Malta

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Regime information

1. What legislation governs merger control?

Merger control in Malta is governed by the Control of Concentrations Regulations (Subsidiary Legislation 379.08) (the ‘Regulation’) and the Competition Act (Chapter 379 of the Laws of Malta).

2. Which authorities are responsible for merger control?

The Director General of Competition (Director General), the head of the Office of Competition within the Malta Competition and Consumer Affairs Association, is responsible for administering and enforcing the Regulations.

3. Is the jurisdiction a member of a supranational jurisdiction?

Yes. Malta is a Member State of the European Union.

4. Is there an FDI screening regime?

Yes. The foreign direct investment screening regime in Malta is governed by the *National Foreign Direct Investment Screening Office Act* (Chapter 620 of the Laws of Malta).

Notification requirements

5. Is filing mandatory or voluntary?

If a proposed concentration falls within the scope of the Regulations, the filing of a notification with the Director General is mandatory.

A notification must be made within fifteen working days from the conclusion of the agreement, the announcement of the public bid, or the acquisition of a controlling interest. The proposed concentration cannot be implemented by the parties prior to clearance by the Director General.

6. What types of transactions must be notified?

Transactions which fall within the definition of a ‘concentration’ must be notified. A ‘concentration’ is defined by the Regulations as either a merger between two or more undertakings which were previously independent, or an acquisition by one or more undertakings/persons through the purchase of securities or assets, by contract, or any other means of acquiring direct or indirect control of the whole or part of another undertaking. The aggregate turnover of the undertakings concerned in the preceding financial year in Malta must exceed EUR 2,329,373.40, while their respective individual turnover in Malta must be equivalent to at least 10% of the said aggregate turnover.

The formation of a full-function joint venture also constitutes a concentration within the meaning of the Regulations, and hence should be notified if applicable thresholds are met.

The concentration may occur in Malta or outside of Malta.

7. Is “change of control” of a business required for notification, and if so, how is it defined?

A change of control in an undertaking is deemed to be a concentration. This includes not only the acquisition of sole control over an undertaking but also the acquisition of joint control, with others, over an undertaking. The Regulations define ‘control’ as the possibility of exercising decisive influence on an undertaking, in particular: (i) through ownership or the right to use all or part of the assets of an undertaking; or (ii) through rights or contracts which confer decisive influence on the composition, voting or decisions of the organs of an undertaking.

8. How is the nexus to the jurisdiction established?

The proposed concentration need not necessarily take place in Malta. However, the nexus with the Maltese jurisdiction is established by considering the parties' turnover in Malta in the preceding financial year. Both the aggregate turnover of the parties as well as their respective individual turnover are taken into account.

9. Is the acquisition of a minority interest notifiable?

The acquisition of a minority interest is only considered to be a concentration to the extent that it results in a change of control, and therefore, if the minority shareholder will be able to exercise decisive influence in an undertaking.

In any case, if the acquisition of a minority interest does not constitute a concentration, the concentration may still be subject to competition rules, in particular, those on coordinated conduct (i.e., Article 101 of the Treaty on the Functioning of the European Union (TFEU) and Article 5 of the Competition Act).

10. Are joint ventures notifiable?

Yes. The Regulations provide that the creation of a joint venture that performs all the functions of an autonomous economic entity on a lasting basis constitutes a concentration, and therefore, should be notified. This is referred to as a full-function joint venture.

More recently, the Director General has taken the position that the turnover test does not apply to joint ventures, so that all new joint ventures must be notified.

A notification under the simplified procedure may be allowed either where a joint venture has no, or *de minimis*, actual or foreseen activities within the Maltese territory and/or the turnover of the contributed activities is less than EUR 698,812.02 in Malta, with the total value of assets transferred to the joint venture being less than EUR 698,812.02 in Malta.

11. Must a series of transactions or interdependent transactions be notified as a single transaction?

A series of transactions which take place within a two-year period between the same parties is considered a single transaction.

