

EUROPEAN CROWDFUNDING SERVICE PROVIDERS FOR BUSINESSES

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European regulation on crowdfunding service providers for businesses

Adopted : 7 October 2020

1. PURPOSE

2. SCOPE

3. APPLICATION

4. SERVICES

5. OPPORTUNITIES

1. PURPOSE

Uniform requirements

- Provision of crowdfunding services
- Authorisation and supervision of crowdfunding service providers
- Operation of crowdfunding platforms
- Transparency and marketing communications

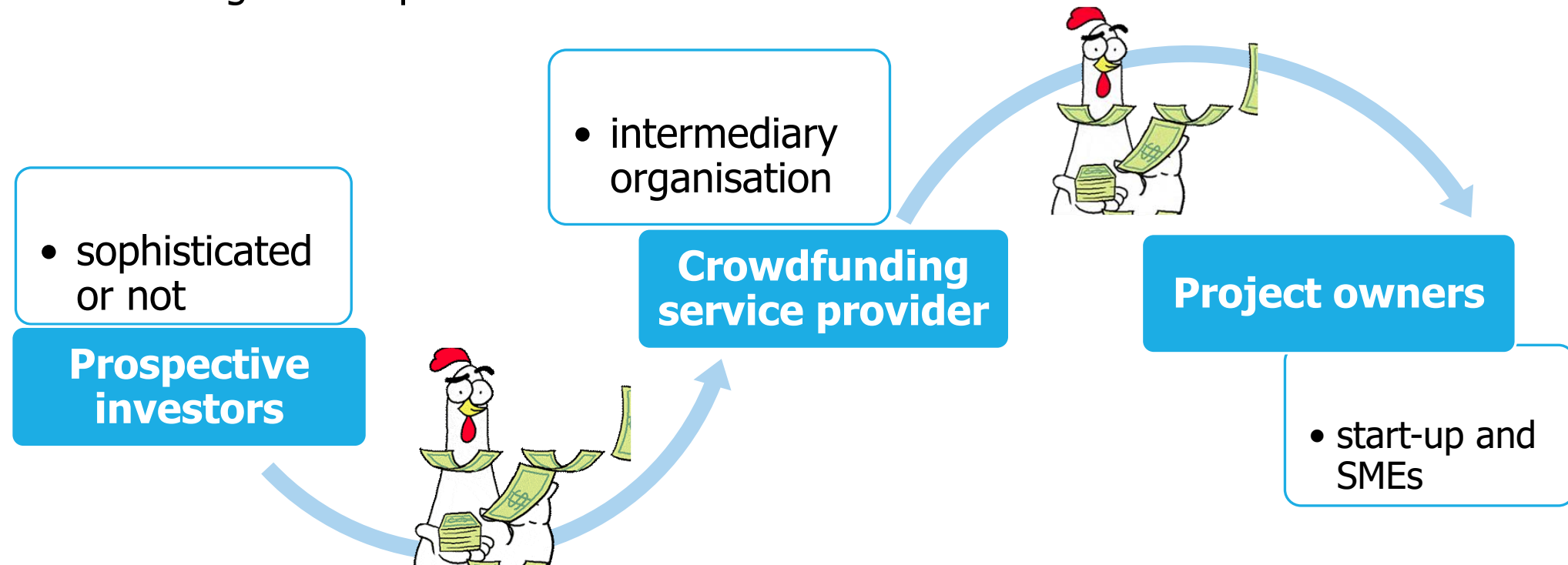


= Harmonised rules

= European passport

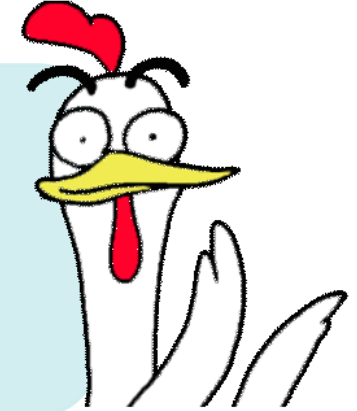
2. SCOPE

Crowdfunding = match of funding interest of prospective investors and project owners seeking for funding throughout the use of a crowdfunding platform, i.e a publicly accessible internet-based information system operated or managed by a crowdfunding service provider.



