (93%), voice communication (46%), and video/audio/TV content (17%).
- High-end connectivity services are on the rise, with 14% of main survey respondents and 29% of booster survey respondents subscribing to such services.
- Churn rates in the mobile telephony market are low, with 8% of main survey respondents and 11% of booster survey respondents switching operators in the past 24 months. Among those

who switched, the primary motivations were finding cheaper alternatives (55% in the main survey, 80% in the booster survey) and dissatisfaction with service quality (36% in the main survey, 20% in the booster survey).

These findings highlight the evolving landscape of electronic communication services among Maltese businesses, with a strong emphasis on bundled services, increasing use of mobile and high-end connectivity, and a focus on service quality and cost-effectiveness.

4.2.2 Ensuring that electronic communications undertakings provide a transparent, quality service to users in line with incumbent social obligations

During 2024, the MCA continued to strengthen its oversight of consumer protection and service quality in electronic communications. A key initiative was the introduction of network-level call blocking measures to combat scam calls using spoofed (falsified) Maltese numbers received from abroad. Following a public consultation and formal decision, operators were required to implement these measures by November 2024, with a public awareness campaign and support mechanisms launched to ensure a smooth rollout.

Additionally, the MCA launched a mobile Quality of Service (QoS) benchmarking campaign, conducted independently by Systemics-PAB. This initiative aims to evaluate real-world user

experiences of mobile voice and data services across Malta and Gozo. The results, based on data gathered in December 2024, will be published in 2025 to provide transparent insights into network performance and support ongoing service improvements.

Blocking measures to combat scam calls with spoofed Maltese numbers

In response to the escalating threat of scam calls exploiting Maltese numbers, the MCA mandated the implementation of preventative measures in 2024 to safeguard telephony subscribers. These initiatives, grounded in a comprehensive public consultation conducted between September and November 2023, culminated in the publication of a Decision Notice in April 2024, mandating the introduction of network-level call blocking measures effective from 1 November 2024. The MCA conducted extensive stakeholder engagement both prior to the publication of the Consultation Paper, as well as following the issuance of the Decision Notice, in the interim period prior to the implementation of the network-level call blocking measures. These stakeholders included local telephony providers, the Malta Police Force, providers of internet- or cloud-based communications solutions, and entities utilising services provided through such communications solutions.

The primary objective of these measures is to combat Caller Line Identification (CLI) spoofing and vishing scams, wherein malicious actors impersonate trusted entities by falsifying caller IDs to deceive recipients into divulging sensitive information. Recognising that most of such fraudulent calls originate from abroad, the MCA directed local network operators to implement filtering mechanisms targeting incoming calls over their respective international network interfaces that display Maltese CLI prefixes '+356 1', '+356 2', or '+356 8'. Calls

bearing invalid ('+356 3' or '+356 6') or unauthorised ('+356 5') Maltese CLI prefixes are also subject to blocking.

The MCA acknowledged the potential impact of these measures on entities utilising internet or cloud-based communication solutions that permit outbound calling whilst presenting Maltese numbers as the caller ID. To mitigate unintended disruptions, the MCA urged such entities to verify their service providers' compliance with local regulations. A dedicated testing line (+356 2400 2400) was established to assist users in determining the compatibility of their communication solutions with the new blocking measures. Calls towards this testing line placed from unauthorised communications solutions would not connect properly, thereby alerting the caller that something was amiss with their solution.

Following the issuance of the Decision Notice, the MCA launched an extensive awareness campaign targeting the general public and stakeholders potentially affected by the new measures. Local telephony providers were mandated to individually notify all telephony subscribers about the impending changes, and to issue a corresponding update to their Terms and Conditions of service outlining the provider's obligation to abide by the MCA's blocking measures. The MCA also provided comprehensive resources, including FAQs and direct support channels, to facilitate a smooth transition and ensure widespread understanding of the new measures.

Through the implementation of these targeted blocking measures, the MCA has taken a significant step in safeguarding the integrity of Malta's National Numbering Plan. However, the Authority recognises that certain forms of scam communications cannot be addressed through

the blocking measures. In this respect, the MCA has also undertaken various initiatives to raise awareness and educate the general public about scam communications, the importance of staying vigilant to avoid falling victim to such scams, and the extent of protection offered by the implemented blocking measures. By proactively addressing the challenges posed by CLI spoofing and vishing scams, the Authority continues to uphold its commitment to protecting consumers and maintaining trust in the nation's electronic communications services.

Mobile Quality of Service Benchmarking as a Tool for Evaluating End User Voice and Data Service Experience

In 2024, the MCA concluded the procurement process for the provision of a mobile QoS benchmarking service. Following a competitive call for tenders, the contract was awarded to Systemics-PAB Sp. z o.o., a reputable Polish company specialising in mobile network performance benchmarking and Quality of Experience (QoE) assessments.

Throughout the year, the MCA engaged in structured discussions with both the selected service provider and Malta's mobile network operators to ensure that the benchmarking campaign would be conducted in a fair, transparent, and non-discriminatory manner. These preparatory engagements were intended to safeguard the integrity of the exercise and ensure that no operator received any undue advantage.

The benchmarking campaign was carried out during December 2024, a period intentionally chosen for its high network usage, to reflect real-world user experience as accurately as possible. To preserve objectivity, the exact timing of the measurements was not disclosed in advance to the operators.

The procurement contract awarded to Systemics-PAB covers three independent benchmarking exercises, which may be executed at the MCA's discretion. At present, the MCA plans to conduct one benchmarking campaign annually to effectively monitor and assess year-on-year developments in the quality of mobile voice and data services available to end users.

The results of the 2024 benchmarking exercise are currently being reviewed and are scheduled for publication in 2025, providing stakeholders and the public with a transparent and evidence-based assessment of mobile service performance across Malta and Gozo.

Study on Mobile Telephony Providers' Compliance with Consumer Protection Norms

In 2023, the MCA conducted a mystery shopping exercise, subscribing to a mobile post-paid plan from each of Malta's three mobile providers, namely, Epic, GO and Melita, to evaluate their adherence to consumer protection requirements. Following the identification of shortcomings, providers were informed and given the opportunity to take corrective action. In 2024, the MCA repeated the exercise to assess improvements in compliance with consumer protection measures.

The key aspects tested focused on several essential consumer protection measures. These included the accuracy of information provided at the point of sale, the provision and completeness of contractual documents, transparency regarding contractual terms, consumer consent procedures, directory listing preferences, access to itemised billing, and the ease of contract termination.

The last mystery shopping exercise conducted in 2024 highlighted both significant progress when compared to the previous year's exercise and areas requiring further improvement in providers' compliance with consumer protection rules. While notable improvements were observed, a limited number of shortcomings persisted, primarily due to minor omissions, human errors, and inconsistencies in adhering to established protocols.

Providers responded proactively to the MCA's feedback, addressing most shortcomings and committing to further improvements. Key corrective actions taken included:

- Revising contractual templates to eliminate errors and to ensure the disclosure of all required information;
- Introducing new digital tools to enhance consumer accessibility;
- Amending internal protocols to clarify processes; and
- Providing targeted training to staff to address knowledge gaps.

These measures reflect providers' commitment to meeting regulatory obligations and improving the consumer experience. In cases where discrepancies persisted, providers have committed to working with the MCA to implement longer-term solutions. The MCA will continue monitoring providers' commitments in addressing any outstanding issues with the aim of safeguarding consumer rights.

A full detailed report on the findings of the study is scheduled for publication in Q1 of 2025.



Review of GO's Claim for Compensation for the Provision of Universal Services in the Electronic Communications Sector

In accordance with national law, an undertaking designated to provide universal services in the electronic communications sector may submit a claim for compensation for any unfair burden it considers it has incurred.

In 2024, the review of the application for funding submitted by GO, the designated universal service provider, for the net costs claimed to have been incurred for the provision of universal services during financial year 2019 was completed. The MCA commissioned Ernst & Young Limited (EY) as an independent body to assess and verify the application. Following this review, it was determined that GO had incurred an unfair burden in providing public payphones, a comprehensive electronic directory, and social tariffs.

GO's application also included an assessment of brand enhancement benefits arising from the provision of universal services. After deducting these market benefits, the total net cost was established at €107,940. Following a public consultation process, the compensation due to GO was confirmed.

In a separate consultation process, and in line with a decision by the Government of Malta, it was further confirmed that the total net cost of €107,940 will be financed through public funds.

4.2.3 Maintaining open, safe and secure electronic communications

In 2024, the MCA reinforced its commitment to an open, secure, and resilient communications environment. It continued monitoring compliance with EU net neutrality rules under the Open Internet Regulation, confirming that local Internet Access Service (IAS) providers adhered to non-discriminatory practices. No breaches or complaints were reported, and Malta's market remained broadly compliant.

The MCA also advanced its role in network security, preparing for its designation as the competent authority under the EU's Network and Information Security 2 (NIS2) and Critical Entities Resilience (CER) Directives. It contributed to European fora on electronic communications security, 5G resilience, and submarine cable infrastructure, while postponing further national requirements pending full transposition of the new legislation.

Additionally, the MCA continued mapping broadband infrastructure across Malta and Gozo, enhancing its Geographic Information Systems (GIS) capabilities to support data-driven policymaking and transparency around broadband coverage and performance.

Oversight of net neutrality practices

The MCA is responsible for enforcing and supervising the Open Internet Regulation (EU) 2015/2120, known as the OIR Regulation, which governs rules for Open Internet access. This regulation provides the MCA with the necessary tools to evaluate traffic management and commercial practices, thereby ensuring that IAS for end users are

free from discrimination. This, in turn, supports the open internet as a platform for innovation and development.

In its oversight role, the MCA closely adheres to the BEREC guidelines on implementing the Open Internet Access Regulation by National Regulatory Authorities (NRAs), with the latest update issued in June 2022.

As part of its ongoing assessment and monitoring of practices applied in the provisioning of IAS, the MCA engages with major fixed and mobile IAS providers through a self-assessment questionnaire. This questionnaire assesses commercial and technical practices related to their IAS offerings. The results confirmed that none of the IAS providers engage in traffic management practices that breach the EU regulation. Furthermore, in 2024, the MCA did not receive any customer complaints citing discriminatory practices by IAS providers.

In June 2024, in line with the OIR, the MCA published its annual report covering the period from 1 May 2023 to 30 April 2024. The report focused on the MCA's efforts in supervising and monitoring the implementation of open internet access rules as stated in the EU Regulation, effective since 30 April 2016. The MCA concluded that IAS providers in Malta were generally compliant with the EU regulation, with no major concerns.

The latest report indicates there are no significant issues in the market. Nevertheless, the MCA will maintain its vigilance to assess any new IAS products, policies, and other activities that may be regulated by the OIR to ensure compliance with the EU Regulation's requirements.

In addition to its reporting activities, the MCA actively collaborates with other EU regulatory authorities within BEREC on matters concerning OIR, particularly through BEREC's Expert Working Group on the Open Internet. The Authority continues its ongoing monitoring and review of the open internet due to the ever-changing nature of this industry.

Furthermore, the MCA has also provided support to the Sanctions Monitoring Board regarding the implementation of EU sanctions against Russia by locally authorised ECS providers.

Monitoring security, safety and integrity of public fixed and mobile networks

The importance of the security and integrity of electronic communication networks and services in sustaining the digital economy is well understood and undisputed. This is clearly reflected in the recent updates to the European legislative framework related to security.

Throughout 2024, the MCA remained actively engaged with the Critical Infrastructure Protection Directorate (CIPD) within the Ministry for Home Affairs, Security and Employment in the national transposition process of the NIS2 Directive and the CER Directive. The transposition of the NIS2 Directive and CER Directive earmark the MCA for designation as the competent authority for the electronic communications sector, trust services and postal services. This further reinforces the MCA's role within the national cybersecurity and resilience framework.

Cognisant of the evolving regulatory landscape introduced by the NIS2 Directive, and recognising the need to align with forthcoming obligations before imposing additional burdens on regulated sectors, the MCA deemed it prudent to postpone further national security requirements until the transposition process was completed. Consequently, the decision related to the 2023 Electronic Communications Services and Networks (ECSN) Security Framework consultation was not published.

In parallel, the MCA prioritised preparatory work to support NIS2 implementation and actively participated in key European fora. This included ongoing contributions to the European Competent Authorities for Secure Electronic Communications (ECASEC), particularly in the revision of minimum-security guidelines for the electronic communications sector in line with NIS2 requirements.

The MCA also took part in meetings of the NIS 5G Cooperation Group, where strategic considerations related to the security and resilience of ECSN, particularly with respect to 5G networks, were discussed.

Furthermore, following the adoption of Commission Recommendation (EU) 2024/779 on Secure and Resilient Submarine Cable Infrastructure, the MCA was designated as the National Contact Point for Malta. In this capacity, the Authority participates in the Submarine Cable Infrastructure Expert Group established under the framework of the Recommendation, contributing to coordinated efforts at the EU level to enhance the security and resilience of submarine cable systems.

Mapping broadband services as an information tool relative to broadband network capabilities

To ensure optimal service for end users, the MCA continued its project, originally launched in 2021, to map the local broadband infrastructure. This initiative, which is mandated by the European Electronic Communications Code (EECC), aims at mapping the extent of electronic communications networks capable of delivering broadband services.

The exercise, now carried out for the second consecutive year, focuses on mapping broadband coverage across the Maltese islands, encompassing both fixed and mobile broadband. For fixed broadband, the mapping process also considers maximum speeds and peak-time performance. Beyond fulfilling the EECC requirements for geographical coverage surveys, the broadband maps have been increasingly integrated into the MCA's broader regulatory and analytical work, including market analysis and network planning. In 2024, the MCA also participated in several training sessions on GIS to strengthen internal capacity in the use of such platforms.

Looking ahead, the MCA is exploring the broader benefits of adopting GIS technologies, not only to enhance operational efficiency for its staff but also to generate wider societal value through improved data accessibility, transparency, and evidence-based policymaking.

4.2.4 Maximising the potential of radio spectrum

The MCA continued to manage Malta's radio spectrum efficiently during the year under review, to support innovation, connectivity,

and public safety. Efforts focused on ensuring compliance with licensing conditions, preparing for future spectrum reassignments, and maintaining oversight of electromagnetic field (EMF) emissions. The Authority also supported new technologies through its test and trial licensing framework and remained actively involved in European and international spectrum policy development. These initiatives help ensure that Malta's spectrum resources are used effectively and responsibly in line with national and EU objectives.

Fulfilment of the roll-out obligations following the re-assignment of rights of use for Terrestrial Digital Audio Broadcasting Services (T-DAB)

Following the direct assignment of the rights of use for six VHF spectrum blocks for T-DAB transmission to Digi B Network Ltd in the first quarter of 2023, the MCA undertook monitoring activities throughout 2024 to assess the licensee's compliance with the rollout obligations set out in the licence conditions. These monitoring efforts formed part of the Authority's continued regulatory oversight to ensure the efficient and effective use of spectrum resources in accordance with national policy objectives and applicable legal frameworks.

Re-assignment of Rights for the 900 MHz, 1800 MHz, and 2100 MHz Bands

During 2024, the MCA held further discussions with the local mobile network operators to gain a deeper understanding of their future spectrum requirements. In parallel, the MCA conducted an analysis of various spectrum assignment models with a view to supporting long-term spectrum planning and efficient use of available resources.

As part of this analysis, the MCA identified that the current staggered expiry dates of spectrum licences may present challenges to strategic spectrum management. To address this, the Authority resolved to adopt an interim spectrum assignment process aimed at aligning the expiry dates of existing licences. This approach will not only facilitate a more harmonised and coherent spectrum framework but will also allow the MCA to closely monitor further developments within the EU's radio spectrum policy and related harmonisation initiatives.

Moreover, the interim process provides additional time for the local operators to finalise the shutdown of their 2G and 3G networks and to fully transition to Voice over LTE (VoLTE) services.

The MCA intends to launch a public consultation in early 2025 to present its preliminary views and gather feedback from all interested stakeholders prior to formalising its spectrum assignment strategy.

EMF Monitoring

In line with its strategic goal of ensuring open, safe, and secure electronic communications, the MCA consistently monitors EMF emissions to ensure they remain within the limits established by the International Commission of Non-Ionizing Radiation Protection (ICNIRP) and endorsed by the World Health Organization (WHO), as well as other legal requirements.

The MCA operates a comprehensive EMF monitoring programme across Malta and Gozo. This programme encompasses National Wideband EMF Audits, Pre-Demarcated Locations EMF Audits, and Customer EMF Audits. The MCA maintains ongoing coordination with the government department responsible for environmental health,

regularly sharing the outcomes of these audits to support informed decision-making and any necessary follow-up actions.

In 2024, the MCA further enhanced its EMF monitoring programme by initiating a dedicated audit process targeting radio communication apparatus installations. This new initiative aims to verify that operators of such equipment are fulfilling their reporting obligations accurately and in accordance with applicable regulatory requirements.

In parallel, the MCA has also intensified its stakeholder engagement efforts by conducting one-to-one information sessions with technical personnel from mobile network operators. These sessions are intended to keep industry stakeholders abreast of the latest developments in EMF emission standards and monitoring methodologies, thereby promoting a shared understanding of compliance obligations and best practices in the field.

Throughout 2024, the MCA successfully completed more than 300 audits as part of its ongoing compliance and monitoring activities. Additionally, the MCA participated in the Global System for Mobile Communications Association (GSMA) 2024 event, furthering its engagement with relevant international stakeholders.