Thresholds

12. What are the notification thresholds?

The aggregate turnover of the undertakings concerned in the preceding financial year in Malta must exceed EUR 2,329,373.40, while their respective individual turnover in Malta must be equivalent to at least 10% of said aggregate turnover. These thresholds have not been updated since 2007.

13. What are the rules on calculating and allocating turnover or thresholds?

The aggregate turnover of the undertakings concerned is calculated by considering the amounts derived by each undertaking in the preceding financial year from the sale of products and provision of services which comprise its ordinary activities. Any taxes directly related to the turnover, such as VAT, as well as sales rebates, are deducted from the total amount. Intra-group sales are not taken into account.

There are special rules for certain types of undertakings, including insurance undertakings, credit institutions, other financial institutions and financial holding companies.

The Director General customarily applies the rules on the calculation and geographical allocation of turnover set out in the European Commission's *Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings* (CJN).

14. Can the authority require a notification for a below threshold transaction?

No. But, as explained, the Director General has taken the position that the turnover test does not apply to joint ventures, so that all new joint ventures must be notified.

A transaction that does not fall within the scope of the Regulations may still be subject to the competition rules on coordinated conduct (i.e., Article 101 TFEU and Article 5 of the Competition Act) and on abusive conduct by dominant undertakings (i.e., Article 102 TFEU and Article 9 of the Competition Act).

Exemptions and special rules

15. Are there special rules for specific sectors?

Yes. The Regulations provide for special rules for the calculation of turnover for credit institutions, other financial institutions and insurance undertakings.

16. Are there exemptions?

There are exemptions which apply to particular transactions, which are expressly not considered to constitute a concentration.

When credit and other financial institutions or insurance companies temporarily acquire equity in a company as part of their usual trading activities, without influencing the company's competitive behaviour through voting rights, or only use such rights to facilitate a resale of the securities or assets.

When control is obtained by a person or entity legally authorized to handle liquidation, bankruptcy, or similar insolvency-related proceedings.

When a company that exists solely to hold and profit from investments acquires control, provided that it does not participate in managing those companies and that the voting rights are only used to protect the value of investments rather than to influence competition-related decisions.

17. Are foreign-to-foreign transactions caught?

Foreign-to-foreign transactions are subject to notification requirements under the Regulations if that transaction is a concentration in terms of the Regulations.

18. Are there rules on referral to or from other authorities?

Yes. In terms of the EU Merger Regulation (*Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings*), the European Commission may refer a proposed concentration to the Director General (or the national competition authority of another Member State) pursuant to Article 9 and the Director General may refer a proposed concentration to the European Commission pursuant to Article 22.

19. How does the authority deal with mergers in digital markets?

The Regulations do not have provisions dealing with mergers in digital markets. The Director General has not issued any guidance or papers on mergers in digital markets either. The Director General is likely to follow any guidance issued by the European Commission relating to mergers in digital markets.

20. Are there any special rules applicable for public takeover bids?

In the case of a public bid to acquire an undertaking, the Regulations require notification of the proposed concentration within fifteen working days from the announcement of the public bid.

21. Are there any special considerations or potential red flags in this jurisdiction?

No. The Director General generally reviews proposed concentrations within the time limits provided for in the Regulations. The Director General has only blocked one proposed concentration since the promulgation of the Regulations.

Standstill obligation and gun-jumping

22. Must the transaction be cleared before completion?

Yes. The Regulations require that a concentration is not implemented before it is declared (or deemed) a lawful concentration by the Director General.

23. Are there provisions for a carve out or derogation from any prohibition against completing the transaction?

Yes. The Director General may grant a derogation for the implementation of a concentration before it is declared or deemed lawful if requested by the notifying party. The Director General may consider, amongst other things, the effects of the suspension on one or more undertakings concerned by a concentration or on a third party and the threat to competition posed by the concentration. The Director General may impose conditions on such a derogation.

