

Statement on behalf of the project Crowd-Fund-Port (Interreg Central Europe) and Altfinator (Horizon 2020)

To: Eugen Orlando TEODOROVICI,
Minister of Public Finance, Romania

Your Excellency Minister Teodorovici,

The European Union is in the process of creating a bespoke Crowdfunding Regime for Crowdfunding Service Providers. The proposals of the European Commission¹ and the European Parliament² have shown that the European Union is taking bold steps in creating a pan-European Crowdfunding Market. Currently, the European council is discussing the legislative proposals.

As projects funded to support the growth and maturity of Crowdfunding and Alternative Finance and also active in Romania, we welcome the steps taken by the Romanian Presidency to prioritize this matter. In our projects and research, we have seen that the fragmentation of the European Crowdfunding Regulation prohibits the access of finance for SMEs in certain countries, as well as in Romania. At the same time, we see that some countries have implemented very advanced Crowdfunding regimes.

In our assessment, a 29th opt-in-regime as outlined by the European Commission and adopted by the European Parliament, with the thresholds outlined in the position of the European Parliament (for instance a Prospectus Threshold of 8m EUR) would serve to foster a dynamic growth of this sector while at the same time ensuring investor protection standards across the European Union. The enforcement of these rules by the national supervisory agencies is adequate and in the spirit of subsidiarity helps to minimize supervisory costs for the Crowdfunding Service Providers. In particular, an opt-in-regime would help to provide a European framework without hindering the development of adequate regulatory frameworks in each member state.

In our projects we see every day that SMEs and startups are having problems with access to finance, limiting job creation and investing in innovation and growth. We would ask you to continue the discussion started by the Austrian presidency to implement the Crowdfunding Regime for Crowdfunding Service Providers as soon as possible.

With best wishes

Darko Fercei, Anja Prislan, Karsten Wenzlaff – Crowd-Fund-Port

Ronald Kleverlaan – Altfinator

¹ European Commission, Proposal for a Regulation on European Crowdfunding Service Providers (ECSP) for business, COM/2018/0113 final

² European Economic and Social Committee, Opinion on the two proposals (COM(2018) 99 final and COM(2018) 113 final)

About Crowd-Fund-Port (2016-2019)

Crowdfunding minimizes business risk-taking and increases entrepreneurship mind-set, which is why an unused crowdfunding potential represents a huge challenge especially in the eastern parts of central European countries. CROWD-FUND-PORT improves skills and competences of all relevant stakeholder groups to prepare them for taking advantage of the crowdfunding phenomena. The project focus will be on economically weaker businesses with fewer opportunities, who do not have access to bank loans, but who would be able to start business ideas through crowdfunding.

www.crowdfundport.eu

About Altfinator (2018-2020):

Altfinator's greater aim is to build the capacity of the current financial ecosystem and its participants by improving innovative SME's access to alternative forms of finance in Europe. With a focus on South, Central and East Europe, the project partners contribute to capture and analyze the status quo of financing options and practices in these regions as well as develop and execute strategy and implementation plans that will help to improve SME's access to alternative forms of finance. This includes modifying the best practices of UK, The Netherlands, Estonia and Silicon Valley to suggest and implement activities needed for target countries where the potential for improvement is highest (including 13 Southern European, Central European and Eastern European countries). Altfinator's activities are delivered by 11 partners across Europe that will target, cooperate and engage with a wide array of traditional and alternative financing providers, SME intermediaries, innovative SMEs and policy makers. More info: <http://www.altfinator.eu>