

The European Crowdfunding Network

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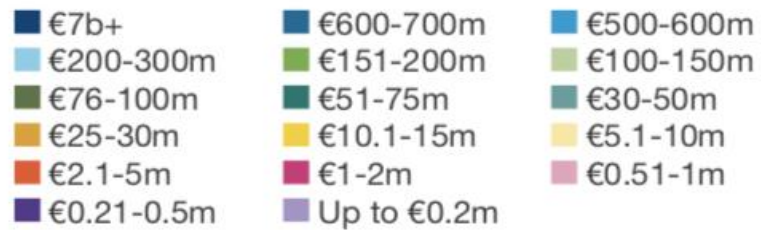
OUR MARKET AND GENERAL TRENDS

Relevance: Crowdfunding market per MS (2017)

Figure 5: Comparative Market Volumes of Alternative Finance Transactions in the EU (2017)



Total volume in €m



- **All EU Member States** enjoy the presence of crowdfunding mechanisms
- **Important differences** persist between MS
- UK is by far the leading market, FR, DE, IT follow
- Most of the difference can be attributed to the **fragmented legal framework**
- **Consolidation:** increased joint initiatives with private investors (VCs, Banks, etc) and public bodies (national, regional and local authorities)

Relevance: Crowdfunding market (EU)

Figure 2.1: European Online Alternative Finance Market Volumes 2013-2018 USD (Including the UK)

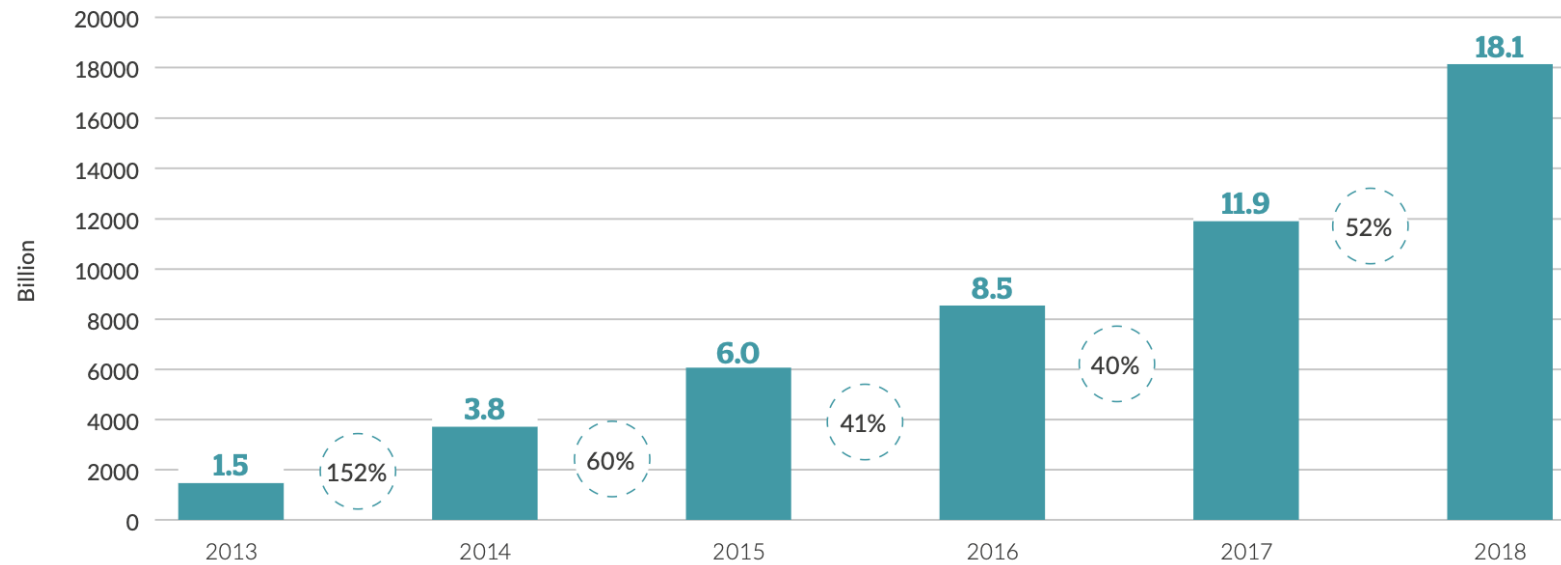
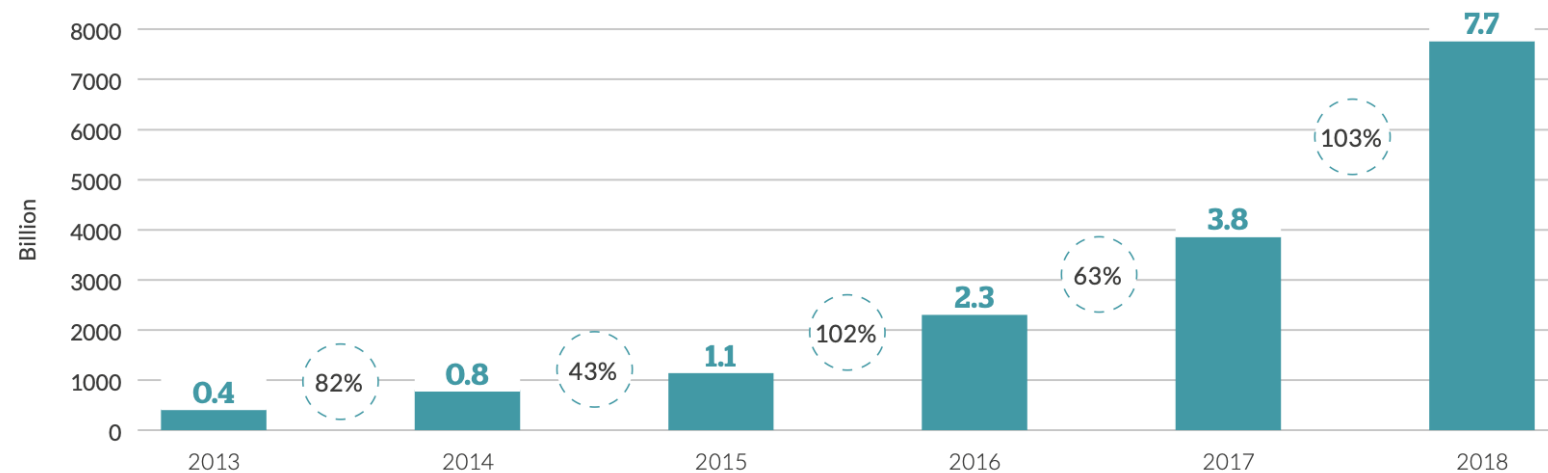