In the case of a concentration consisting of a public bid, if a derogation is granted by the Director General, the acquirer must not exercise the voting rights attached to the securities in question or do so only to maintain the full value of those investments.

24. What actions may constitute implementing the transaction before closing?

Parties should continue to operate as separate undertakings until closing. During an interim period, the proposed acquirer should not seek to influence, or exercise control or decision-making power over the target.

25. Are there penalties for gun-jumping?

Yes. A penalty of up to 10% of the total worldwide turnover of the undertaking concerned in the business year preceding the judgement imposing the penalty can be imposed where the concentration is implemented, intentionally or negligently: (i) before it has been notified or before it is cleared; or (ii) after it has been declared unlawful.

The penalty may be imposed by the Civil Court (Commercial Section) on the request of the Director General.

Procedure: filing requirements and timelines

26. Which parties are responsible for filing?

In the case of acquisitions of a controlling interest in one undertaking by another, the acquirer must complete the notification.

In the case of mergers or acquisitions of joint control in an undertaking, the notification shall be completed jointly by the parties to the merger or acquisition.

In the case of a public bid to acquire an undertaking, the bidder must notify.

The parties notifying the proposed concentration are responsible for the accuracy of the information provided.

27. Is there a filing notice or template?

Yes. The Regulations' Schedule provides a Concentration Notification Form, which must be filled in for notification of a proposed concentration. This form applies to all concentrations which require notification.

Some information requested in the form may not be required if the concentration qualifies under the simplified procedure.

The submission of the notification may be done physically or electronically.

28. What supporting documentation must be submitted as part of the filing?

The notifying parties must make sure that their notification is accompanied by the most recent copies of all documents bringing about the concentration, and copies of the most recent annual reports and accounts of all the parties to the concentration. In the case of a public bid, a copy of the offer agreement must also be submitted.

Additionally, where at least one affected market is identified, the notifying parties must include copies of analyses, reports, studies, and surveys for the purpose of assessing the concentration vis-à-vis competitive conditions, actual and potential competitors, and market conditions.

29. What languages are accepted?

The Director General accepts notification filings of proposed concentrations in either Maltese or English.

30. What are the phases and timelines for review?

In a 'no-issues' transaction where no commitments need to be offered, the Director General will issue its decision within four weeks following complete notification if the simplified procedure is adopted, or otherwise within six weeks following complete notification if the proposed concentration is assessed under the standard Phase I procedure.

Where the parties need to submit commitments to obtain clearance, the six-week time frame in Phase I will be extended to two months. Further, these timeframes may be suspended for a period of three weeks to discuss new/revised commitments.

Should the concentration raise serious competition concerns, so that the Director General deems it necessary, following Phase I, to proceed to Phase II, the decision will be taken within four months from the initiation of Phase II proceedings. This period can be suspended by up to one month, where commitments are offered.

Timeframes to respond to questions and requests for information are within the discretion of the Director General. Given the short timeframes for the Director General to reach a decision on the lawfulness of the concentration, the timeframes given to the parties to reply are also usually quite short, normally a few days to a week. However, the time given to the parties to reply will also be dictated by the nature of the questions asked and the difficulty or effort required in compiling or preparing the information requested. The Director General is usually quite flexible when the parties require additional time to submit their replies. However, the timeframes may be suspended where the information requested is not provided or not provided in full within the time limit fixed by the Director General.

31. Is there a simplified procedure?

A simplified procedure applies to certain categories of concentrations which are considered not to raise serious doubts as to their legality under the Regulations. There are categories of concentrations which may qualify for the simplified procedure.

First, the acquisition of joint control by two or more undertakings and the turnover of the joint venture and/or of the contributed activities is less than EUR 698,812.02 in Malta, and the total value of assets transferred to the joint venture is less than EUR 698,812.02 in Malta.

Second, none of the business activities of the parties to the concentration overlap horizontally or vertically.