During the same year, the MCA also supported the Broadcasting Authority in assessing EMF emission levels from the secondary antenna located in Għargħur, in light of the potential increase in surrounding built-up infrastructure. This activity included an exploratory assessment using drone technology to perform effective live measurements. However, due to flight restrictions near high-power transmitters, arising from the risk of interference with drone control signals, this approach was deemed impractical. As a result, the

MCA employed stochastic methods as an alternative, making use of simulation-based modelling to estimate EMF exposure levels under varying environmental and structural conditions.

Ongoing Spectrum Management Activities

The MCA is entrusted with the responsibility of managing the radio spectrum in the most effective manner. This contributes to ensure that a wide range of radiocommunication services can operate without interference.

In 2024, the MCA continued to safeguard this finite resource through radio monitoring and on-site inspections. Over the course of the year, the MCA carried out 97 radio spectrum monitoring missions and 108 on-site inspections on various radiocommunication installations. These activities were generally aligned with the MCA's spectrum monitoring plan and contributed to minimising the occurrence of harmful interference. In total, the MCA investigated 16 reported cases of harmful interference, of which only nine were confirmed as actual interference cases.

The MCA remained committed to strengthening its spectrum monitoring capabilities. In 2024, it invested over €132,000 in additional test and measuring equipment. Market research efforts have continued to identify further capital investment opportunities aimed at enhancing MCA's effectiveness in safeguarding the radio spectrum.

International Spectrum Management Activities

In line with its legal obligations pursuant to the Electronic Communications (Regulation) Act, the MCA continued its collaboration with other Member States and the European Commission on the strategic planning, coordination and harmonisation of radio spectrum.

In this context, throughout 2024, the MCA participated in a number of European meetings addressing various aspects of spectrum management. These included:

Organisation	Name of meeting
European Union	• Radio Spectrum Committee • Radio Spectrum Policy Group (RSPG), including sub-group meetings established in accordance with the RSPG work programme • RSPG Peer Review Events • European GNSS Interference Task Force
CEPT	• Electronic Communications Committee (ECC) Plenary • Conference Preparatory Group for WRC-27 (CPG27) • Working Group on Frequency Management • FM22 on spectrum monitoring and enforcement • FM58 on maritime communications

In addition to these meetings, the MCA contributed to the work of the RSPG by co-chairing the Sub-Group on "Good Offices", which assists in bilateral negotiations between Member States. During 2024, the Sub-Group held five meetings.

Review of the National Frequency Plan

The National Frequency Plan (NFP) is a regulatory instrument adopted and published by the MCA pursuant to the Electronic Communications (Regulation) Act (Cap. 399). Its purpose is to designate the radiocommunication services that are permitted to operate within the various sub-bands of the radio spectrum in Malta. The NFP also serves to implement European Union law requiring Member States to designate harmonised spectrum bands for specific radiocommunication services.

In 2024, the MCA carried out a review of the NFP to align the frequency designations with the 2024 edition of the Radio Regulations of the International Telecommunication Union. Revisions were also undertaken to reflect EU spectrum harmonisation measures. The revised NFP is to be published in early 2025.

Radiocommunications Equipment Licensing

Part IV of the Electronic Communications (Regulation) Act (Cap. 399) establishes the general requirements related to the licensing of radiocommunications equipment. In this context, the MCA is responsible for administering the radiocommunications licensing function, which includes the granting rights to install or use radiocommunications equipment and the associated radio frequencies.

As at end 2024, the total number of active radiocommunications individual licences was 1,605. The number of active licences has increased over the years, as shown below:

Year	Total No. of Licences (active)
2020	1,251
2021	1,334
2022	1,524
2023	1,602
2024	1,605

The distribution of the active licences as at the end of 2024 is as follows:

Licence type	No. of active licences as at end 2024
Aircraft station	947
Aeronautical ground station	8
Aircraft portable station	3
Broadcasting (national, community, repeaters)	50
Maritime coast stations	35
Links	19
Land mobile applications including private mobile radio	97
Amateur Radio	433
Satellite Earth stations	2
Other licence types	11

In 2024, the most notable variance was the continued increase in the number of active aircraft station licences, which rose by 40. However, there were decreases in licensed land mobile applications and amateur radio licences, which declined by 34, as well as slight reductions in other licence categories. Overall, the total number of active licences remained stable when compared to 2023.

Additionally, in 2024, the MCA processed several requests for the assignment of maritime identities, i.e. call signs and maritime mobile service identities. A total of 158 assignments certificates were issued during the year.

General Authorisation Framework for Radiocommunications Apparatus

Article 30A of the Electronic Communications (Regulation) Act (Cap. 399) establishes the legal framework for regulating radiocommunication apparatus under a general authorisation. Pursuant to this article, the MCA adopted Decision No. MCA/D/22-4662 which sets out the rights and obligations for installing, using or dealing with radiocommunications apparatus, as outlined in the Schedules annexed to the Decision. This framework complements the General Authorisations (Radiocommunications Apparatus) Regulations (SL399.40) while these Regulations remain in effect.

As part of the activities related to the revisions of the NFP, the MCA prepared updates to the Schedules to Decision No. MCA/D/22-4662, which revisions were limited to ensuring compliance with the international obligations of Malta. Primarily, these derived from European Union law harmonising the use of radio spectrum. The revisions to Decision No. MCA/D/22-4662 are scheduled to be published on the MCA website in early 2025.

Test and trial licensing

The MCA operates a test and trial licensing regime designed to support the innovative use of radio spectrum. The regime offers both local and foreign entities the opportunity to conduct technical tests and/or trials on a non-commercial basis, including on a nationwide scale.

Under this framework, in 2024, the MCA issued a total of 3 licences, enabling the holders to test and trial wireless solutions in Malta.

4.2.5 Contributing to the ongoing development and implementation of sector policy

In 2024, the MCA continued to play an active role in shaping and supporting the development of key EU and national policy initiatives relevant to the electronic communications sector. These efforts focused on major legislative updates that will significantly impact the regulatory landscape in the coming years, particularly in the areas of broadband infrastructure deployment, cybersecurity, and operational resilience. The Authority provided technical input and policy guidance to Government and worked closely with national and EU stakeholders to ensure that Malta remains aligned with evolving regulatory frameworks. Notable developments during the year included the legislative transition from the Broadband Cost Reduction Directive to the Gigabit Infrastructure Act, preparatory work linked to the implementation of the NIS2 and CER Directives, and the completion of a cost model to support the European Commission's 2025 review of the Roaming Regulation.



Broadband Cost Reduction Directive (BCRD) and Gigabit Infrastructure Act (GIA)

In 2024, the MCA remained actively involved in the EU's legislative shift from the Broadband Cost Reduction Directive (BCRD) to the Gigabit Infrastructure Act (GIA), which entered into force in May 2024. While the BCRD remains applicable for the time being, the GIA is expected to come into full effect in November 2025.

During the year, the MCA supported Government discussions on the GIA proposal and contributed to the development of BEREC and European Commission guidance on key implementation areas, including access to physical infrastructure and coordination of civil works. The MCA is also working closely with national stakeholders to prepare for the GIA's effective implementation in 2025.

Revised Directive on the Security of Network and Information Systems (NIS2) and the Directive on the Resilience of Critical Entities (CER)

Further to the activities outlined in the preceding section "Monitoring security, safety and integrity of public fixed and mobile networks", in 2024 the MCA continued to support national efforts relating to the transposition of the NIS2 Directive, the updated EU legislative framework aimed at strengthening cybersecurity across critical digital sectors. The Directive introduces enhanced security obligations for a broader range of entities and is expected to be formally transposed into Maltese law in early 2025.

Building on its preparatory work and ongoing participation in European fora, the MCA contributed to discussions on the designation and oversight of essential and important entities under the new

framework. This includes entities operating in public electronic communications networks and services, trust service providers, and postal and courier services. Under the new regime, the MCA's role will expand to cover the supervision of these sectors in line with NIS2 requirements, reinforcing national cybersecurity oversight.

In parallel, the MCA also followed developments related to the Directive on the Resilience of Critical Entities (CER), which complements NIS2 by requiring organisations to address a wider range of risks beyond cybersecurity. While NIS2 focuses on digital security, the CER Directive enhances operational resilience and business continuity across critical sectors. The MCA is expected to be designated as the competent authority for the resilience of relevant entities within its remit, marking a significant development in its mandate.

The combined implementation of NIS2 and CER represents a coordinated effort to strengthen both cybersecurity and operational resilience in Malta, further embedding the MCA's central role in safeguarding the security and continuity of essential digital services.

Cost Model for Establishing the Cost of Providing Wholesale Roaming Services and Mobile Voice Termination Services

In 2024, the European Commission published an external study assessing the cost of providing two key mobile wholesale services across the EU: wholesale roaming services and mobile voice termination services. The study, which commenced in 2023, was conducted by Axon Partners Group and is intended to inform regulatory reviews at the EU level.

The MCA coordinated data gathering from local mobile network operators and contributed extensively by providing its input to the European Commission on the cost modelling exercise.

The findings of the study will serve as one of several inputs supporting the European Commission's review of the Roaming Regulation, which is scheduled for completion by June 2025. In parallel, the study will also contribute to the review of the Delegated Act establishing the single maximum EU-wide mobile and fixed voice termination rates, commonly referred to as Euro rates, due by the end of 2025.



During the year, the MCA supported Government discussions on the GIA proposal and contributed to the development of BEREC and European Commission guidance on key implementation areas, including access to physical infrastructure and coordination of civil works.



05 Postal Market



05

Postal Market

5.1 Market Review⁹

The postal sector in Malta has experienced profound transformation in recent years, shaped by technological innovation, digitalisation, and the exponential growth of e-commerce. These forces are redefining the nature and volume of mail handled by both universal postal service providers and alternative operators.

The sector's challenges are compounded by the need to maintain universal service obligations amid declining profitability from traditional mail. Postal operators are responding by investing in last-mile delivery networks, expanding value-added services such as insurance and document management, and leveraging digital solutions to enhance customer experience and operational efficiency. The MCA has over the years emphasised the importance of adapting business models to evolving market dynamics and consumer preferences, including the integration of online tracking, e-commerce platforms, and flexible delivery options.

⁹ Figures are based on data supplied by operators as at 25 March 2025, corresponding with the Q4 2024 Data Report Sheet (DRS) publication. Subsequent DRS publications may reflect revisions to previously reported data.

Mail items by type of Postal Activity

In 2024, the number of mail deliveries over Malta's postal network stood at 26.3 million mail items, marking a 3.8% year-on-year decline.

This overall decrease was primarily driven by falling volumes across all categories within the universal service area, with mail items sent under the universal service decreasing by 7.7% year-on-year. Notably, single-piece letter mail saw the steepest drop (–15.6%), followed by bulk mail (–4.9%), registered mail (–3.2%), and parcel mail (–2.2%). The vast majority of universal service mail – 87.8% – was domestic, with inbound cross-border mail accounting for 8.6% and outbound cross-border mail for 3.6%. Conversely, mail sent outside the scope of the universal service experienced robust growth, with total volumes reaching nearly 4.4 million items in 2024. This represents a significant year-on-year increase driven by inbound cross-border mail, which surged by 30.7% during this period. This shift reflects the rising importance of e-commerce and the growing preference for parcel delivery services, particularly for items weighing less than or equal to 2 kg.

Figure 33: Postal mail volumes: within the scope vs outside the scope of the Universal Service in millions

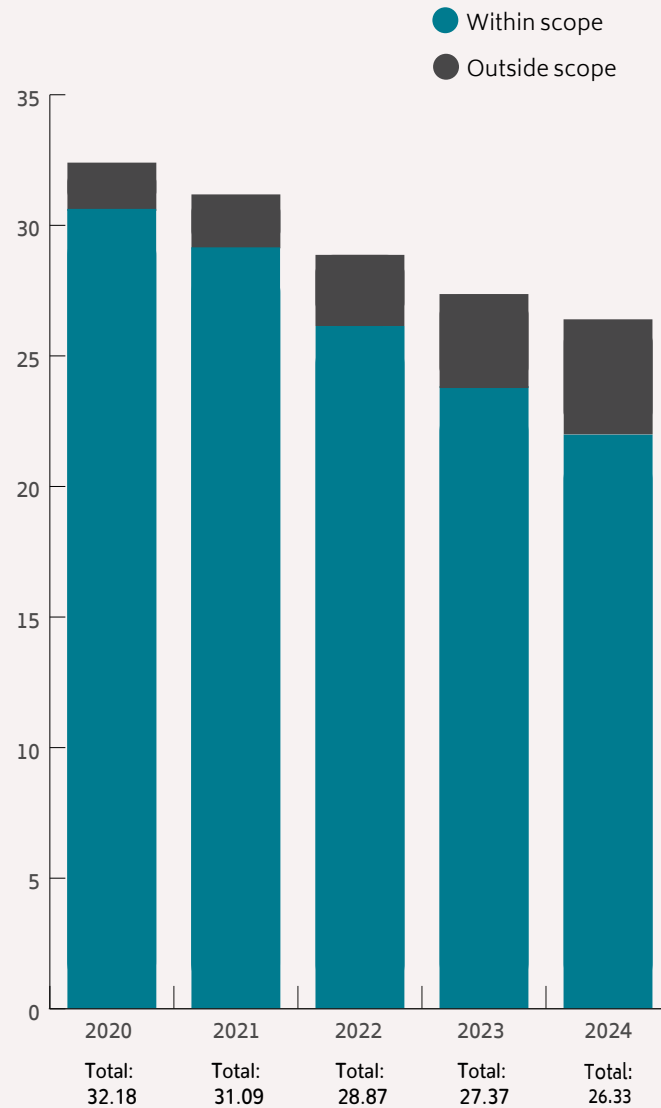


Figure 34: Postal mail volumes: within the scope of the Universal Service, by type of mail item in millions

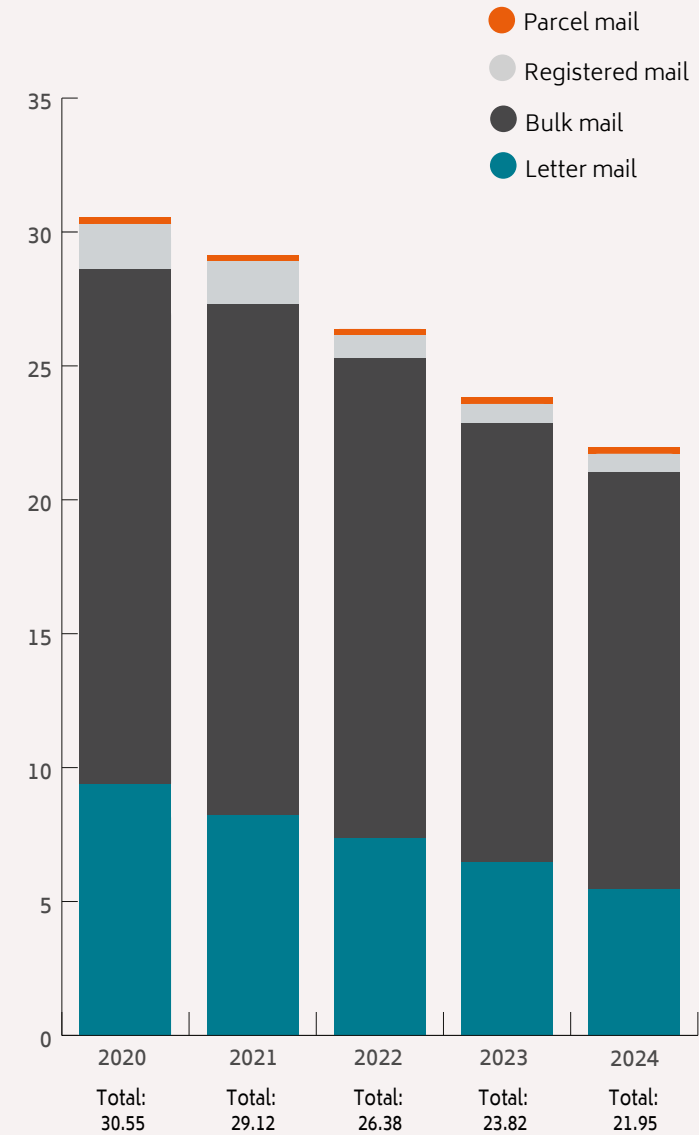


Figure 35: Postal mail volumes: outside the scope of the Universal Service, by weight of mail item in millions

