[MT] Dispute over License Requirements for Internet Services

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In a recent press release Melita Cable plc., the island's only network operator, announced that it would be offering Internet access directly via cable as from September this year. In a letter to the telecommunications regulator, local ISPs claim that the terms and conditions contained in Melita Cable's license prevent it from offering Internet services. The terms of the 1990 license allow Melita Cable to provide «data transmission services».

Local ISPs claim that each type of service requires a different type of licence. A licence to provide cable TV services could not be interpreted in such a way that it would include the provision of Internet services. Criticising the Government for changing its interpretation of Melita's licence, the ISPs point out that under the terms of their own licences, Internet access may only be provided on the network owned and operated by Maltacom plc., the island's telecommunications monopoly.

ISPs fear that their own telephone line based systems would be put at a competitive disadvantage if the cable project goes ahead as planned. They consider that Melita Cable's refusal to give ISPs access to the cable system would deny them the opportunity to make new technologies available to their clients. At present the ISPs seem set to take legal action to prevent Melita from providing direct Internet access. Their position is that the cable company should only be allowed to offer direct Internet access through an independent separate subsidiary. All ISPs wishing to use the cable system should then be offered access to that network. The ISPs arguments are based on Commission Directive 1999/64/EC, which regulates this area and ensures that telecommunications networks such as Internet and TV owned by a single operator are separate entities. Melita Cable, on the other hand, claims that several EU countries allow one single operator to run cable TV, fixed telephone and Internet services. In view of Malta's renewed application for EU Membership, compliance with EU law is an important issue.

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