Third, the activities of the parties to the concentration overlap horizontally, and the parties' combined market share is less than 15%, while if the parties' activities are linked vertically, their combined market share is less than 25%.

Unless the relevant market and the market shares of the parties involved are established with sufficient clarity, the Director General will not apply the simplified procedure. Nor will the simplified procedure be applied if the proposed concentration has the object or effect of coordinating competitive behaviour of the undertakings which remain independent.

32. Are there filing fees?

An administrative fee of EUR 163.06 must be paid by the notifying party upon submission of the Concentration Notification Form.

33. What F/X rates should be used?

The conversion from foreign currency to Euro must follow the European Central Bank's exchange rates, which are published on its website.

34. Are there penalties for failing to file or supplying wrong information?

Yes. A penalty of between EUR 1,000 and EUR 10,000 may be imposed for intentionally or negligently failing to notify a concentration before implementation, supplying incorrect or misleading information in a notification or in response to a request for information, producing the required books or records in incomplete form during investigations, or refusing to submit to an investigation or inspection.

The penalty may be imposed by the Civil Court (Commercial Section) on the request of the Director General.

Assessment and decisions

35. What criteria are applied in assessing the merger?

Proposed concentrations that ‘might lead to a substantial lessening of competition in the Maltese market or a part thereof’ are prohibited by the Regulations.

As part of the substantive competitive assessment, the Director General will consider factors such as: (a) the need to maintain and develop effective competition in the Maltese market; (b) whether the business or part thereof of a party to the concentration has, or is likely to, fail; (c) the nature and extent of development and innovation in a given relevant market; (d) the market position of the undertakings concerned and their economic and financial power; (e) alternatives available to suppliers and users; (f) legal or other barriers to entry; (g) supply and demand trends for the relevant goods and services; (h) the interests of the intermediate and ultimate consumers; (i) the development of technical and economic progress as long as it is to consumers’ advantage and does not form an obstacle to competition.

As part of the substantive competitive assessment, the Director General customarily applies the European Commission’s: (i) Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings (Horizontal Merger Guidelines); and (ii) Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings (Non-Horizontal Merger Guidelines).

36. Are there any presumptions for specific mergers?

The Regulations do not provide any statutory presumptions for specific concentrations.

37. Are there special criteria for joint ventures?

No. The substantive test applies equally to joint ventures. But, in the case of joint ventures, the Director General must also assess whether the concentration has as its object or effect the coordination of the competitive behaviour of undertakings that remain independent.

In making this assessment, the Director General must consider, in particular, whether: (i) two or more parent companies retain, to a significant extent, activities in the same market as the joint venture or in a market which is upstream, downstream or neighbouring that of the joint venture; (ii) the coordination enables the undertakings concerned to eliminate competition on the relevant market. Such coordination, should it result, will be assessed under the competition rules on coordinated conduct.

38. What is the authority's approach to sustainability factors?

The Regulations are silent as to whether sustainability or other ESG factors should be considered in the competitive assessment of a proposed concentration. To date, the Director General has not issued any guidance in this regard and has not considered any concentrations where sustainability was at issue.

39. What is the authority's approach to the effect of a merger on labour?

The Regulations are silent as to whether employment or labour issues should be considered in the competitive assessment of a proposed concentration. To date, the Director General has not issued any guidance in this regard and has not considered any concentrations where employment or labour was at issue.

40. What is the authority's approach to economic efficiencies in assessing the merger?

In its assessment of proposed concentrations, the Director General will also take into account any efficiency gains that are likely to be brought about by the proposed concentration, which are greater than and offset the effects of any lessening of competition that is likely to result from the proposed concentration.

If the undertakings concerned sufficiently prove that the efficiency gains will not be attained by any other means except the concentration in question, and that the said gains are verifiable and will be passed onto consumers through innovation, lower prices, or better choice or quality of products or services.