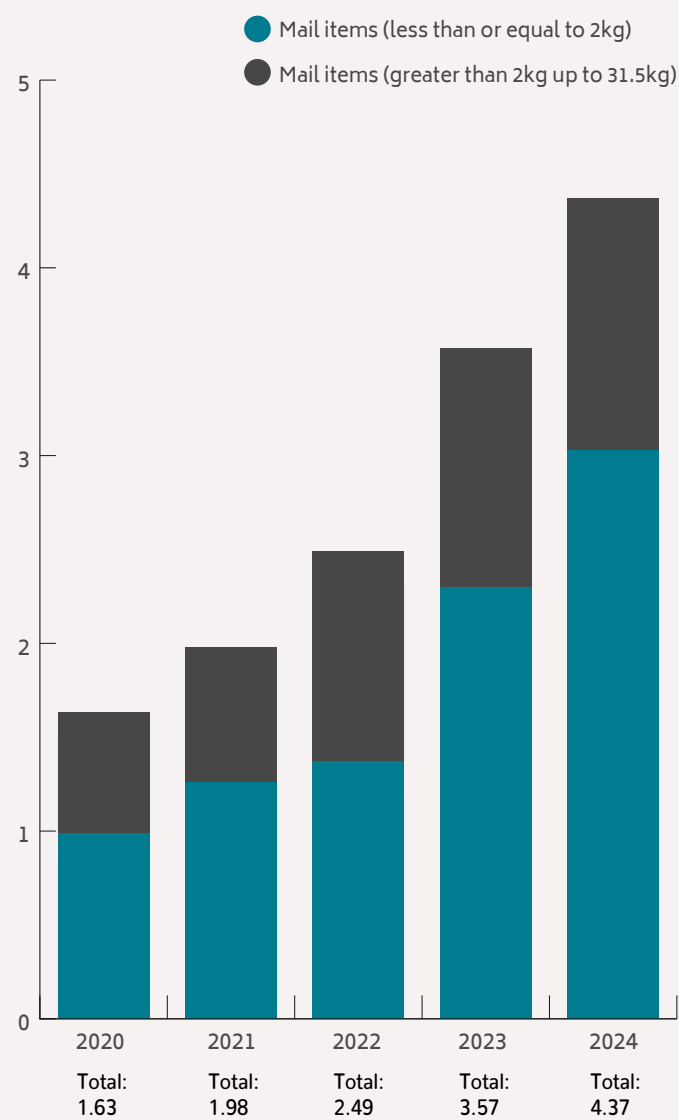
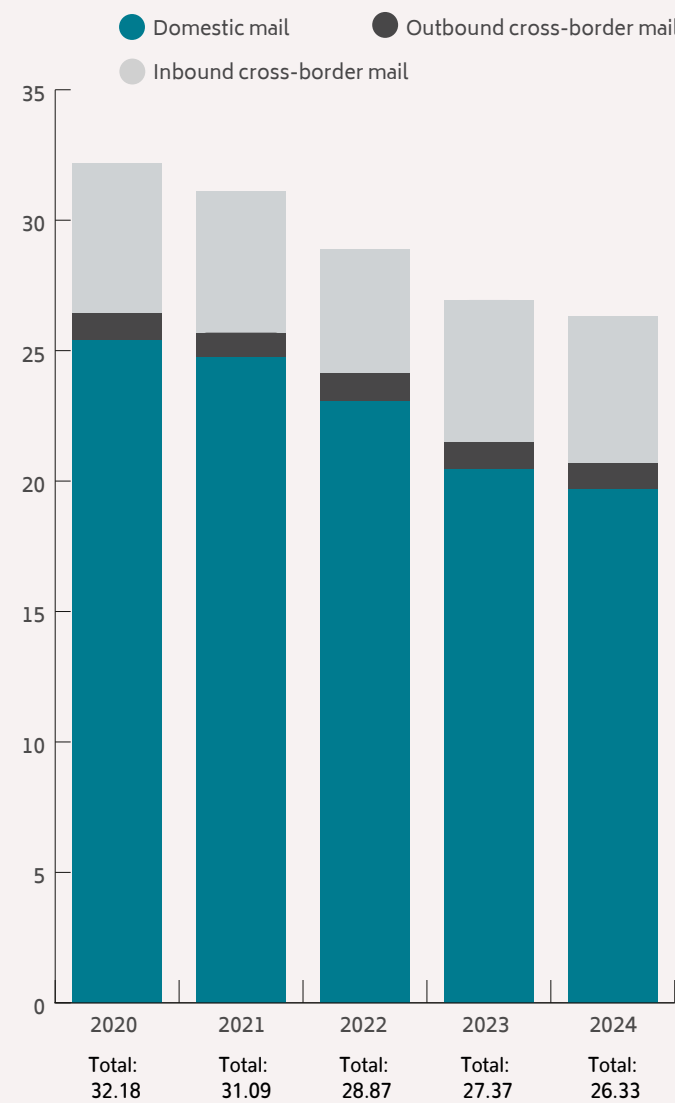


Figure 36: Postal mail volumes by destination in millions



Mail Items by Destination

The market share of mail volumes sent outside the universal service area rose from 13.1% in 2023 to 16.6% in 2024, highlighting the resilience and adaptability of operators in this segment. In contrast, mail volumes within the universal service area have been on a steady decline, underscoring the challenges faced by traditional postal providers in a rapidly changing environment.

Letter-Parcel Ratio

The letter-to-parcel ratio has also experienced a dramatic shift: in 2024, for every one parcel handled, there were just five letters in circulation, compared to a much higher ratio (approximately thirty-four letters) in the previous year. This trend mirrors global patterns, where the traditional dominance of letter mail has been overtaken by the rise of parcel logistics, driven by digital trade and consumer demand for online shopping.



5.2 Regulation

5.2.1 Safeguarding sustainable competition in the Postal Sector

In line with its mandate to ensure a reliable, affordable, and sustainable postal service that meets the evolving needs of society and the economy, the MCA continued to implement measures aimed at safeguarding competition and securing the long-term viability of the Universal Postal Service (UPS). During the reporting period, the Authority focused on addressing the persistent financial challenges faced by MaltaPost through the introduction of a revised postal tariff mechanism to sustain service delivery in a rapidly changing market environment. The MCA also undertook extensive market research to monitor business and household perceptions of postal services, informing its regulatory approach and ensuring that user needs remain at the forefront of policy decisions.

Safeguarding the Sustainability of the Universal Postal Service

Facing persistent market-driven pressures, MaltaPost's Universal Service had incurred a loss of approximately €500,000 in FY2022. This stemmed from reduced mail volumes, exacerbated by COVID19, Brexit, VAT on low value non-EU imports and digital correspondence, and rising costs, including inflation, cost of living adjustments, terminal dues, and transport expenses. While FY2023 performance edged to breakeven, the service's sustainability remained tenuous.

In August 2024, the MCA published a decision following consultation on a revised postal tariff mechanism.

Previously, tariff adjustments required case-by-case approvals, a slow, reactive process. The new mechanism replaces this with an automated price cap system. It relies on MaltaPost's audited regulatory accounts and key cost drivers (wages, terminal dues, conveyance, inflation) to forecast next year's volume and cost trends.

This system targets universal postal services that are regulated and underperforming against a predefined return on sales. Tariff caps are computed based on modelled financials, with adjustments scheduled every three years. However, "triggers" based on unexpected cost or volume changes allow interim recalibrations if necessary.

Following stakeholder consultation, the MCA refined its approach in order to address concerns about affordability for vulnerable recipients (e.g., newspaper delivery) and the impact on SMEs, especially those reliant on postal services for e-commerce. Proposals included preferential rates, phased increases, tiered tariffs, monitoring frameworks, and potential government support.

In its decision, the MCA clarified that MaltaPost retains flexibility to offer commercial agreements, including discounted bulk or newspaper rates. While acknowledging external funding suggestions, the MCA maintained that the mechanism operates without state aid and falls within its mandate as market regulator, committing instead to ongoing market monitoring.

Implementation details:

- The mechanism took effect on 1 September 2024, with its first application in that month.
- No tariff changes are planned during 2025 unless extraordinary conditions arise.
- Thereafter, scheduled adjustments are expected each January unless triggered earlier.

This decision represented a forward-looking step to ensure MaltaPost can sustainably deliver universal postal services in a swiftly evolving market environment.

Postal Perception Survey: Bulk Mailers

The MCA conducted a Bulk Mail Perception Survey between November 2023 and January 2024 among 41 businesses sending at least 750 addressed mail items annually, to assess usage patterns, satisfaction levels, and perceptions of MaltaPost's bulk mail services.

- The share of businesses sending over 10,000 bulk mail items annually rose to 39% (from 25% in 2021), with 36% sending 1,001–5,000 items (up from 33%), 15% sending 5,001–10,000 items (up from 13%), and 17% sending over 50,000 items (up from 10%).
- In terms of mailing volumes compared to the previous year, 53% reported stable volumes, 27% reported a decrease (mainly due to greater use of digital and social media, cited by 18%), while 20% reported an increase; most volume changes were among businesses sending over 10,000 items annually.
- Weekly usage increased to 32% (from 20% in 2021), while monthly usage fell to 17% (from 25%).

- Postcode usage was universal, though only 32% "always" used postcodes (down from 45% in 2021), with 61% using them sometimes and 7% rarely; pre-sorting by postcode declined sharply to 44% (from 75% in 2021).
- The majority (80%) now drop off their bulk mail at MaltaPost's head office (up from 63% in 2021).
- Annual spend on bulk mail was reported as 39% spending €1,001–5,000, 17% spending €500–1,000, and 15% spending over €25,000.
- Price perceptions showed 29% found prices reasonable or very reasonable (down from 15% who found them very reasonable in 2021), 51% were neutral, and 20% found them unreasonable, indicating an increase in negative perceptions.
- Delivery expectations showed that 46% of businesses found next-day delivery acceptable (up by 6 percentage points), 46% found two-day delivery acceptable, and only 7% accepted three-day delivery.
- The transition from six-day to five-day delivery was acceptable or a minor inconvenience to 85% of respondents, while 15% saw it as a major inconvenience (down from 37% in 2021), and only 10% were willing to pay more to retain a six-day service (down from 25%).
- Satisfaction levels indicated that 44% were satisfied and 15% were very satisfied, with the "very satisfied" category dropping by 9 percentage points since 2021; notably, 90% had never lodged a complaint about the service.
- Looking ahead, 98% intend to continue using bulk mail, with 48% expecting stable volumes, 32% anticipating decreases (up from 9%), and 20% expecting increases (down from 27%).
- For the first time, 56% of respondents expressed willingness to pay an additional €0.01 per letter to support an environmentally friendly logo and initiative.

Overall, the survey highlights that bulk mail remains an important communication channel for businesses despite gradual shifts towards digital alternatives. While usage patterns and satisfaction remain generally stable, there is increasing interest in environmentally friendly initiatives within postal services.

Postal Perception Survey: Households

In April 2024, the MCA released findings based on telephone interviews conducted between November and December 2023, surveying 501 randomly selected households in Malta, on their perceptions regarding postal needs in relation to households.

- Nearly half (46%) of households spent between €0–€5 on posting articles in the previous year (up from 41% in 2021), with increased spending categories: €5–10 rose from 12% to 20%, and €10–20 from 7% to 10%.
- Two-thirds (66%) reported no change in weekly addressed letters received (versus 62% in 2021), with 6% noting increases and 28% decreases. Similarly, 39% said sending volumes remained steady (up from 34%), 26% saw decreases (versus 24%), while non-senders dropped from 40% to 33%.
- The share of households not using postcodes jumped from 8% in 2021 to 17% in 2023.
- Preference for next-day delivery rose to 46% from 39% in 2021, while those accepting two-day delivery fell from 48% to 39%.
- A five-day delivery week was deemed acceptable or only a minor inconvenience by 83% (62% acceptable, 21% minor inconvenience), with stable “major inconvenience” ratings at 12%.

- 62% would pay more to maintain a six-day delivery service; mirroring 2021’s 61%.
- 60% favoured an optional stamp surcharge for environmental initiatives (this question was new in 2023).
- 38% reported stable numbers of foreign parcels received (up 8 points since 2021), 28% saw increases (down from 31%), and 8% decreases (versus 11%); 26% stated they received none. For domestic parcels, 32% saw no change, 12% a decrease, and only 3% an increase, while 52% received none.
- Parcel locker usage rose slightly to 16% from 14% in 2021.
- 70% visited an outlet in the past year (compared to 62% in 2021); visits to branches rose to 84% (from 80%), while sub-office visits declined to 10% (from 15%).
- Only 15% contacted MaltaPost (down from 19%), with 41% enquiring about parcel status and 23% about products/services. Overall satisfaction remained stable at 72% (70% in 2021), and complaints fell to 15% (from 34%), mainly due to mis-deliveries (45%) and missing mail (36%). Satisfaction with complaint resolution rose to 46% (from 34%).

The survey reflects a stable sentiment toward postal services, with slight increases in engagement and satisfaction. Spending on postal services continues to rise across multiple brackets, and households show notable openness to environmental initiatives and to retaining six-day delivery. Parcel dynamics, both domestic and international, are steady, while locker usage remains modest. Reduced complaints and improved resolution rates suggest growing user confidence in MaltaPost.

5.2.2 Ensuring that postal undertakings provide a transparent, quality service to users in line with incumbent social obligations

A core priority for the Authority is to ensure that postal service providers uphold high standards of transparency and quality in line with their social obligations under the universal service framework. During the reporting period, the Authority took decisive steps to strengthen quality of service targets for MaltaPost, ensuring that users continue to benefit from timely and reliable postal services. The MCA also maintained its regulatory oversight of cross-border parcel delivery services, enhancing price transparency and market fairness in line with EU requirements. These actions reflect the MCA's commitment to protecting the interests of postal users while supporting sector sustainability and compliance with national and European obligations.

Decision on Review of Quality of Service Targets to be achieved by MaltaPost for the Universal Postal Service

Building on its extensive work throughout 2023 to review the QoS standards for MaltaPost's universal postal service, the MCA published its final decision on the revised performance targets. This marks a significant milestone in ensuring that postal services continue to meet user needs effectively while maintaining operational sustainability.

The updated QoS targets, published in January 2024 following a public consultation, reflect a careful balance between user expectations for timely and reliable mail delivery and the financial and operational realities faced by MaltaPost. The revised standards include adjustments

to routing time targets and performance thresholds, recognising recent shifts in mail volumes, user behaviour, and broader sector trends.

In developing its decision, the MCA undertook a thorough assessment of stakeholder feedback received during the consultation held in late 2023. This process ensured that the final targets are not only practical and achievable but also focused on safeguarding service quality for all users of the universal postal service.

The MCA will continue to rigorously monitor MaltaPost's compliance with these revised QoS standards. This includes ongoing performance evaluations, the publication of annual results, and, where necessary, the imposition of corrective actions to uphold service quality. The Authority remains committed to ensuring that postal users across Malta and Gozo receive a dependable service that aligns with their evolving needs.

Looking ahead, the MCA will maintain its proactive approach in overseeing the postal sector, with a view to fostering innovation, efficiency, and resilience within universal postal services while keeping users at the centre of its regulatory objectives.



Ongoing management of the EU Regulation on cross-border parcel delivery

The EU Regulation on cross-border parcel delivery services seeks to improve transparency of single-piece tariffs and strengthen regulatory oversight of the parcel delivery market, ensuring citizens and small businesses have access to reasonably priced cross-border services. Throughout 2024, the MCA continued gathering information from parcel delivery service providers, including data on services and the public list of tariffs applicable for single-piece postal items. This information, together with similar data from all EU Member States, is published by the European Commission on a dedicated website.¹⁰ The MCA also carried out assessments to determine whether MaltaPost's cross-border parcel tariffs are 'unreasonably high', passing its findings to the European Commission.

5.2.3. Contributing to the ongoing development and implementation of sector policy

In light of ongoing discussions around the possible revision of the Postal Services Directive, the European Commission launched a forward-looking study to assess how the postal sector might evolve by 2040. The MCA participated actively in this process, both individually and through the ERGP, to help ensure that future regulatory developments reflect emerging challenges, technological change, and national market realities.

¹⁰ https://single-market-economy.ec.europa.eu/sectors/postal-services/parcel-delivery-eu/assessment-cross-border-single-piece-parcel-tariffs_en

Prospective study on the future of the postal sector

As part of the work related to the potential review of the Postal Services Directive, the European Commission carried out a study regarding the future of the postal sector with a time horizon of 2040. The study was developed during 2024 and by the end of the year a report was published.¹¹

In connection with this study, during 2024 the Commission's consultants issued various questionnaires and held various workshops to discuss potential scenarios, the outcome of the questionnaires, and potential ways forward. The study examined in detail five scenarios of how the sector could evolve in the long term. All postal national regulatory authorities were requested to provide input while the study was being carried out, and the MCA actively submitted its feedback at various stages.

The ERGP was also invited to submit its views and recommendations during the conduct of this study, and accordingly it created a task force to develop the ERGP positions. The MCA was an active member of this task force and contributed to supporting the ERGP in ensuring that its position was provided in the short timeframes set by the consultants.

The Commission is expected to continue its work on the potential review of the Postal Directive in the near future, and the MCA will likewise keep contributing to this process in order to ensure that the next regulatory framework will be adequate for local market conditions and future developments.

¹¹ <https://data.europa.eu/doi/10.2873/0431952>



The study examined in detail five scenarios of how the sector could evolve in the long term.



06 Digital Services Regulation



06

Digital Services Regulation

The MCA's Digital Services function is responsible for upholding a suite of EU laws that govern digital services in Malta. By enforcing these laws, the MCA supports a digital environment that is fair, secure, and accessible to all users. Among the EU Regulations under its oversight are the eIDAS Regulation as per Regulation (EU) 910/2014, the Geo-Blocking Regulation as per Regulation (EU) 2018/302, the Cross-Border Parcel Delivery Regulation as per Regulation (EU) 2018/644, the Platform-to-Business Regulation as per Regulation (EU) 2019/1150, and the Digital Services Act (DSA) as per Regulation (EU) 2022/2065. The MCA also enforces the national legislation which implemented the following EU Directives, namely: Directive 2000/31/EC implemented as per the Electronic Commerce Act (Chapter 426 of the Laws of Malta), and Directive (EU) 2016/2102 implemented as per the Accessibility of the Websites and Mobile Applications of Public Sector Bodies Regulations (Subsidiary Legislation 418.03 of the Laws of Malta). Through this work, the Digital Services function ensures that Malta's digital landscape remains aligned with EU standards and continues to serve the needs of its users effectively.

6.1 Digital Services Act

The Digital Services Act (DSA) establishes a harmonised regulatory framework across the EU for online intermediaries and platforms. Its primary objective is to ensure a safer and more predictable digital environment by setting clear responsibilities for digital services that connect consumers with goods, services, or content. The DSA introduces due diligence obligations proportionate to the scale and impact of each service, ranging from basic transparency requirements to enhanced obligations for very large online platforms and search engines. By strengthening oversight, accountability, and user protections, the DSA safeguards fundamental rights online and upholds the integrity of the internal market, while fostering trust in the digital economy.