Figure 2.3: European Online Alternative Finance Market Volumes 2013-2018 in USD (Excluding the UK)



- Crowdfunding market in EU is **steadily growing**
- **Lending and Equity** are the leading models
- Reward-based crowdfunding also increasing
- Average success rate per CF model:
 - Donation-Based: 69%
 - Reward-based: 66%
 - Lending: 83%
 - Equity: 81%



WHO WE ARE AND WHAT WE DO

OUR MISSION



The European Crowdfunding Network AISBL (ECN) is a professional industry network

- Promoting transparency, (self-) regulation and governance of the crowdfunding industry
- Fostering policy discussion and public opinion building
- Aiming to increase the understanding of crowdfunding as key support for entrepreneurship

OUR ACTIVITIES

POLICY

- Ongoing dialogue with EU institutions
- Dedicated policy work on specific issues
- Cross sector collaboration

EDUCATION

- Publications
- 2 annual conferences
- Seminars, webinars and workshops
- Networking

RESEARCH

- Own research
- EC projects
- Consulting services for regional and local authorities

CONDUCT

- ECN Code of conduct
- Best practices
- Transparency
- Fairness

OUR SERVICES

COACHING

- Support to individual companies on how to best run their CF campaign
- Start-ups, NGOs, incubators, chambers of commerce, regional authorities

TRAINING

- 3-modules training CV (Basic, Advanced, Professional) aimed at improving CF knowledge and professionalism
- Chambers of commerce, VET providers, HE institutes, public authorities

TECHNICAL ASSISTANCE

- Support for the deployment of a CF initiative (feasibility study, train the trainers, follow up and evaluation report)
- Public authorities and private organisations with mid-term CF strategy



SPECIFIC OFFERS FOR EVALUATION

ECN Technical Assistance programme

Training

- We help to build know-how and competencies in managing the strategic and technical issues of opening your administration to the crowd (for cooperations with crowdfunding platforms or to run your own platform or to enable the market).

Analysis

- We execute, in collaboration with our clients, bespoke fact-finding to identify the specifications present in their region so that local administrations will make the right decision from the regulatory, sectoral and technical point of views to enable crowdfunding.

Strategy

- We will provide assistance to local and regional administrations to ensure that the proper technicalities are dealt with, including the development of tender notices for public procurement if third party technical assistance is needed.

Follow-up

- We will monitor and evaluate client programme's performance and provide client organisation with an overview on strenghts and weaknesses, as well as suggestions on how to improve performance in the mid term.