41. What is the role of customers, competitors and complainants in assessing the merger?

The Director General regularly requests information from regulators, customers, competitors and suppliers of the parties to the concentration as part of its competitive assessment.

Further, any third party may object in writing to a proposed concentration within seven days from the day on which the Director General publishes a notice about the proposed concentration in the Government Gazette, the daily newspaper, and the MCCAA website.

42. Is access to the file available and how is it managed?

Access to the file is open to the parties who are directly involved, upon written request. However, this right of access is subject to the legitimate interest of protecting business secrets. The right shall also not extend to confidential information or internal documents of the Director General, European Commission, or any other national competition authorities of Member States.

43. At what stage(s) will the authority consider proposals from the parties to remedy any concerns? What is the time frame for providing them?

See the response to Question 30.

44. What criteria does the authority apply when assessing proposed remedies?

The criteria applied by the Director General depend on a case-by-case basis. In general, the Director General seeks to ensure that effective competition is upheld on the market.

45. Which decisions is the authority empowered to make? Are any decisions made by another entity and if so, which entity, and which decisions?

Following the notification of a proposed concentration, the Director General is empowered to issue a decision declaring the concentration to be unlawful or lawful in terms of the Regulations. The Director General can also attach conditions and obligations to his decisions, which the clearance of the transaction would be subject to. Final decisions can be challenged before the Courts of Malta.

The Director General is not empowered to impose penalties. The Civil Court (Commercial Section) may impose penalties if requested by the Director General.

46. Will the final decision be published and if so, where?

Non-confidential versions of the Director General's decisions are published and accessible on the MCCAA's website here.

47. Are there rights of appeal or the possibility of judicial review?

The Regulations provide a statutory right of appeal. Within twenty days from the notification of the final decision of the Director General, the parties concerned or any third party entitled to a hearing after showing sufficient interest, can file an application on points of law and/or fact before the Civil Court (Commercial Section), with a further appeal available to the parties concerned in the transaction, the third party claimant, and the Director General before the Court of Appeal on points of law and/or fact.

48. What are the range or remedies the authority may impose?

Commitments may be submitted by the parties to the concentration themselves. The commitments may include structural commitments, such as divestitures, or non-structural commitments, such as promises by the parties to refrain from particular commercial behaviour.

49. When will related arrangements, such as ancillary restrictions, be covered by a final decision?

Ancillary restrictions which are entered into by the parties and which are directly related and necessary to the implementation of the concentration are assessed in tandem with the concentration itself. The Schedule to the Regulations suggests that the parties should identify each ancillary restriction and explain their relation and relevance to the implementation of the said concentration.

50. Does the authority cooperate with antitrust authorities in other jurisdictions in assessing the merger?

Yes. The Director General can correspond and cooperate with national competition authorities from other jurisdictions in its assessments and investigations.

Changes

51. What are the recent enforcement record and current enforcement priorities of the authority?

The Director General generally reviews proposed concentrations within the time-limits provided for in the Regulations. The Director General has only blocked one proposed concentration since the promulgation of the Regulations.

The Director General has not actively pursued the enforcement of gun jumping.

52. Are any changes to the merger regime being considered?

In January 2026, the Office for Competition launched a public consultation on proposed reforms to the Regulations. Some of the key proposed changes are the following:

1. A revised turnover test, which stipulates that the aggregate turnover of the undertakings concerned must exceed EUR 4,500,000, and at least two of the undertakings must have a turnover exceeding EUR 800,000.

2. The Director General will be granted a call-in power in connection with concentrations which do not meet the turnover test and which have not been implemented, that otherwise raise competition concerns.

3. Streamlining of the merger control review process, including new notification forms and removal of the fifteen-day notification deadline.

4. A clarification that full-function joint ventures must be notified if they meet or exceed the turnover thresholds.

In Q2 2025, the European Commission launched a public consultation process to review its Horizontal Merger Guidelines and the Non-Horizontal Merger Guidelines.