MCA Designation as Digital Services Coordinator

In March 2024, the MCA was formally designated as Malta's Digital Services Coordinator (DSC) through the Digital Services (Designation and Enforcement) Order (as per Legal Notice 66 of 2024), which implements the DSA into national law. As DSC for Malta, the MCA oversees compliance by intermediary service providers established in Malta, serves as the national point of contact, and represents Malta on the European Board for Digital Services.

To fulfil these responsibilities effectively, the MCA established a dedicated unit of eCommerce experts to supervise, monitor, and enforce the DSA locally, working closely with its Legal team for matters of legal interpretation and enforcement.

While the DSA permits EU Member States to appoint multiple competent authorities, Malta has designated only the MCA as DSC. To ensure effective coordination, the MCA signed Memoranda of Understanding with several national bodies:

- **Commissioner for Children:** addressing rights and protection of minors under Article 28 of the DSA.
- **Data Protection Commissioner:** covering advertising (Article 26 of the DSA) and minors' data protection (Article 28 of the DSA).
- **Director General (Consumer Affairs), Malta Competition and Consumer Affairs Authority (MCCAA):** overseeing online platforms facilitating consumer distance contracts under Articles 30 to 32 of the DSA.
- **Malta Police Force:** strengthening cooperation under Article 18 of the DSA regarding notifications of suspected criminal offences.

Identifying Providers of Intermediary Services

To identify providers of intermediary services (PIS) established in Malta falling under its supervisory remit under the DSA, the MCA worked to compile a comprehensive list of such services. This list supports the MCA's guidance, monitoring, and, where applicable, the onboarding of these services onto the European Commission's digital system.

Through targeted initiatives, the MCA raised awareness among providers about their potential obligations under the DSA, inviting them to notify the Authority if they fall within scope. Concurrently, the MCA issued thirty-six (36) requests for information (RFIs) to providers identified via desk-based research as potentially subject to the DSA's requirements.

By the end of 2024, thirty-two (32) services had notified the MCA as being established in Malta, with an additional service maintaining legal representation in Malta.

These services comprised:

- Mere conduit and caching services: 6 large and 1 medium-sized provider.
- Hosting services: 1 large and 2 medium-sized providers.
- Online platforms: 22 categorised as small or micro, and 1 medium-sized provider.

This identification exercise forms the basis for ongoing supervision, compliance monitoring, and tailored guidance under the DSA framework.



Managing Complaints under Article 53

Article 53 of the DSA grants recipients of intermediary services, or organisations acting on their behalf, the right to lodge complaints against service providers for alleged non-compliance with the DSA. Complaints are to be submitted to the DSC in the Member State where the recipient is located. The DSC then assesses the complaint and, if necessary, forwards it to the DSC of the Member State where the provider is established.

In 2024, the MCA set up a structured process to manage these complaints, including an online submission form integrated into an internal workflow system managed by its Digital Services Unit. Each complaint is reviewed for admissibility, with further action taken as appropriate.

During the year, the MCA received a total of seven (7) complaints under Article 53. Of these, five (5) were transmitted to DSCs in other Member States for further handling, while two (2) were found inadmissible. The majority of transmitted complaints (being four (4) complaints) were referred to Coimisiún na Meán in Ireland, with one (1) forwarded to the Netherlands' Authority for Consumers and Markets (ACM), which by the end of 2024 was not yet fully designated and empowered as DSC.

Out-of-court dispute settlement bodies

The DSA introduces out-of-court dispute settlement bodies to provide users with an alternative channel for resolving disputes with online platforms, particularly regarding content moderation decisions. Platforms are required to inform users about this option and to cooperate with certified bodies. DSCs are responsible for certifying these bodies within their Member State, ensuring they meet the

requirements set out in Article 21 of the DSA, including independence, suitable expertise in handling disputes involving specific types of illegal content, and the ability to operate in at least one official EU language.

On 10 July 2024, the MCA certified RGOAL Ltd. (originally trading as "MADRE" and subsequently as "ADROIT") as Malta's first out-of-court dispute settlement body under the DSA. RGOAL was certified to handle disputes relating to content moderation decisions in the following areas of expertise:

- Online shopping and booking platforms
- Content sharing and marketing platforms
- Crowdfunding and P2P lending platforms
- Web3, DeFi, NFT, and fintech protocols
- Gaming, gambling, and betting platforms
- B2B, B2C, and P2P trading platforms and marketplaces

RGOAL offers its dispute resolution services in Dutch, English, French, German, Italian, Maltese, Portuguese, and Spanish.

Trusted Flaggers

Under Article 22 of the DSA, DSCs are empowered to designate trusted flaggers, which are entities independent of online platforms and possessing specialised expertise in detecting illegal content. To qualify, trusted flaggers must demonstrate independence from online platforms, proven proficiency in identifying specific types of illegal content, and diligence and accuracy in reporting. Platforms are required to prioritise notices submitted by trusted flaggers due to their expected reliability and expertise.

In October 2024, the Foundation for Social Welfare Services (FSWS), through its BeSmartOnline! initiative, formally applied for trusted flagger status. FSWS operates Malta's Safer Internet Centre and hotline and sought designation to focus specifically on tackling the violent and sexual exploitation of minors, commonly referred to as child sexual abuse material (CSAM). In December 2024, FSWS submitted its full application to the MCA, detailing its expertise in identifying CSAM and supporting victims, its operational procedures for flagging illegal content, and its internal systems and safeguards to ensure compliance with DSA requirements. The application also demonstrated FSWS's capability to act independently from online platforms while collaborating effectively with national and international partners in this field.

By the end of 2024, FSWS's application had reached an advanced stage and was under review by the MCA. This designation process represents a significant step towards enhancing Malta's framework for the detection and swift removal of illegal online content involving minors.

The European Board for Digital Services

Throughout 2024, the MCA actively engaged with the European Board for Digital Services (EBDS), an advisory body composed of national DSCs and chaired by the European Commission. The EBDS, operational since February 2024, works to ensure consistent and effective DSA application across the EU. Its eight (8) dedicated working groups cover areas including content moderation, data access, IT systems, consumer protection, legal frameworks, and online integrity.

The MCA participated actively in all eight (8) working groups, ensuring Malta's perspective and expertise contributed to EU-level discussions. For specialised topics such as elections, child protection, criminal enforcement, product safety, and consumer rights, other Maltese national authorities were engaged to ensure coordinated national input.

National Outreach and Awareness

Throughout 2024, the MCA was actively engaged in national outreach efforts to promote awareness and understanding of the DSA and its implications for Malta. MCA officials participated in conferences, seminars, and educational events aimed at explaining the obligations and benefits arising under the DSA framework.

These initiatives targeted a broad range of stakeholders, including policymakers, law enforcement officials, civil society representatives, users of digital services, and service providers falling within the scope of the DSA.

Through these activities, the MCA strengthened national awareness of digital rights and responsibilities, encouraged open dialogue, and supported a more informed and proactive approach to compliance across sectors.

Digital Services Forum

Established in 2023, the Digital Services Forum (DSF) is an initiative chaired by the MCA to foster collaboration across government, regulatory authorities, the private sector, and civil society. The Forum serves as a platform for discussing policy developments in digital services, with the aim of ensuring that regulatory adaptations effectively address the specific needs and challenges of Malta's digital ecosystem.

On 14 March 2024, the DSF convened a meeting that brought together senior civil servants and representatives from public authorities and bodies to discuss recent developments in eCommerce, with a particular focus on the Digital Services Act. As an informal advisory platform, the DSF plays an important role in shaping Malta's regulatory approach to digital services by promoting cooperation, knowledge-sharing, and a shared understanding among all institutions involved.

6.2 eCommerce

As digital services continue to flourish in Malta, eCommerce remains a core area of regulatory focus for the MCA. In 2024, the Authority maintained its commitment to fostering awareness and compliance with eCommerce requirements, while engaging closely with stakeholders to stay abreast of market developments and emerging practices in the sector.

In line with its obligations under the eCommerce Act, the MCA continued to strengthen its monitoring framework to ensure effective oversight of information society service providers. This year's initiatives targeted eCommerce websites and online, with the aim of assessing adherence to regulatory obligations and guiding operators towards compliance where gaps were identified. Through this exercise, the MCA not only enforced the necessary standards but also gained valuable insights into evolving trends in the local eCommerce landscape.

6.3 Trust Services

In 2024, a significant milestone was reached with the formal adoption of the revised Regulation (EU) 910/2014 on electronic identification and trust services for electronic transactions in the internal market (eIDAS). This revision, introduced through Regulation (EU) 2024/1183 establishing the European Digital Identity Framework, entered into force in May 2024. It introduces substantial changes, most notably the European Digital Identity Wallet, which enables EU citizens, residents, and businesses to securely identify themselves online and share verified personal information, thereby enhancing trust and improving the overall digital experience across the EU.

Regulatory Work

As in previous years, the MCA continued its regulatory role over qualified trust service providers (QTSPs) listed on the Malta Trusted List (MT TL). This includes regulatory oversight through the review of annual conformity assessment reports prepared by accredited bodies. The MCA also serves as Malta's Trusted List Service Operator (TLSO), maintaining and updating the MT TL to ensure continued trust interoperability across the EU trust ecosystem.





FESA

The MCA remains an active member of the Forum for European Supervisory Authorities (FESA), which brings together eIDAS Supervisory Bodies from across Europe to facilitate cooperation, information exchange, and the development of common best practices. FESA members meet regularly, at least two times a year, to exchange information and discuss matters of cooperation between supervisory authorities. Sessions held in 2024 continued the discussion on the amended eIDAS regulation, and, similarly to 2023, most of the work revolved around the new changes that were brought about through the amended regulation, including new trust services and the European Digital Identity Wallet.

ECATS

The MCA also participated in the activities of the ENISA ECATS Expert Group (formerly the Article 19 Expert Group), an informal network of experts coordinated by ENISA under the European Commission which focuses on trust services such as the creation, verification, and validation of electronic signatures, electronic seals, electronic timestamps, and certificates for website authentication.

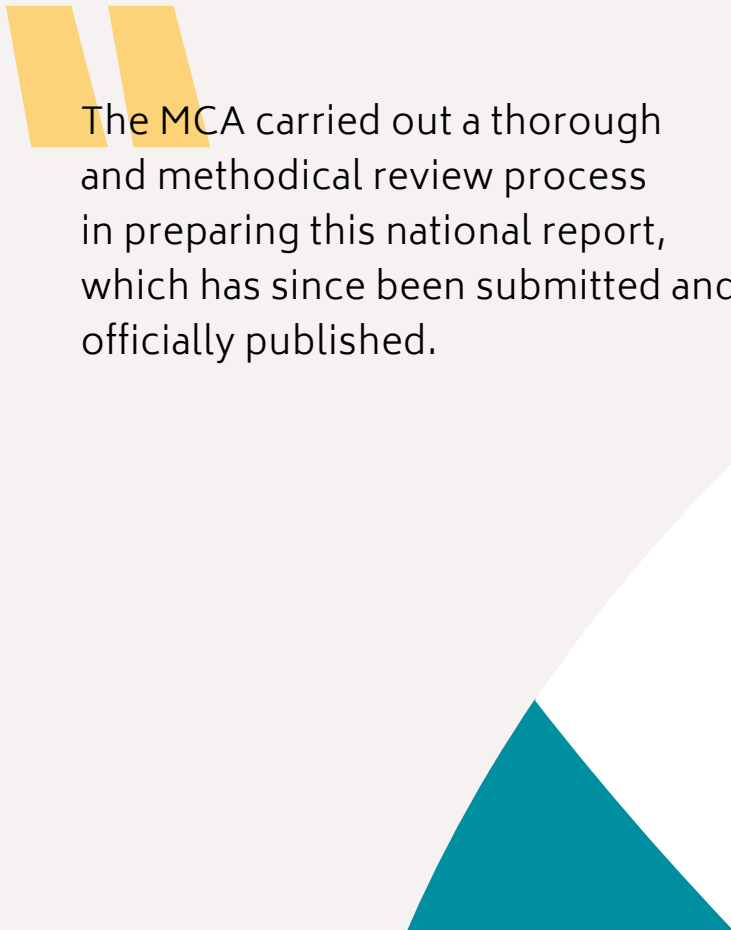
The group facilitates voluntary collaboration among competent authority experts from EU Member States, EEA EFTA States, and EU Candidate countries to ensure the smooth and secure functioning of these trust services. As Malta's designated authority on these matters, the MCA contributed to the discussion during the ECATS meetings that were held in 2024.

6.4 Digital Accessibility

In 2024, the MCA reaffirmed its commitment to advancing digital accessibility through a series of targeted initiatives. A total of 85 Simplified Accessibility Assessments were conducted, alongside 14 in-depth website evaluations and 7 detailed assessments of mobile applications. These monitoring activities are designed to promote and ensure greater compliance with the Web Accessibility Directive, supporting continuous improvements across public sector digital platforms. The year also marked the submission deadline for the triennial monitoring report to the European Commission, covering Malta's progress over the past three years in implementing the Directive. The MCA carried out a thorough and methodical review process in preparing this national report, which has since been submitted and officially published. The document outlines key achievements, highlights ongoing efforts, and identifies challenges in fostering an inclusive digital environment. It is publicly available, along with reports from all EU Member States, on the European Commission's official platform.

Complementing its monitoring and regulatory role, the MCA also organised and delivered a specialised training bootcamp for ICT public officials. This intensive programme focused on strengthening participants' understanding of digital accessibility standards, particularly the practical implementation of the Web Accessibility Directive. The interactive sessions equipped attendees with the tools and knowledge needed to effectively apply the Directive's requirements within their respective roles and organisations.

To further promote awareness and a culture of inclusion, the MCA participated in conferences and panel discussions related to digital accessibility. These activities helped to inform citizens, stakeholders, and digital service providers about the importance of web accessibility and its role in ensuring equal access for all users. Additionally, the MCA remained engaged in international fora and conferences, reinforcing collaboration with global counterparts and staying informed on emerging trends and best practices in the field.



The MCA carried out a thorough and methodical review process in preparing this national report, which has since been submitted and officially published.



07 Consumers



07

Consumers

In 2024, the MCA remained steadfast in its commitment to safeguarding the interests of consumers and end users of electronic communications, postal, and digital services. Through a combination of complaint resolution, service monitoring, digital tools, and public awareness initiatives, the Authority worked to ensure that individuals are not only protected but also well-informed and empowered in their interactions with service providers. These efforts reflect the MCA's broader mission to uphold service quality, promote fairness, and foster greater transparency across the sectors it regulates.

7.1 Complaint handling & Support

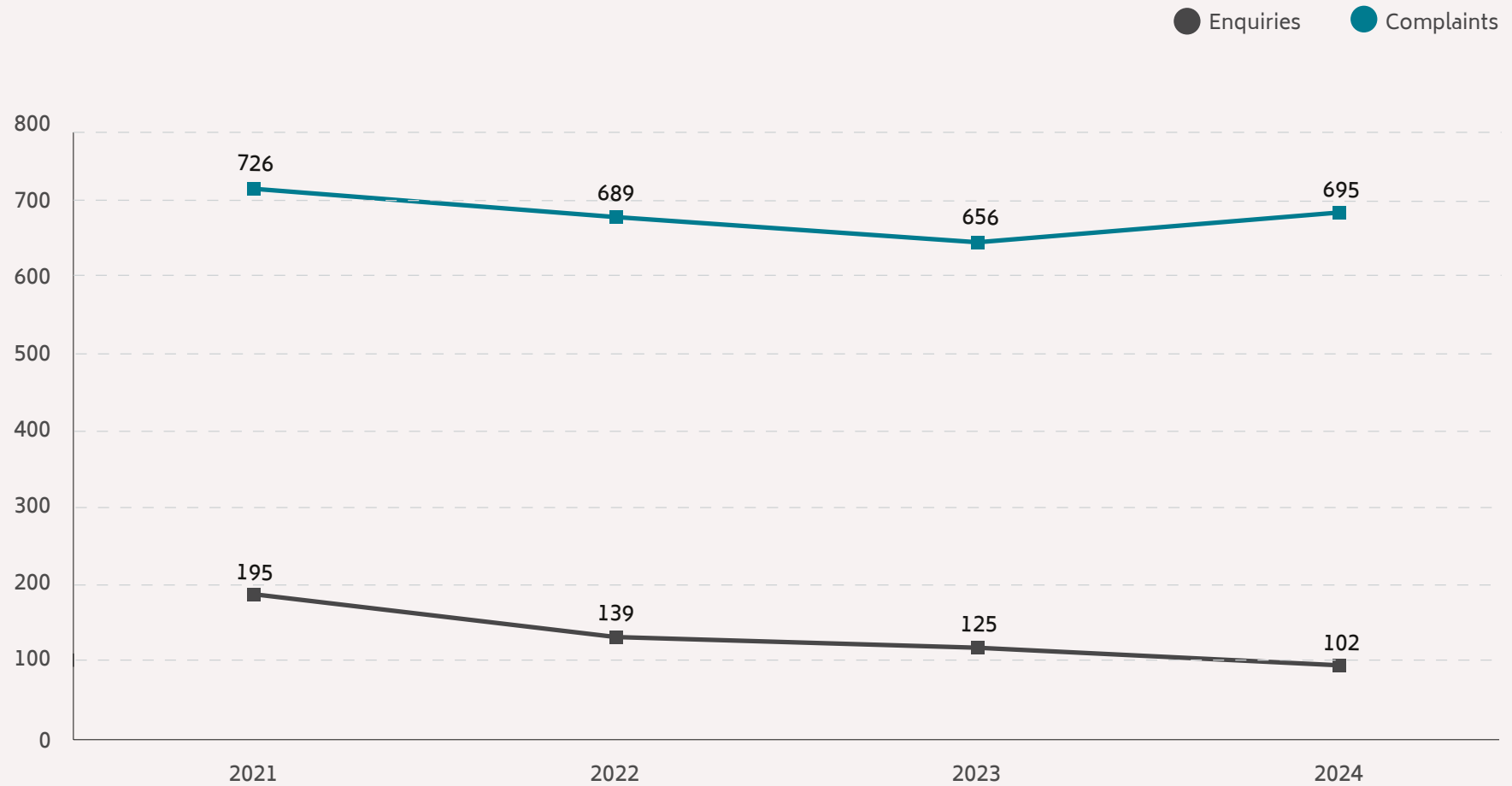
The MCA continues to offer a robust complaints and enquiries handling framework, supporting consumers and other end users of electronic communications, postal, and digital services in resolving issues they face with service providers. The Authority intervenes when end users remain unsatisfied after exhausting the provider's internal complaints process, in line with its legal remit.