Example: Combination with different types of financial instruments for the EIB

		type of CF platform			
		Donation	Reward	Lending	Equity
financial instrument	Loan	X	✓	✓	✓
	Guarantee	X	X	✓	X
	Equity	X	X	✓	✓

- **Loans** mechanisms would be suitable to most CF platforms and models.
- **Equity** co-investments might be better suited for lending and equity CF platforms, as they are structured as for-profit companies and would have the capacity of raising capital by offering part of their shares in return for investment.
- **Guarantee** mechanisms are best suited for lending CF platforms

ECN Training programme

Curriculum

- A standardised training scheme for entrepreneurs, investors, NGOs and future crowdfunding professionals as. A three-modules training course, aimed at providing a thorough and unbiased understanding of crowdfunding to any individual or organization that has an interest in this specific financing tool.

Approach

- A local joint venture with interactions across Europe in order to continuously develop the curriculum and ensure increasing quality. ECN acts as facilitator and enabler of local ecosystems. We have created a revenue sharing structure for existing joint ventures.

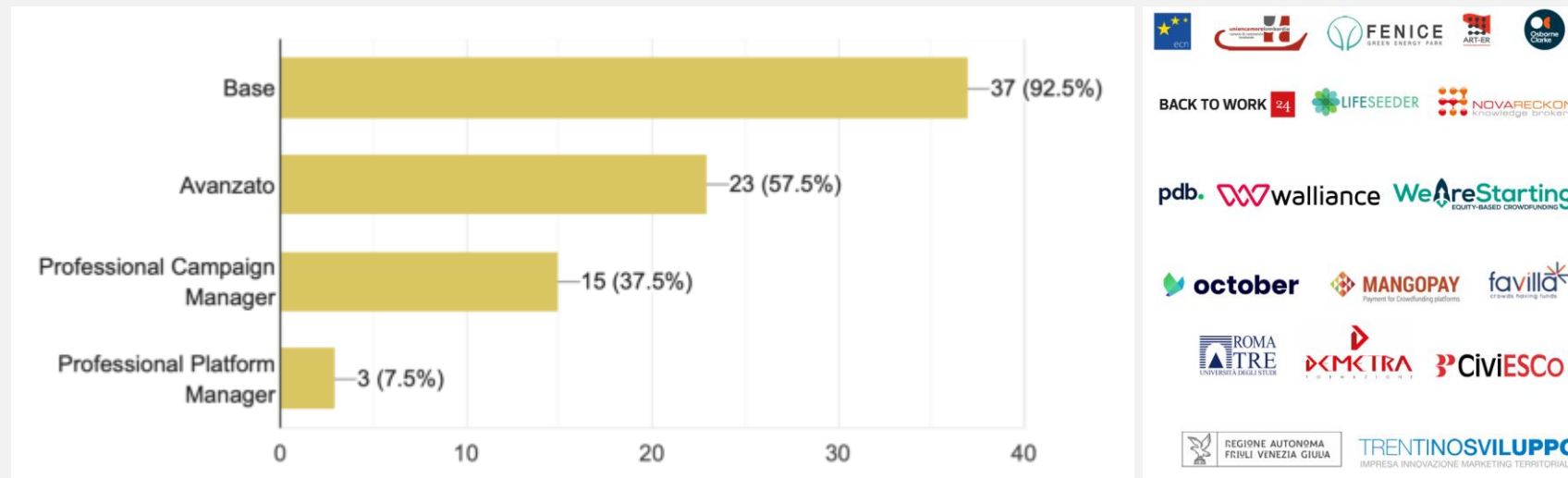
Reasoning

- We believe that improving the understanding and trust towards the crowdfunding sector for both investors and entrepreneurs, as well as in the dissemination and acquisition of a consolidated set of skills and competences is key to a successful exploitation of crowdfunding as a tool for capital creation, citizen engagement and co-creation.

Partners

- Bringing together universities, public authorities, private foundations, and industry associations and provide them with knowledge, contacts and skills as to support the creation of a national, regional and local culture of crowdfunding

Example: Italian Strategic Group



- **Launch** and manage their crowdfunding campaign while maximizing their chances of success: Basic Crowdfunding Training Course (16h)
- **Understand** how crowdfunding can be combined with different funding sources and financial instruments: Advanced Crowdfunding Training Course (16h)
- **Become** Campaign Managers and provide advisory services to businesses, organisations and individuals on how to best structure and roll out their crowdfunding campaign: Professional Crowdfunding Training Course (16h)
- **Support** the work of an existing crowdfunding platform or create a new one, by becoming Platform Managers: Professional Crowdfunding Training Course (16h)

Thank you!

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