To maintain transparency, the MCA publishes biannual End User Reports, which analyse trends in complaints and enquiries while highlighting monitoring activities and enforcement measures taken. Two such reports were published encompassing 2024, covering January to June and July to December.

Throughout 2024, the MCA received a total of 102 complaints, representing an 18% reduction compared to the previous year. Meanwhile, the number of enquiries processed rose to 695, a slight increase from 2023. This data is presented in the figure below, outlining the trends in complaints and enquiries between 2021 and 2024.

The vast majority of complaints received in 2024, approximately 89%, related to electronic communications services, while the remaining 11% concerned postal services. Within electronic communications complaints, QoS issues remained predominant, accounting for 63% of cases, followed by billing disputes at 21%, termination and switching issues at 10%, and contractual matters at 6%.

Figure 37: Trends in complaints and enquiries



Fault-related complaints were the most common within QoS, with 24 such reports recorded, of which the majority were resolved by providers, often including compensation in accordance with contractual obligations. Where immediate resolution was not possible, temporary solutions were arranged to ensure continuity of service. Other QoS complaints included customer care difficulties (20 complaints), service installation delays (5 complaints), slow internet performance (4 complaints), and non-access to services (4 complaints).

Billing complaints largely related to incorrect charges, with MCA intervention resulting in refunds or adjustments in multiple instances. Contractual complaints involved disputes over contract terms, early termination fees, and notification processes.

During 2024, postal complaints accounted for 11 cases. These included issues such as delayed or undelivered mail (7), dissatisfaction with customer care processes (2), redirection of mail (1), and registered mail (1). The number of complaints has continued its decrease over the years, dropping from 16 cases in 2023.

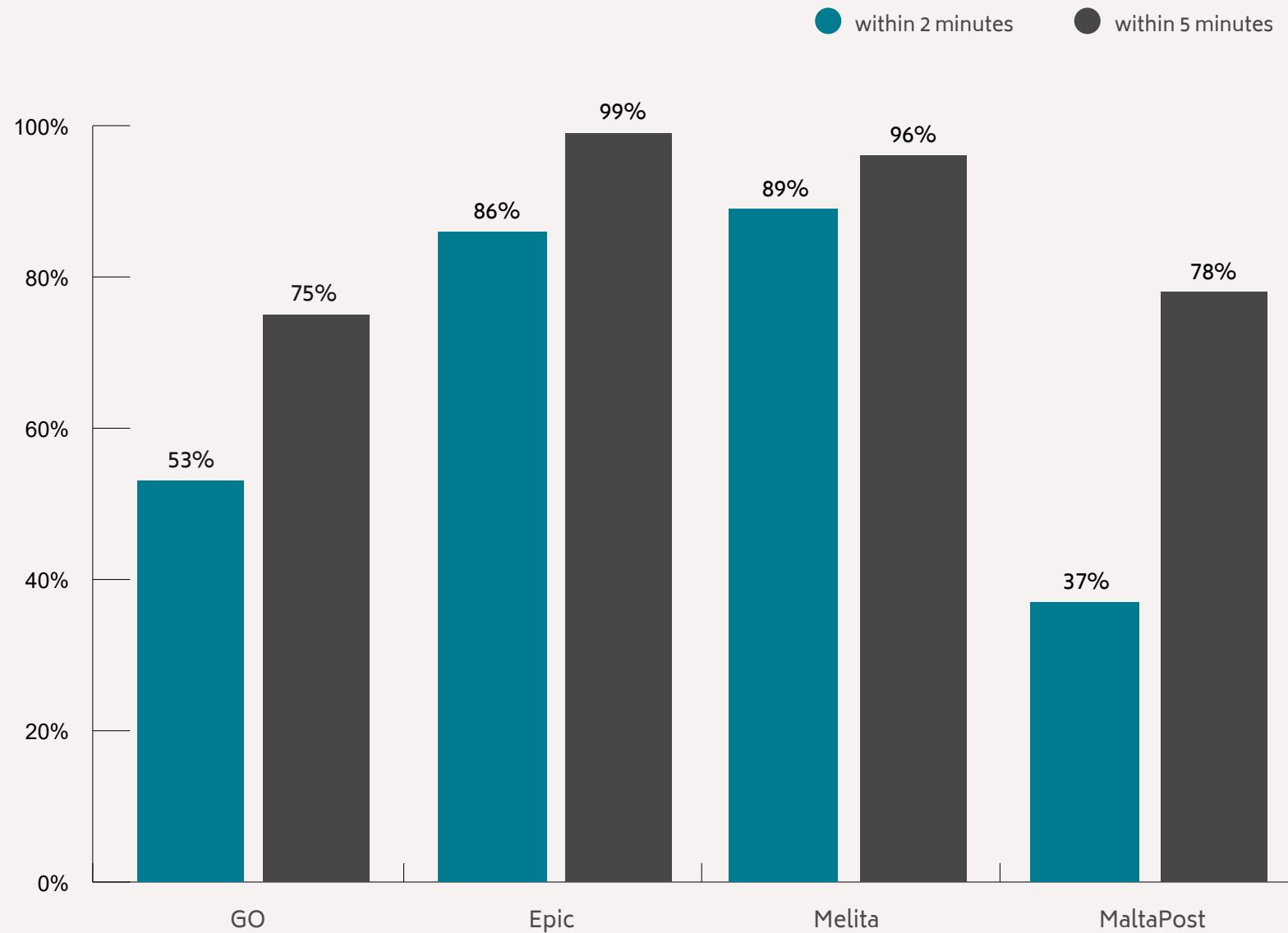
7.2 Monitoring Service Delivery

The MCA remains committed to ensuring that service providers uphold legal obligations and deliver quality services to end users. This is achieved through continuous monitoring of consumer complaints, conducting surveys to gauge user experiences, and reviewing data submitted by operators. Social media trends and public feedback are also analysed to identify emerging issues and inform regulatory priorities.

Mystery shopping exercises remain a key element of the MCA's oversight activities. These exercises assess the performance of service providers, particularly their customer care response times, with findings published as part of MCA's transparency efforts. In 2024, the MCA carried out 2,585 test calls to the call centres of major communications service providers (Epic, GO, Melita, and MaltaPost), averaging around 10 calls per working day.

Test results showed varying levels of responsiveness among providers, with Epic and Melita maintaining high rates of calls answered within two minutes, while GO improved its performance compared to previous years. Calls not answered within five minutes were terminated, as per MCA's methodology.

Figure 38: Percentage of calls response time in 2024



7.3 Telecosts

Telecosts.com is an online price comparison platform operated by the MCA, designed to assist consumers in making informed choices about their electronic communications services. The website provides comprehensive information on the various plans and offers available on the market, covering services such as fixed telephony, mobile telephony, internet, and bundled packages. Users can easily compare features, prices, and terms in a transparent and user-friendly manner to identify the options that best meet their needs.

Throughout 2024, the MCA's End User Affairs team maintained and updated Telecosts.com regularly to ensure that all information presented remained current and accurate. This ongoing commitment forms part of the Authority's broader objective to enhance consumer awareness, promote transparency within the sector, and facilitate a competitive communications market in Malta.

This tool can be accessed via the following link: <https://www.telecosts.com/>

Telecosts

Compare services offered by
local providers in a few simple clicks



7.4 Consumer Awareness

Promoting consumer awareness remained a priority for the MCA in 2024, with ongoing initiatives to ensure end users are informed of their rights and obligations when using electronic communications, postal, and digital services.

Throughout 2024, the Authority participated in a total of 28 media programmes, comprising 5 radio features and 23 television segments, to raise awareness on various topics relevant to consumers. These included educating end users about their rights under the Roaming Regulations; providing guidance to help subscribers remain vigilant against scams and fraudulent communications; promoting the use of MCA's price comparison portal, Telecosts.com, to enable consumers to compare different service plans; and raising awareness on postal services, including the assistance the MCA offers to end users experiencing difficulties. The Authority also focused on enhancing consumer understanding of contract summaries, which providers are required to furnish before end users are bound by an offer; improving internet experiences through practical tips; explaining price indexation clauses and the protections introduced by the MCA in this regard; and providing information on EMF monitoring to outline the Authority's role in ensuring compliance with established public exposure standards.

Furthermore, the MCA continued to publish regular updates on its website and social media channels to inform the public about consumer rights and sector developments. These channels were used to share information emerging from the Authority's research, monitoring activities, and informative campaigns, providing practical

guidance to both stakeholders and consumers. Content was presented using visually engaging graphics designed to attract attention and maximise reach, enabling the Authority to communicate its messages effectively.

The MCA remains committed to strengthening its outreach and education initiatives to empower end users and ensure they are well-equipped to navigate the communications landscape effectively.







08 EU & International Engagement

08

EU & International Engagement

In today's rapidly evolving digital world, the MCA operates within a complex regulatory landscape shaped by both European and international frameworks. The global nature of digital technologies and communications makes strong international cooperation and open dialogue essential. As Malta's communications regulator, a government adviser, and at times a representative of the Government, the MCA actively contributed over the past year through its involvement in EU initiatives and global discussions.

This broad role enables Malta's views to be clearly represented in international settings, helping to ensure that new policies reflect the country's priorities and support the growth of digital and communications services. MCA officials held respected positions in various European bodies, supporting efforts to keep regulation responsive and up to date with market developments. Active dialogue with international counterparts ensures that the MCA continues to shape policy that encourages both innovation and fair competition.

The MCA's role as a regulator is steadily evolving, now extending beyond its original focus on telecoms to include emerging areas, such as digital services regulation, digital markets, and sustainable industry practices. These shifts mean that international policy decisions increasingly influence national rules, requiring further active participation from the Authority. The MCA contributes to these discussions by offering expert advice and technical input in several international fora, including the International Telecommunication Union (ITU), the Universal Postal Union (UPU), and various EU-level expert and working groups. Taking an active part in these international and European-level discussions ensures that Malta's interests are protected, markets remain competitive, and consumers continue to benefit from strong safeguards.

8.1 Electronic Communications

Body of European Regulators for Electronic Communications (BEREC)

BEREC is responsible for the development of independent, high-quality, and harmonised regulation of telecoms and digital markets across the European Union by providing a platform for regulatory exchange amongst NRAs on topics related to electronic communications. BEREC occupies a key advisory role to the European Commission, Parliament, and Council regarding electronic communications and digital dossiers, acting as a crucial point of reference for NRAs in establishing common positions and statements of best practice. In 2024, the MCA actively participated in BEREC by attending high-level meetings, including the Board of Regulators, the BEREC Office Management Committee and the Contact Networks, whilst contributing to various expert working groups. BEREC held four Contact Network meetings and Plenary sessions throughout the year, allowing MCA representatives to discuss numerous deliverables under the 2024 Work Programme. BEREC's 2024 work focused on three main priorities: promoting full connectivity, supporting sustainable and open digital markets, and empowering end users.

MCA experts acted as drafters in a number of Working Groups dealing with the development of a self-assessment tool for NRAs' independence, network resilience security, and the environmental sustainability of digital services and products. Other MCA experts monitored BEREC activities on sector evolution, including updates to Very High-Capacity Networks (VHCN) Guidelines, progress on managing copper network switch-off, international roaming, and the evolution of private and public 5G networks. They also addressed

areas such as the entry of large content and application providers into electronic communications networks and services markets, and new guidelines under the Gigabit Infrastructure Act. Additionally, the MCA participated in internal and external workshops organised by BEREC with various stakeholders, discussing topics such as the Digital Services Act and satellite technologies in mobile communications.

The Independent Regulators Group (IRG)

The Independent Regulators Group is a European electronic communications regulatory forum established in 1997. The group has 37 NRAs as members and promotes the exchange of best practices, benchmarking, knowledge management, education, and in-depth and forward-looking discussions on current and future regulatory challenges in electronic communications.

The MCA maintained active participation and cooperation within the IRG, attending its Contact Network meetings and General Assemblies throughout the year. The MCA also attended IRG training workshops and webinars.

Euro-Mediterranean Regulators Group (EMERG)

The Euro-Mediterranean Regulators Group brings together NRAs responsible for electronic communications from across the Euro-Mediterranean region. Its members include regulators from Austria, Bosnia and Herzegovina, Croatia, Cyprus, Egypt, France, Germany, Greece, Israel, Italy, Jordan, Lebanon, Libya, Malta, Morocco, Palestine, Portugal, Spain, Slovenia, Switzerland, Tunisia, and Türkiye. The group serves as a platform for exchanging experiences and promoting the alignment and strengthening of regulatory practices. EMERG fosters cooperation by acknowledging shared challenges and



opportunities among its members, aiming to support competition, encourage technological innovation, and reduce the digital divide. This collaboration ultimately seeks to broaden access to the benefits of the information society. Throughout the year, the MCA took part in both the Contact Network and Plenary sessions of the group and contributed to the development of the work programme for the upcoming year.

The Communications Committee (COCOM)

The Communications Committee assists the European Commission in exercising its executive powers under the regulatory framework for electronic communications. In 2024, three meetings were held, covering topics such as service availability for the eCall legacy fleet; indicators to monitor the application of the Gigabit Infrastructure Act Regulation; the Implementing Regulation on fair use and anti-fraud measures for intra-EU communication; and Mobile Satellite Services.

The Radio Spectrum Policy Group (RSPG)

The Radio Spectrum Policy Group is a senior advisory body that provides strategic guidance to the European Commission on radio spectrum matters. It is composed of representatives from the national regulators and ministries responsible for spectrum management in each EU Member State. The group holds consultations on emerging technological, market, and regulatory developments affecting spectrum use within the broader framework of EU policy.

The MCA participates in RSPG plenary meetings and various sub-groups, including the 'Good Offices' working group, which it has actively co-chaired since November 2021. This sub-group addresses coordination issues and harmful interference between European

Member States and proposes appropriate solutions. Topics discussed during the year included the group's work programme, the state of play of 5G pioneer bands, peer reviews, an opinion on Europe's digital infrastructure needs, satellite Direct-to-Device (D2D) connectivity, and the strategic vision for 6G and the evolution of mobile technologies.

The Radio Spectrum Committee (RSCOM)

The Radio Spectrum Committee plays a key role in developing implementing decisions on technical measures that support harmonised conditions across Europe for the availability and efficient use of radio spectrum.

During 2024, the MCA participated in the committee meetings. The RSCOM discussed a number of matters related to the upper 6 GHz band, the use of radio spectrum for short-range devices, the harmonised use of radio spectrum for the implementation of wireless access systems, the harmonisation of the frequency band for the shared use by terrestrial systems, and the frequency band for safety-related applications of Intelligent Transport Systems (ITS).

The International Telecommunication Union (ITU)

The International Telecommunication Union is the United Nations' specialised agency which promotes global use of the radio spectrum, facilitates international cooperation in assigning satellite orbits, develops and coordinates worldwide technical standards, and works to improve telecommunication infrastructure.

In 2024, the MCA continued to monitor and follow the discussions within the ITU fora.

In line with its active engagement within the ITU, the MCA's Chief Executive Officer, Jesmond Bugeja, was appointed as a member of the ITU Advisory Board on Submarine Cable Resilience. This appointment complements the Authority's role as Malta's National Contact Point under Commission Recommendation (EU) 2024/779, reinforcing its contribution to both EU and global efforts to enhance the security and resilience of submarine cable infrastructure. Through this dual engagement, the MCA is positioned to ensure that national priorities are aligned with international best practices, while strengthening Malta's role in safeguarding critical communication systems.

The European Conference of Postal and Telecommunications Administrations (CEPT)

The European Conference of Postal and Telecommunications Administrations is an organisation established in 1959 within which policymakers and regulators from 46 countries across Europe collaborate on postal, telecommunication, and radio spectrum regulations to foster harmonised and efficient markets. CEPT's Electronic Communications Committee (ECC) considers and develops policies on electronic communications and radio spectrum in the broad European context. During 2024, the MCA participated actively in the ECC Plenary, the Working Group on Frequency Management, FM 22 on spectrum monitoring and enforcement, FM58 on maritime communications, and the Working Group on Numbering and Networks (WG NaN). The MCA also continued to act as Vice-Chair of WG NaN. This working group is responsible for developing policies in numbering, naming and addressing, and advising on related technical regulatory matters.

European Competent Authorities for Secure Electronic Communications (ECASEC)

ECASEC serves as a platform for national authorities to share information and best practices about supervision of security regulation for the electronic communications sector. Through its participation in various work streams within the NIS Cooperation group, with the support of ENISA, ECASEC plays a role in developing guidelines for the implementation of the EU telecom security policies, and incident reporting thresholds and related mechanisms. ECASEC facilitates collaboration and information exchange among national telecom security authorities across EU member states, EFTA, and EEA countries, as well as EU candidate countries.

During 2023 and 2024, ECASEC organised two task forces, specifically on issues related to incident reporting and the updating of security measures under the NIS2 framework. The MCA was active in both task forces and ECASEC itself.

EU Space communications

The MCA continues to follow and represent the Government on various European fora that focus on EU Space communications. These include the Horizontal Configuration of the European Union Space Programme Committee, Galileo, EGNOS, the working group on GNSS Evolution, the Task Force on EU GNSS Interference, the EU governmental satellite communications (GOVSATCOM), and the Administrative Board of the European Union Agency for the Space Programme (EUSPA).

8.2 Postal Services

European Regulators Group for Postal Services (ERGP)

The European Regulators Group for Postal Services serves as an advisory body to the European Commission and is composed of the independent NRAs from EU member states. Its role is to support the integration of the internal postal market and to promote uniform implementation of the EU's regulatory framework for postal services by encouraging dialogue and collaboration among the NRAs.

During 2024, the MCA maintained active participation within the ERGP, with several of the Authority's officials participating actively in various working groups and high-level meetings, including the Contact Network and Plenary meetings. The group discussed various postal matters themed under the three pillars of the current ERGP Strategy: revisiting the postal sector and its regulatory framework in light of environmental sustainability and digitalisation; promoting a competitive EU postal single market in the context of rising e-commerce deliveries; and empowering end users while ensuring a user-oriented universal service.

In addition, in 2024, the group adopted reports on access to infrastructure for parcel delivery, the needs of vulnerable users of postal services, postal core indicators, QoS, consumer protection and complaint handling, the regulation of end-user prices, the future needs of the Universal Service Obligation, and environmental sustainability in the sector.

The European Commission's Postal Directive Committee (PDC)

The European Commission's Postal Directive Committee, composed of representatives from EU countries, serves as a scrutiny body for the application of postal legislation and the improvement of QoS, particularly in establishing quality standards for cross-border services within the European Union.

The Committee met twice during 2024. Matters discussed at these meetings included the state of play in the postal sector, legislative and regulatory changes in Member States, the needs of postal services for vulnerable users, and statistical data on cross-border parcel prices.

The Universal Postal Union (UPU)

The Universal Postal Union is a specialised agency of the United Nations that aims to organise and improve global postal services. It is founded on the principle of a single postal territory among its 192 member countries where freedom of transit for postal items is guaranteed.

During the year, the MCA continued to monitor the Union's work, remotely attending meetings of the Council of Administration and the Postal Operations Council.

The European Committee for Postal Regulation (CERP)

The European Committee for Postal Regulation is a structure within CEPT that brings together 46 European countries to discuss postal regulation and to coordinate European preparations and positions, particularly for UPU meetings. In 2024, the MCA continued to monitor the activities and discussions within the group.





8.3 Digital Services

Over the past year, the MCA was designated as Malta's Digital Services Coordinator (DSC) under the Digital Services Act (DSA). This entailed the Authority's active participation in a number of EU meetings held by the DSA Committee, the Digital Services Expert Group and the European Board for Digital Services. The discussions focused on the state of play in relation to the implementation and enforcement of the DSA.

High-Level Group on Internet Governance (HLIG)

The High-Level Group on Internet Governance, led by the European Commission, plays a key role in fostering coordination across Europe and sharing knowledge on matters related to internet governance. The European Union has consistently supported the vision of a unified, non-fragmented internet, enabling both users and service providers to access content seamlessly, regardless of geographic location. To advance this vision among EU member states, the HLIG gathers senior representatives from each country to deliberate on current internet governance issues. The MCA participates in these discussions on behalf of the Maltese Government. During 2024, matters related to global developments affecting the Internet Governance Architecture were discussed.

The Forum for European Supervisory Authorities (FESA)

The Forum for European Supervisory Authorities brings together representatives of eIDAS Supervisory Bodies from the European member states. FESA is a forum open to national bodies responsible for supervision of trust services and/or management of trusted lists in accordance with the eIDAS Regulation. FESA members meet regularly, at least twice a year, to exchange information and discuss matters of cooperation between supervisory authorities.

During 2024, FESA addressed matters related to the innovations of the eIDAS 2 regulation for trusted services and the importance of interaction between member states for the use of the European Digital Identity portfolio.

The Web Accessibility Directive Expert Group (WADEX)

The Web Accessibility Directive Expert Group is an expert body established by the European Commission to support the implementation of Directive (EU) 2016/2102, which concerns the accessibility of websites and mobile applications of public sector entities – commonly referred to as the Web Accessibility Directive. WADEX serves as a platform for exchanging best practices among accessibility experts across the EU and provides the Commission with technical guidance on implementing the Directive. This includes facilitating coordination and collaboration with Member States and relevant stakeholders. When necessary, the group also advises the Commission on the development of delegated and implementing acts. In 2024, the MCA continued to take part in scheduled meetings focused on accessibility-related issues.

ENISA European Competent Authorities for Trust Services (ECATS) Expert Group

The European Union Agency for Cybersecurity (ENISA) actively contributes to European cybersecurity policy through knowledge sharing, capacity building and awareness raising. It also includes a structure of expert groups that focus on specific matters related to cybersecurity. The ENISA ECATS Expert Group is an informal group focusing on trust services such as the creation, verification, and validation of electronic signatures, electronic seals, electronic timestamps, certificates for website authentication and related services.

Throughout the year, the MCA continued to monitor ENISA ECATS Expert Group key activities and discussions.



The MCA was designated as Malta's Digital Services Coordinator (DSC) under the Digital Services Act (DSA).



09

Operational Performance & Engagement



09

Operational Performance & Engagement

9.1 Human Resources

Recruitment

During 2024, the MCA expanded its team with 6 new employees, reflecting its sustained efforts to build a strong and dynamic workforce. This recruitment supports the Authority's long-term strategy to invest in talent that enhances both organisational capacity and the quality of services provided.

The individuals who joined bring varied backgrounds and expertise, contributing to a more versatile and resilient organisation. Their skills are aligned with the MCA's evolving priorities and play a key role in driving forward its strategic goals.

Team Building activities

The MCA hosted a team-building activity during June 2024 aimed at reinforcing internal collaboration and communication. The event created an opportunity for employees to connect outside of their daily

responsibilities, encouraging stronger interpersonal relationships and a greater sense of unity across the organisation. Such initiatives contribute to a more engaged, motivated, and cohesive team environment.

Sector-Specific Training for MCA Employees

As part of its ongoing training strategy, the MCA published a tender for sector-specific training services in the telecommunications sector, with the objective of equipping its employees with a thorough understanding of the parameters and intricacies of the industry. This tender was awarded to Cullen International in August 2023, with training commencing in February 2024.

The programme, delivered through a combination of online sessions and in-person workshops at the MCA offices, provided comprehensive coverage of key regulatory and technological developments across the electronic communications, postal services, and digital economy sectors. Topics included the EU regulatory framework, competition

and market regulation, 5G deployment, artificial intelligence, consumer rights, and emerging digital policies.

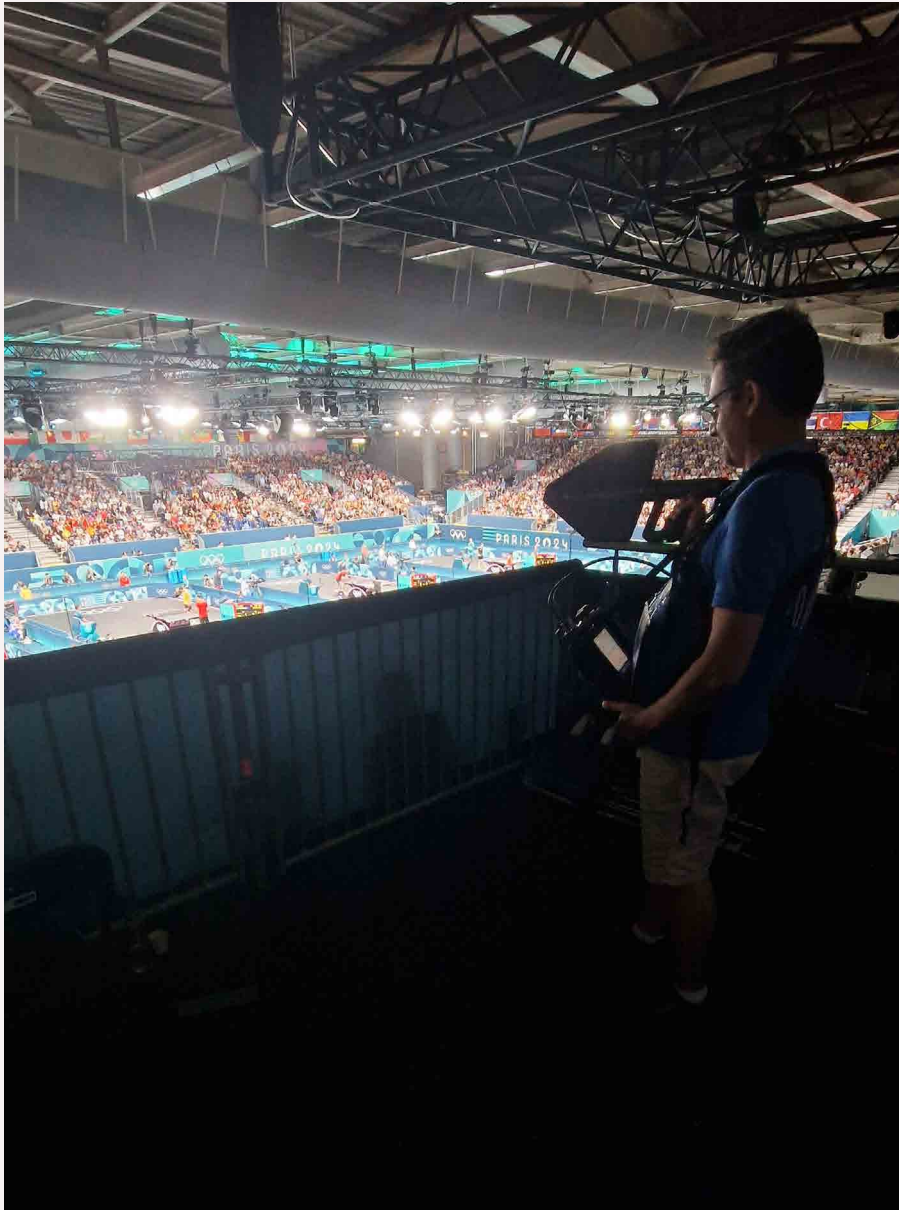
This initiative underscores the MCA's commitment to maintaining high standards of knowledge and expertise within the organisation. By investing in continuous professional development, the MCA ensures its employees are well-prepared to meet the demands of a rapidly evolving digital and telecommunications landscape, while fostering a culture of excellence and collaboration.

International Collaboration & Spectrum Management during the Paris 2024 Olympics

In August 2024, the MCA played a pivotal role in ensuring robust wireless communications during the Paris 2024 Olympic and Paralympic Games. Four specialists from the MCA's Spectrum Management & Technology Group were seconded to Paris, joining forces with France's Agence Nationale des Fréquences (ANFR) and other European regulators. Their collaboration was critical amid increased demand for frequency allocation and the high density of event venues.

The MCA team helped orchestrate spectrum oversight across all Olympic sites, enabling smooth operation of essential communication services. This achievement underscores the MCA's technical proficiency and reinforces its role in international spectrum governance, reflecting a deep commitment to operational excellence and regional cooperation.





9.2 Information & Communications Technology

In 2024, the Authority's information systems continued to serve as a cornerstone in the effective implementation of its work programme. Building on previous years' efforts in system consolidation and optimisation, the MCA remained focused on maximising the value of its core digital infrastructure while minimising additional IT procurement costs.

Recognising the critical role of data in driving informed decision-making, the Authority sustained its investment in data analysis

systems. These systems were kept current with the latest technological advancements, while exploratory work was undertaken to ensure future solutions are more flexible, portable, and aligned with emerging technologies. This forward-looking approach aims to enhance the adaptability and longevity of the Authority's core platforms.

Further investment was also directed toward strengthening systems availability and infrastructure resilience. Enhancements included improved security features and further implementation of access controls based on the principle of least privilege. These measures contribute to a more secure and robust digital environment, capable of supporting the Authority's evolving operational needs.

By prioritising the optimisation of existing systems and reinforcing its digital infrastructure, the Authority reaffirmed its commitment to operational excellence, cost-effectiveness, and cybersecurity. These efforts not only enhanced the reliability and performance of its information systems but also empowered the MCA's workforce with modern tools, particularly in reporting and analytics, ensuring the delivery of scalable, secure, and high-performing digital services in support of its strategic objectives.

9.3 Governance & Performance Planning

Maintaining financial independence remains a cornerstone of the MCA's ability to operate effectively and independently, both in its regulatory responsibilities and its broader strategic initiatives. This independence enables the MCA to pursue its objectives without compromising its integrity or autonomy.

To reinforce public trust and ensure accountability, the MCA has established a comprehensive financial oversight framework. This framework provides clear visibility into all financial operations, from income generation to expenditure, and aligns closely with the principles of good governance. By ensuring transparent and consistent financial reporting, the MCA secures the resources necessary to deliver on its mission and maintain operational continuity.

Strategic and operational planning are integral to the MCA's ongoing performance. The organisation takes a structured approach to setting priorities, evaluating progress, and refining its direction. Periodic assessments are carried out to measure outcomes against established targets, allowing for timely course corrections when necessary. Performance management spans the institutional level down to individual roles, promoting alignment, accountability, and organisational effectiveness across the board.

9.4 Public Outreach & Engagement

In 2024, the MCA continued to prioritise meaningful engagement with a diverse range of audiences through targeted outreach initiatives. Whether through collaboration with local councils, direct interaction with students, or participation in national events, the Authority remained focused on raising awareness of its role, promoting awareness on consumer issues, and fostering informed dialogue on key issues within its remit. These efforts reflect the MCA's ongoing commitment to transparency, accessibility, and stakeholder collaboration.

Engaging Local Councils: Connecting Communities

In January 2024, the MCA collaborated with the Local Council Association to host an outreach event titled "Connecting Communities: Navigating the Communications Landscape". The half-day event brought together members of local councils from across Malta and Gozo.

Throughout the session, MCA representatives delivered a series of presentations covering a broad range of topics within the Authority's remit. These included an introduction to the MCA's role, spectrum management and EMF monitoring, telecom infrastructure planning, consumer rights, telecommunication costs, scam and fraud prevention, and web accessibility requirements.

The event provided an important platform for dialogue, knowledge sharing, and strengthening collaboration between the MCA and local government representatives, with the aim of supporting more connected and informed communities.

Connecting with Students: Freshers' Week Events in 2024

As part of its outreach efforts, the MCA took part in both the KSU and MCAST Freshers' Week events in 2024. Through its presence at these events, the Authority engaged directly with students to raise awareness about its work and the services it provides. These interactions offered an opportunity to discuss the evolving communications landscape. By participating in these initiatives, the MCA continues to strengthen its connection with younger audiences and promote greater understanding of its role in everyday communication.

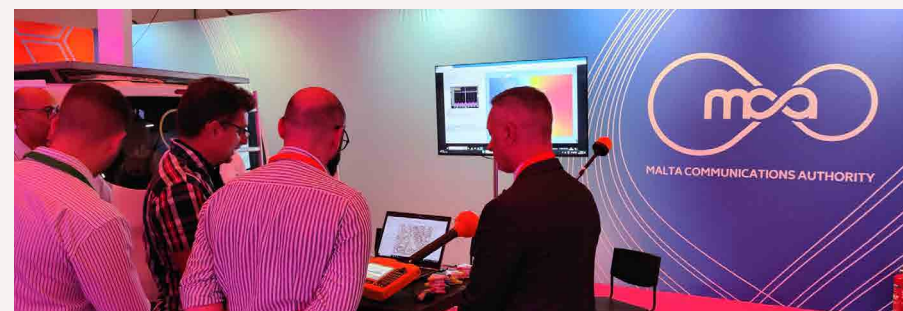
Showcasing Innovation: TechXpo 2024

In 2024, the MCA participated in TechXpo, the Ministry for the Economy, Enterprise and Strategic Projects' technology and innovation showcase, for the second consecutive year. The event provided a valuable platform for the Authority to engage with the public, industry stakeholders, and technology enthusiasts. Through its exhibition stand and one-on-one discussions, the MCA highlighted its ongoing initiatives, regulatory functions, and key areas of focus, including connectivity, emerging technologies, and consumer empowerment. Participation in TechXpo forms part of the MCA's broader commitment to stakeholder engagement and promoting awareness of its role in shaping Malta's communications landscape.



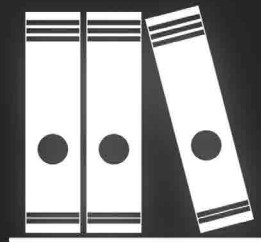


The MCA continued to prioritise meaningful engagement.





10 Legislation & Litigation



10

Legislation & Litigation

10.1 Legislation

The following is a list of laws enacted or made during 2024.

Primary Legislation

Acts of Parliament enacted in 2024

- **Act No. I of 2024** entitled '**An Act to amend various laws relating to communications and to make ancillary and consequential provisions thereto**'.

This Act amended various laws relating to communications sectors regulated by the MCA, primarily to provide for the use of a uniform term, namely the term "administrative penalties", when referring to sanctions of a financial nature, and to implement measures consequential to the effective implementation of the Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 December 2022 on a Single Market for Digital Services and amending Directive 2000/31/EC (Digital Services Act). The laws amended to reflect these measures were the Electronic Communications (Regulations) Act (Chapter 399 of the Laws of

Malta), the Malta Communications Authority Act (Chapter 418 of the Laws of Malta), and the Electronic Commerce Act (Chapter 426 of the Laws of Malta).

Subsidiary Legislation

Legal Notices made in 2024.

- **L.N. 48 of 2024** entitled "**Online Intermediation Services for Business Users (Enforcement Measures) (Amendment) Regulations, 2024**".

These regulations introduced the right for business users and corporate website users to seek redress before the Civil Court against providers of online intermediation services for loss or damage suffered because of non-compliance, or to stop non-compliance by such providers vis-à-vis the obligations onerous on such providers as stated in Articles 3 to 12 of Regulation (EU) 2019/1150 of the European Parliament and of the Council of 20 June 2019 on promoting fairness and transparency for business users of online intermediation services in so far as such non-

compliance applies to any obligation onerous on such providers. The regulations further enable a designated organisation, association or public body to apply to the Civil Court for the issue of an order to stop or prohibit the non-compliance by a provider of online intermediation services or of online search engines with any obligations as may be onerous on such providers as per the aforesaid Articles 3 to 12.

- **L.N. 65 of 2024** entitled "**Commencement Notice**" whereby the Minister responsible for communications established 2 April 2024 as the date when all the provisions of the Communications Laws (Amendment) Act, 2024 other than those referred to in article 1(2) of the aforesaid Act, came into force.
- **L.N. 66 of 2024** entitled "**The Digital Services (Designation and Enforcement) Order, 2024**".

This order implemented various measures consequential to Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 December 2022 on a Single Market for Digital Services and amending Directive 2000/31/EC ("Digital Services Act"). These measures include the designation of the MCA as the Digital Services Coordinator for Malta (DSC); the requirements onerous on the MCA when performing its tasks as the DSC for Malta; and enforcement powers afforded to the MCA as the DSC for Malta in order to enable the MCA to ensure compliance with the norms of the Digital Services Act.





10.2 Litigation

Appeals before the Administrative Review Tribunal ("ART")

One new appeal was filed by GO plc ("GO") before the ART during 2024. This appeal relates to GO's contestation of the MCA's Notification of re-assessment of the wholesale fixed access market(s) in Malta published by the MCA on 30 July 2024.

Apart from the above-mentioned appeal, there were two appeals outstanding before the ART at the end of 2024, namely:

- Contestation by MaltaPost plc (MaltaPost) of a regulatory decision by the MCA dated 3 August 2020 whereby MaltaPost was required to pay the sum of €10,159 under the collective compensation scheme for having failed to comply with the quality-of-service (QoS) measurement targets for 2019.
- Contestation by Vodafone (Malta) Ltd (now EPIC Communications Ltd) of a regulatory decision (issued February 2016) on virtual unbundled access to fibre-to-the-home (VULA).

Litigation before the First Hall of the Civil Court

In 2024 there was no pending litigation.

Litigation before the Court of Appeal *Court of Appeal (Inferior)*

In 2024 there was no pending litigation before the Court of Appeal (Inferior).

Court of Appeal (Superior)

In 2024 there was one lawsuit before the Court of Appeal (Superior), namely an appeal filed by Vodafone Malta Limited (subsequently Epic Communications Limited) and by GO plc contesting a judgement given on 18 June 2018 by the First Hall of the Civil Court in relation to the payment of legal interception fees collected by the MCA on behalf of Government and the Security Service from the aforesaid telecoms operators. In substance, Vodafone and GO were contesting the aforesaid judgement whereby the First Hall held that the collection of such fees by the MCA was not in breach of the (former) EU Authorisation Directive 2002/21/EC. The MCA filed a cross appeal contesting a preliminary judgement by the First Hall, where, amongst other matters, that Court did not uphold a preliminary plea of the MCA contending that the lawsuit should have been filed by Vodafone before the (former) Communications Appeals Board and not before the First Hall of the Civil Court. Vodafone and GO argued before the Court of Appeal that MCA's cross appeal was null and void.

The Court of Appeal, in its judgement dated 15 November 2023, did not uphold Vodafone and GO's objection, determining that the MCA's cross appeal was valid. Subsequently, the case was adjourned for continuation on the respective appeals of the parties to the lawsuit, with the Court of Appeal deciding in the first instance to hear and determine the MCA's aforesaid preliminary plea. The Court of Appeal,

in its judgement dated 9 April 2024, upheld the MCA's preliminary plea with costs, determining that the plaintiff companies had not utilised all remedies available to them at law prior to the filing of the proceedings before the Civil Court.

Inter-operator Disputes or Complaints

In 2024 there were no pending or new inter-operator disputes or complaints.

Due diligence procedures undertaken by the MCA

In December 2024, the MCA initiated a due diligence process following the communication by Melita Limited (Melita) seeking the MCA's approval in connection with a change in Melita's ultimate beneficial ownership and control, whereby Melita advised the MCA that EQT infrastructures IV Fund had agreed to sell Melita to Goldman Sachs Alternatives' Infrastructure. The due diligence process was still in its initial stages at the end of December 2024.



11 Consultations & Decisions



11

Consultations & Decisions

11.1 Consultations

Consultation: Review of the Postal Tariff Mechanism

A consultation proposing automated postal tariff revision mechanism, designed to introduce cost-reflective, three-year price caps (with triggers for interim adjustments) for universal postal services to bolster financial sustainability in the face of declining volumes and rising costs.

<https://www.mca.org.mt/consultations-decisions/consultation-review-postal-tariff-mechanism>

Consultation and Proposed Decision on the review of GO plc's application for funding relating to the provision of universal service obligations on electronic communications services during 2019

A consultation regarding the review of GO plc's application for compensation for the net costs incurred in providing universal electronic communications services (public payphones, social tariffs,

comprehensive electronic directory) during the financial year 2019, following the deduction of intangible brand enhancement benefits.

<https://www.mca.org.mt/consultations-decisions/consultation-and-proposed-decision-review-go-plcs-application-funding-0>

Consultation and Proposed Decision on the Source of Funding for the net cost incurred in providing universal service obligations for electronic communications services during 2019

A consultation proposing the determination of the source of funding for GO plc's net cost claim for providing universal electronic communications services during 2019, recommending that the entirety be financed from public funds in accordance with the government's decision.

<https://www.mca.org.mt/consultations-decisions/consultation-and-proposed-decision-source-funding-go-2019>

11.2 Decisions

Review of QoS to be achieved by MaltaPost for the Universal Postal Service

A decision establishing revised QoS performance targets for MaltaPost plc under the Universal Postal Service, updating standards first set in October 2016 and effective from 1 October 2023, to ensure reliable delivery while supporting the service's financial sustainability.

<https://www.mca.org.mt/consultations-decisions/review-qos-be-achieved-maltapost-universal-postal-service-0>

Decision Notice on Preventative Measures to Mitigate CLI Spoofing and Vishing Scams

A decision implementing a framework of network-level preventative measures, requiring local operators of international network interfaces to identify and block likely scam calls with spoofed Maltese CLIs (from specific numbering ranges). The framework also mandates transparency and subscriber-validation safeguards to mitigate CLI spoofing and vishing scams.

<https://www.mca.org.mt/consultations-decisions/decision-notice-preventative-measures-mitigate-cli-spoofing-and-vishing>

Review of the Postal Tariff Mechanism: Safeguarding the Sustainability of the Universal Postal Service

A decision finalising the implementation of an automated postal tariff revision mechanism, establishing cost-reflective, three-year price caps (triggered mid-cycle by significant changes in costs or volumes) for universal postal services to safeguard their financial sustainability amid ongoing market challenges.

<https://www.mca.org.mt/consultations-decisions/review-postal-tariff-mechanism-safeguarding-sustainability-universal-postal>

Decision notice on the Review of GO plc's application for funding of the net cost claimed to have been incurred to provide universal service obligations during 2019

A decision concluding that GO plc's reviewed claim for the net costs incurred in providing universal service obligations during 2019 (covering public payphones, social tariffs, and a comprehensive electronic directory, net of intangible brand enhancement benefits) is justified.

<https://www.mca.org.mt/decision-review-go-uso-2019>

Decision on the Source of Funding for the net cost incurred in providing universal service obligations during 2019

A decision confirming that GO plc's netcost arising from its provision of universal service obligations during 2019 (public payphones, social tariffs, comprehensive electronic directory, net of brand-enhancement benefit) will be financed entirely from public funds, following the absence of responses to the earlier proposed decision and in line with the government's decision.

<https://www.mca.org.mt/consultations-decisions/decision-on-the-source-of-funding-universal-service-obligations-during-2019>



12 Financial Statements

Predictive Modeling
Business Understanding

15%

75%

Data Analysis : Turns data to information
a business , thus affecting

1 st product
2 nd product
3 rd product

America

United Arab Emirates

China

Japan

Australia

India



12

Financial Statements



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Malta Communications Authority

General Information

For the Year Ended 31 December 2024

The Malta Communications Authority ("the Authority"), was established by virtue of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta.

Members of the Authority

Ing. Jonathan Scerri (Chairperson. Appointed 7 November 2024)
Ms. Kristy Debono (Deputy Chairperson. Appointed 7 November 2024)
Mr. Mario Rodgers (Appointed 7 November 2024)
Dr. Nathaniel Falzon (Appointed 7 November 2024)
Mr. Paul Debono (Appointed 7 November 2024)
Mr. Victor Carachi (Appointed 7 November 2024)
Mr. Brian Scicluna
Mr. Mark Musu (Acting Chairperson until 7 November 2024. Resigned 7 November 2024)
Mr. Kevin Abela (Resigned 7 November 2024)
Ms. Graziella Farrugia (Resigned 7 November 2024)
Mr. Mario Fava (Resigned 7 November 2024)
Dr. Alexandra Mizzi (Resigned 7 November 2024)

Head office

Malta Communications Authority
Valletta Waterfront
Pinto Wharf
Floriana FRN1913
Malta

Bankers

Bank of Valletta plc
Merchant Street
Valletta
Malta

APS Bank Ltd.
APS Centre
Tower Street
Birkirkara BKR 4012
Malta

Auditor

PKF Malta Limited
15, Level 3,
Mannarino Road,
Birkirkara BKR 9080
Malta

Malta Communications Authority

Report of the Members of the Authority

For the Year Ended 31 December 2024

The Members of the Authority submit their annual report together with the audited financial statements for the year ended 31 December 2024.

Principal Activity

The Malta Communications Authority was established by virtue of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta for the purposes of carrying out the functions defined in the said Act. By virtue of Legal Notice 280 of 2000 the Minister for Transport and Communications nominated the Malta Communications Authority to be the Competent Authority to regulate communications services in Malta with effect from 1 January 2001.

Furthermore, by virtue of Legal Notice 835 of 2004, the Minister for Competitiveness and Communications nominated the Malta Communications Authority to fulfil the functions for the management of authorisations in respect of apparatus of which a frequency assignment is required, or used by merchant ships or other seagoing vessels, with effect from 30 July 2004. The Malta Communications Authority was nominated as the competent entity under the E-Commerce Act as from 10 May 2002 as per L.N. 110 of 2002.

The Malta Communications Authority became responsible for the Postal Services Act, Cap. 259 of the Laws of Malta as from 1 June 2003 as per L.N. 129 of 2003.

Results

By virtue of the Electronic Communications (Regulation) Act, Cap. 399 of the Laws of Malta, authorised undertakings shall pay the Authority administrative charges to cover the costs of Regulating Electronic Communications incurred by the Authority and fees for rights of use of scarce resources.

The total net operating income generated by the Authority during the year amounted to €12,950,892 (2023: €12,718,290) out of which licensing and usage fees for scarce resources, amounting to €8,361,324 (2023: €8,341,045) were transferred to the Government of Malta. After meeting all expenditure of €4,583,948 (2023: €4,374,558) the Authority closed off the year with a surplus, net of taxation, of €9,752 (2023: €4,338).

Expenditure incurred by the Authority not in connection with electronic communications, amounting to €1,363,215 (2023: €1,250,299) has been deducted from usage fees for scarce resources forwarded to the Government of Malta.

Members of the Authority

The Members of the Authority who served during the year under review were as noted on page 1.

In accordance with Part II, Section 3 of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta, the Chairman and the other Members of the Authority are appointed by the Minister responsible for communications. The Members of the Authority are appointed by the Ministry for a maximum period of three years but may be re-appointed on the expiration of their term of office.

Malta Communications Authority

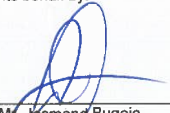
Report of the Members of the Authority (continued)

For the Year Ended 31 December 2024

Auditor

PKF Malta Limited, Registered Auditors, have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the board members' meeting.

Approved on behalf of the Members of the Authority on 10 April 2025 and signed on its behalf by:


Ing. Jonathan Scerri
Chairperson
Mr. Jesmond Bugeja
Chief Executive Officer

Malta Communications Authority

Statement by Board Members

For the year ended 31 December 2024

Section 21 of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta requires the Authority to keep proper books of accounts and other records in respect of its operations and to prepare a statement of accounts in respect of each financial year. In preparing these financial statements, the Members are required to:

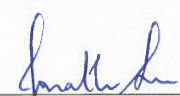
- select and apply appropriate accounting policies;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting year on the accruals basis;
- value separately the components of asset and liability items on a prudent basis; and
- prepare the annual financial statements on a going concern basis unless it is inappropriate to presume that the Authority will continue in operation.

The Board Members of the Authority are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority and to enable them to ensure that the financial statements comply with the Malta Communications Authority Act, Cap. 418 of the Laws of Malta. They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board Members are also responsible for ensuring that an appropriate system of internal control is in operation to provide them with reasonable assurance with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

After reviewing the Authority's results and plans for the coming financial year, the Board Members are satisfied that at the time of approving these financial statements, the information provided in this report is a true reflection of the position of the Malta Communications Authority.

Signed on behalf of the Members of the Authority on 10 April 2025 by:


Ing. Jonathan Scerri
Chairperson
Mr. Jesmond Bugeja
Chief Executive Officer

To the Board Members of Malta Communications Authority
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Malta Communications Authority set out on pages 8 to 23 to which comprise the balance sheet as at 31 December 2024, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Authority as at 31 December 2024, and of its financial performance for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations (GAPSME) and have been properly prepared in accordance with the requirements of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board Members are responsible for the other information. The other information comprises the Report of the Board Members but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Report of the Board Members, we also considered whether the report includes the disclosures required by the Malta Communications Authority Act (Cap. 418) of the Laws of Malta.

Based on the work we have performed, in our opinion:

- the information given in the Report of the Board Members for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board Members has been prepared in accordance with the Malta Communications Authority Act Cap.418 of the Laws of Malta.

In addition, in light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Report of the Board Members and other information. We have nothing to report in this regard.

To the Board Members of Malta Communications Authority
Report on the Audit of the Financial Statements

Responsibilities of the Board Members for the financial statements

The Board Members are responsible for the preparation of the financial statements that give a true and fair view in accordance with GAPSME and the requirements of the Malta Communications Authority Act, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is the intention to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board Members.
- Conclude on the appropriateness of the Board Members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Auditor's Report (continued)

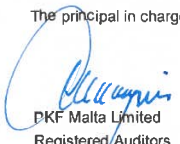
To the Board Members of Malta Communications Authority

Report on the Audit of the Financial Statements

We communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The principal in charge of the audit resulting in the independent auditor's report is Mr. George Mangion for and on behalf of


PKF Malta Limited
Registered Auditors
15, Level 3, Mannarino Road
Birkirkara BKR 9080
Malta

10 April 2025

PKF Malta Limited

Malta Communications Authority

Income Statement

For the Year Ended 31 December 2024

		2024	2023
	Note	€	€
Revenue	3.	12,950,892	12,718,290
Wages and salaries	5.	(2,910,109)	(2,671,409)
Operating and administrative expenses	6.	(1,293,925)	(1,329,069)
Depreciation	9.	(379,914)	(374,080)
Operating surplus		8,366,944	8,343,732
Finance income/ expense	4.	4,397	1,761
Loss on disposal of assets		(226)	(71)
		8,371,115	8,345,422
Transfers to Government	7.	(8,361,324)	(8,341,045)
Surplus before taxation		9,791	4,377
Taxation	8.	(39)	(39)
Surplus for the year		9,752	4,338

The notes on pages 12 to 23 form an integral part of these financial statements.

Malta Communications Authority

Balance Sheet

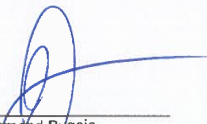
As At 31 December 2024

	Note	2024 €	2023 €
ASSETS			
Non-current assets			
Property, plant and equipment	9.	805,282	1,011,910
Current assets			
Trade and other receivables	10.	2,478,093	3,581,614
Cash and cash equivalents	12.	2,235,105	1,110,478
Total current assets		4,713,198	4,692,092
TOTAL ASSETS		5,518,480	5,704,002
EQUITY AND LIABILITIES			
Equity			
Retained earnings	11.	958,934	949,182
Liabilities			
Current liabilities			
Trade and other payables	13.	4,559,546	4,754,820
Total current liabilities		4,559,546	4,754,820
TOTAL EQUITY AND LIABILITIES		5,518,480	5,704,002

The notes on pages 12 to 23 form an integral part of these financial statements.

The financial statements set out on pages 8 to 23 were approved and authorised for issue by the Board of the Malta Communications Authority on 10 April 2025 and signed on its behalf by:


Ing. Jonathan Scerri
Acting Chairman


Mr. Jesmond Bugeja
Chief Executive Officer

Malta Communications Authority

Statement of Changes in Equity

For the Year Ended 31 December 2024

2023	Retained earnings €
Balance as at 01 January 2023	944,844
Surplus for the year	4,338
Balance as at 31 December 2023	949,182
2024	
	Retained earnings €
Balance as at 01 January 2024	949,182
Surplus for the year	9,752
Balance as at 31 December 2024	958,934

The notes on pages 12 to 23 form an integral part of these financial statements.

Malta Communications Authority

Statement of Cash Flows

For the Year Ended 31 December 2024

		2024	2023
	Note	€	€
Cash from operating activities:			
Surplus for the year		9,752	4,338
Depreciation of property, plant and equipment		379,914	374,080
Loss on disposal of property, plant and equipment		226	71
Bad debts written off		1,821	-
Transfers to Government		9,724,378	9,591,344
Finance income/ expense		(4,397)	(1,761)
		10,111,694	9,968,072
Movement in receivables		1,222,244	(1,254,839)
Movement in payables		(195,280)	129,259
Interest received/ paid		4,397	1,761
Income tax paid		(39)	(39)
Income tax refunded		-	18,186
Net cash flows from operating activities		11,143,016	8,862,400
Cash flows from investing activities:			
Purchase of property, plant and equipment		(174,112)	(583,241)
WDV on disposal of property, plant and equipment		-	133
Net cash flows used in investing activities		(174,112)	(583,108)
Cash flows from financing activities:			
Funds paid to Government		(9,844,277)	(9,666,901)
Net cash flows used in financing activities		(9,844,277)	(9,666,901)
Net cash from/(used in) in cash and cash equivalents		1,124,627	(1,387,609)
Cash and cash equivalents at beginning of year		1,110,478	2,498,087
Cash and cash equivalents at end of year	12.	2,235,105	1,110,478

The notes on pages 12 to 23 form an integral part of these financial statements.

Malta Communications Authority

Notes to the Financial Statements

For the Year Ended 31 December 2024

General Notes

The Malta Communications Authority ("the Authority") was established on 1 January 2001 by virtue of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta. The Authority is a body corporate having a distinct legal personality with its legal representation jointly vested in the Chairman and the Director General.

The purpose of the Authority is to ensure freedom of communication and that communication shall not be limited except when this is necessary for any of the reasons set out in Section 4 (1)(a) of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta, and to ensure non-discrimination and equality of treatment in matters related to communications. It shall in particular be the duty of the Authority to exercise such regulatory function in the field of communications under the provisions of the Electronic Communications (Regulation) Act, Cap. 399 of the Laws of Malta and as may from time to time be assigned to the Authority by or under an Act of Parliament. The Authority shall also carry out various other related functions and duties as set out in Section 4 (3) of the Act.

1. Basis of preparation

a. Basis of measurement and statement of compliance

The financial statements of the Malta Communications Authority ("the Authority") have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSMSE") and comply with the provisions of the Malta Communications Authority Act, Cap.418 of the Laws of Malta. The financial statements have been prepared on the historical cost basis.

b. Functional and presentation currency

The financial statements are presented in euro (€), which is the Authority's functional currency and presentation currency.

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in the income and expenditure account.

c. Use of estimated and assumptions

The preparation of financial statements in conformity with International Financial Reporting Standards as adopted by the EU requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

d. Going concern

The financial statements have been prepared on the going concern basis which assumes that the Government of Malta will continue to provide necessary funding to the Authority to enable it to continue with its activities.

Malta Communications Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2024

2. Significant accounting policies

a. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Authority and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised.

Revenue from licences is recognised on the issue of a new licence or on the renewal date. Such revenue is recognised in the statement of comprehensive income over the year to which the licence relates. The unexpired portion of annual fees billed in advance is recognised as deferred income in the statement of financial position.

Administration charges consist of amounts receivable from operators in respect of costs incurred by the Authority in ensuring compliance with the regulatory framework. Such revenue is recognised in the statement of comprehensive income over the year in which the related charges are incurred.

Usage fees consist of amounts collected by the Authority for rights of use of scarce resources as established under Part B of the Twelfth Schedule of the Electronic Communications Networks and Services (General), as per subsidiary legislation 399.48 of the laws of Malta. Revenue is recognised in the statement of comprehensive income over the year during which the respective scarce resources were being utilised.

b. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are initially measured at cost less accumulated depreciation and accumulated impairment losses. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance and overhead costs, are normally charged to the statement of comprehensive income in the period they are incurred. In situations where it can be clearly demonstrated that the expenditure have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard performance, the expenditures are capitalised as an additional cost.

ii. Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised. The depreciation charge for each period is recognised in the income and expenditure account.

The rates of depreciation used for items of property, plant and equipment are the following:

Building improvements	20%
Fixture, fitting and equipment	10%-20%
Motor vehicles	20%
IT equipment	16.67%-33.33%

Depreciation method, useful life and residual value

The depreciation method applied, the residual value and the useful life are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of tangible assets and when necessary, revised with the effect of any changes in

Malta Communications Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2024

2. Significant accounting policies (continued)

b. Property, plant and equipment (continued)

ii. Depreciation (continued)

estimate being accounted for prospectively. Collectibles and antiques are not depreciated.

Derecognition of property, plant and equipment

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses arising from derecognition represent the difference between the net proceeds (if any) and the carrying amount and are included in the income and expenditure account in the period of derecognition.

c. Impairment of assets

The carrying amounts of the Authority's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in the income and expenditure account, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The carrying amounts of Authority's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in the income and expenditure account, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase unless an impairment loss on the same asset was previously recognised in the income and expenditure account. Following such reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

d. Trade and other receivables

Trade receivables are recognised and carried at original invoice amount. A provision for impairment is made when there is objective evidence that the Authority will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired receivables are derecognised when they are assessed as unrecoverable.

Malta Communications Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2024

2. Significant accounting policies (continued)

e. Financial instruments

Financial assets and financial liabilities carried on the statement of financial position include cash and cash equivalents, trade and other accounts receivable and payable. The accounting policies on recognition and measurement of these items are separately disclosed in the respective accounting policies found in these notes.

A financial instrument, or its component parts, is classified as a financial liability, financial asset or an equity instrument in accordance with the substance of the contractual arrangement rather than its legal form. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as expense or income as incurred. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Authority has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that any future economic benefits associated with the item will flow to or from the entity. This is normally when the instrument is either sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

Cash includes short-term deposits, which are all highly marketable securities with a maturity of three months or less when purchased. Short-term deposits are held to maturity and valued at cost.

f. Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

g. Trade and other payables

Trade and other payables are recognised when the Authority has a present obligation whether or not billed to the Authority. Liabilities are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

h. Bank borrowings

Subsequent to initial recognition, interest bearing bank overdrafts are carried at their face value due to their short term maturities

Malta Communications Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2024

2. Significant accounting policies (continued)

i. Taxation

The charge for current taxation is based on the results for the year as adjusted for items which are non-assessable to or disallowed for tax. The tax charge is calculated using tax rates that were applicable at the date of the statement of financial position.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Recognition of a deferred tax asset is however limited to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Deferred tax is recognised as income or expense and included in the statement of comprehensive income for the period, except to the extent that the tax arises from a transaction or event which is recognised directly in equity. The Authority re-assesses any unrecognised deferred tax asset at each balance sheet date to determine whether future taxable profit has become probable that allows the deferred tax asset to be recovered.

j. Foreign currencies

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and monetary liabilities denominated in foreign currencies at balance sheet date are translated at year end closing rates of exchange. Any exchange differences arising on the settlement of monetary assets and monetary liabilities, or on translating foreign denominated monetary assets and liabilities at the balance sheet date at rates different from those at which they were previously translated, are recognised in profit or loss.

k. Related parties

The term 'related party' refers to other Government controlled entities.

l. Cost apportionment methodology

In 2011, the Authority revised its cost apportionment methodology with respect to the appointment of indirect costs levied on the Authority's various activities. Indirect costs are being allocated on various activities other than Electronic Communication Activities using a modified incremental cost model which utilises staff time recordings based on monthly time sheets as its main cost driver. All remaining direct related costs are directly apportioned to the activity to which they pertain.

In preparing the financial statements, the members are required to make judgements, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates. Actual results in the future could differ from such estimates and the differences may be material to the financial statements. These estimates are reviewed on a regular basis and if a change is needed, it is accounted in the period the changes become known.

In the opinion of the members, the accounting estimates, assumptions and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of GAPSME.

Malta Communications Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2024

2. Significant accounting policies (continued)

m. Government grants

Government grants are assistance by government, inter-governmental agencies and similar bodies whether local, national or international, in the form of cash or transfers of assets to the Authority in return for past or future compliance with certain conditions relating to operating activities of the Authority. Government grants are recognised when there is reasonable assurance that the Authority will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the income statement so as to match them with the expenditure towards which they are intended to contribute. Any grants relating to future periods are recognised as deferred income.

Government grants related to assets are presented in the statement of financial position as deferred income, which is recognised as income on a systematic basis over the useful life of the asset.

n. Borrowing costs

Borrowing costs, including those costs that are directly attributable to the acquisition, construction or production of qualifying assets, are recognised as an expense in profit or loss in the period in which they are incurred.

o. Employee benefits

The Authority contributes towards the state pension in accordance with local legislation. The only obligation of the Authority is to make the required contributions. Costs are expensed in the period in which they are incurred.

3. Revenue

Revenue derived by the Authority is analysed as follows:

	2024	2023
	€	€
Administrative charges	2,905,675	2,721,763
Rights of way income and postal licensing (note i)	1,075,769	1,070,176
Usage fees for scarce resources (note i)	7,368,668	7,363,461
Application fees and other operating income (note i)	1,600,780	1,562,890
Total	12,950,892	12,718,290

- i. All revenue generated from rights of way income and postal licensing, usage of fees for scarce resources and application fees, is transferred to the Government of Malta (note 9), except for an amount of €1,363,215 (2023: €1,250,299) intended to finance expenses incurred by the Authority not in connection with electronic communications.

Malta Communications Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2024

4. Finance income/ (expense)

	2024	2023
	€	€
On cash and short-term deposits	258	257
Fines	230	-
On amounts due from debtors	3,909	1,504
Total	4,397	1,761

5. Wages and salaries

a. Staff costs

Payroll costs for the year comprise the following:

	2024	2023
	€	€
Members' emoluments	64,620	48,809
Wages and salaries	2,681,842	2,468,193
Social security costs	163,647	154,407
Total	2,910,109	2,671,409

b. Average number of employees

The average number of persons employed by the Authority during the year was as follows:

	2024	2023
	No.	No.
Members of the board	6	6
Employees	62	62
Total	68	68

Malta Communications Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2024

6. Operating and administrative expenses

	2024	2023
	€	€
The Authority		
Outsourced project costs	160,571	255,492
Corporate administrative expenses	781,253	663,084
Public relations and communications	101,112	97,438
Travelling expenses	78,263	119,628
Auditor's remuneration	12,272	12,342
Rental Expenses	170,934	165,387
Ministry Activities	(10,480)	15,698
	1,293,925	1,329,069
EU funded projects		
Total operating and administrative expenses	1,293,925	1,329,069

7. Transfers to Government

The amounts of transfers to Government represent the gross rights of way income, postal licensing, usage fees for scarce resources and radio communication licences (included as part of application fees and other income) which are being transferred to the Government as provided by section 14(4) of the Malta Communications Authority Act, Cap. 418 of the Laws of Malta.

This amount is net of expenses incurred by the Authority which were not in connection with Electronic Communications amounting to €1,363,215 (2023: €1,250,299).

Malta Communications Authority

Notes to the Financial Statements (continued)

For the Year Ended 31 December 2024

8. Taxation

	2024	2023
	€	€
Current tax expense	39	39
Deferred tax expense	-	-
Total	39	39

The taxation on surplus on ordinary activities differs from the theoretical taxation expense that would apply on the Authority's surplus before transfers to Government and taxation using the applicable tax rate in Malta of 35% (2023: 35%) as following:

a. Tax reconciliation

	2024	2023
	€	€
Profit for the year	8,371,115	8,345,422
Tax at 35%	2,929,890	2,920,898
Tax effect of:		
Expenses disallowed for tax purposes	133,049	130,953
Capital allowances absorbed	(136,386)	(132,395)
Income not subject to tax	(2,926,463)	(2,919,366)
Income subject to tax at different rates	(90)	(90)
Income taxed under other articles of the ITA	39	39
	39	39

Under the legislation in force governing the operations of the Authority, the Authority charges administrative fees to the service providers equivalent to its cost. Moreover, all the license fees collected are transferred to the Government. Since the Authority is not expected to generate any taxable profits, management is of the opinion that no deferred tax asset should be accounted for.

Malta Communications Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2024

9. Property, plant and equipment

	Building improvements	Fixture, fitting and equipment	Motor vehicles	IT equipment	Total
	€	€	€	€	€
Cost					
At 01 January 2024	374,490	460,288	163,982	3,187,192	4,185,952
Additions	-	13,787	36,200	123,524	173,511
Disposals	-	(2,540)	-	(16,152)	(18,692)
Balance at 31 December 2024	374,490	471,535	200,182	3,294,564	4,340,771
Depreciation					
At 01 January 2024	(374,490)	(430,547)	(91,871)	(2,277,134)	(3,174,042)
Depreciation charge	-	(8,722)	(25,266)	(345,926)	(379,914)
Depreciation released on disposal	-	2,314	-	16,153	18,467
Balance at 31 December 2024	(374,490)	(436,955)	(117,137)	(2,606,907)	(3,535,489)
Carrying amount					
At 01 January 2024	-	29,741	72,111	910,058	1,011,910
At 31 December 2024	-	34,580	83,045	687,657	805,282

Total additions of Spectrum Management Equipment and Software amounting to €36,215 (2023: €376,759) are included with IT Equipment. The carrying amount of this category as at 31 December 2024 amounted to €585,252 (2023: €827,551)

10. Trade and other receivables

	2024	2023
	€	€
Trade receivables (note i)	1,731,325	2,992,653
Prepayments	330,074	290,967
Amount due from Government	416,694	297,994
Total	2,478,093	3,581,614

- i. Trade receivables are non-interest bearing and are generally on a 30-day term. Trade receivables are stated net of provision for doubtful debts of €0 (2023: €0).

Trade receivables that are past due but not impaired are analysed as following:

	0-29 days	30-59 days	60-89 days	>90 days	Total
	€	€	€	€	€
2024	1,699,399	13,855	240	17,831	1,731,325
2023	2,928,729	20,449	695	42,780	2,992,653

Malta Communications Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2024

11. Reserves

The balance on the retained earnings in the balance sheet as at 31 December 2024 represents the resulting net accumulated surplus over the years.

12. Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement are as follows:

	2024	2023
	€	€
Cash in hand	500	501
Cash at bank	2,234,610	1,109,982
	2,235,110	1,110,483
Bank overdraft	(5)	(5)
Total cash and cash equivalents in the statement of cash flows and balance sheet	2,235,105	1,110,478

13. Trade and other payables

	2024	2023
	€	€
Trade and other payables (note i)	121,783	52,973
Accruals	374,210	311,516
Social security contributions and other taxes	67,362	56,264
Deferred income (note ii)	3,996,191	4,334,067
Total	4,559,546	4,754,820

- i. Trade and other payables consist of trade payables which are non-interest bearing and are normally settled within a 60-day term.
- ii. Deferred income comprises of the unexpired portion of annual fees billed in advance together with the surplus of administrative charges, amounting to €311,800 (2023: €482,084) paid by undertakings authorised to provide electronic communications services and/or operate electronic communications networks, over the administrative expenses incurred by the Authority in the discharge of its functions. The Authority shall make appropriate repayments or compensation in relation to such surplus in accordance with the Electronic Communications (Regulation) Act and the Directive of 2004, as amended by Directive No. 1 of 2007, on modalities of payment for general authorisations and rights of use.

Malta Communications Authority
Notes to the Financial Statements (continued)
For the Year Ended 31 December 2024

14. Related party disclosures

a. Transactions with key management personnel

During the year ended 31 December 2024, short-term employee benefits to key management personnel amounted to €403,816 (2023: €403,119). This amount represents the gross salaries including fringe benefits to the Chief Officers of the Authority.

b. Other related party transactions

The Authority has undertaken the following transactions with the Government of Malta as following:

	2024	2023
	€	€
Payments to Government of Malta	8,190,306	8,066,199

Related party balances

Outstanding balances with related parties as at 31 December 2024 are disclosed in note 10 and note 13 respectively.

15. Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure in the financial statements.

16. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation of the financial statements for the purpose of fairer presentation.

The Schedules and Appendices on the pages that follow do not form part of the financial statements

Malta Communications Authority
For the Year Ended 31 December 2024

Schedules

Operating Account

	2024	2023
	€	€
Income		
Revenue	12,950,892	12,718,290
Direct costs		
Wages and salaries	2,910,109	2,671,409
Operating and administrative expenses	1,293,925	1,329,069
Depreciation	379,914	374,080
Gross Surplus	8,366,944	8,343,732

Malta Communications Authority
For the Year Ended 31 December 2024

Schedules

Schedule of Administrative Expenses

	2024	2023
	€	€
Administrative expenses		
Administrative services rendered by the Ministry	(10,480)	15,698
Audit fee	12,272	12,342
Bank charges	2,412	2,268
Cleaning	1,106	2,602
Commission	4	4
Consumables	6,243	5,595
Insurance	68,043	60,713
IT expenses	205,955	162,649
Rent	170,934	165,387
Loss on foreign exchange	3,160	277
Motor vehicle expenses	15,420	9,015
Printing and stationery	6,106	5,790
Repairs and maintenance	17,920	14,438
Transport and freight	10,287	12,485
Training	77,534	30,137
Travelling	78,263	119,628
Public relations and communications	101,112	97,438
Utilities	54,218	56,011
Uniforms	301	584
Memberships and subscriptions	188,757	185,071
Technical support	82,490	96,185
Professional fees	15,180	3,484
Website expenses	14,470	9,681
Legal and court fees	650	-
Bad debts	1,821	-
Outsourced projects costs	160,571	255,492
Office expenses	3,159	5,775
Other expenses	6,017	320
Total	1,293,925	1,329,069