Crowdfunding
types covered by
the regulation

- Lending-based crowdfunding
- Investment-based crowdfunding



Crowdfunding
types NOT covered
by the regulation

- Donation-based crowdfunding
- Reward-based crowdfunding
- Crowdfunding that facilitates initial coin offering (ICO)





Are also excluded :

- crowdfunding services to **consumers**
- crowdfunding offers with a consideration of more than **EUR 5 millions** (calculated over 12 months)

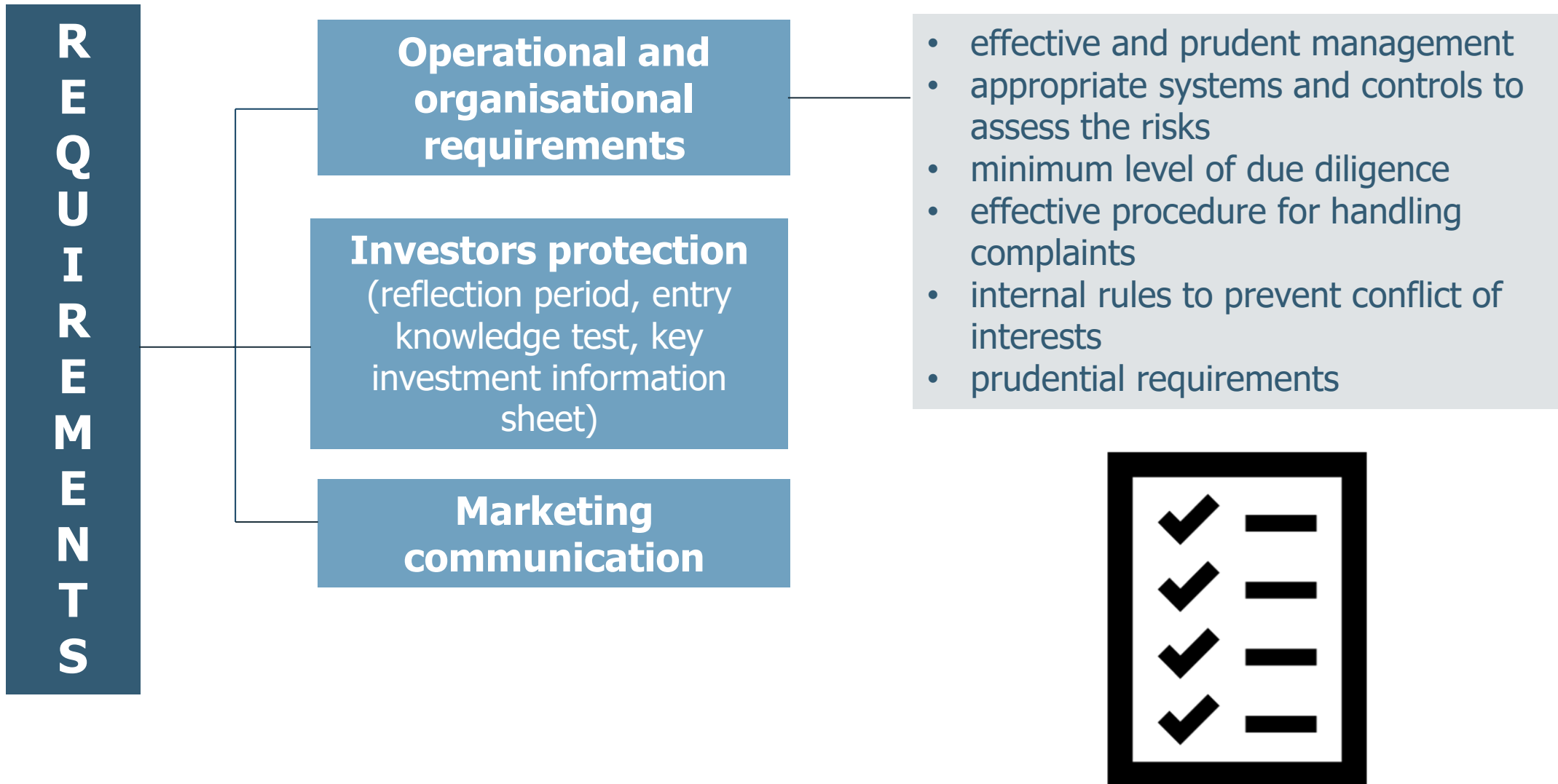
3. APPLICATION

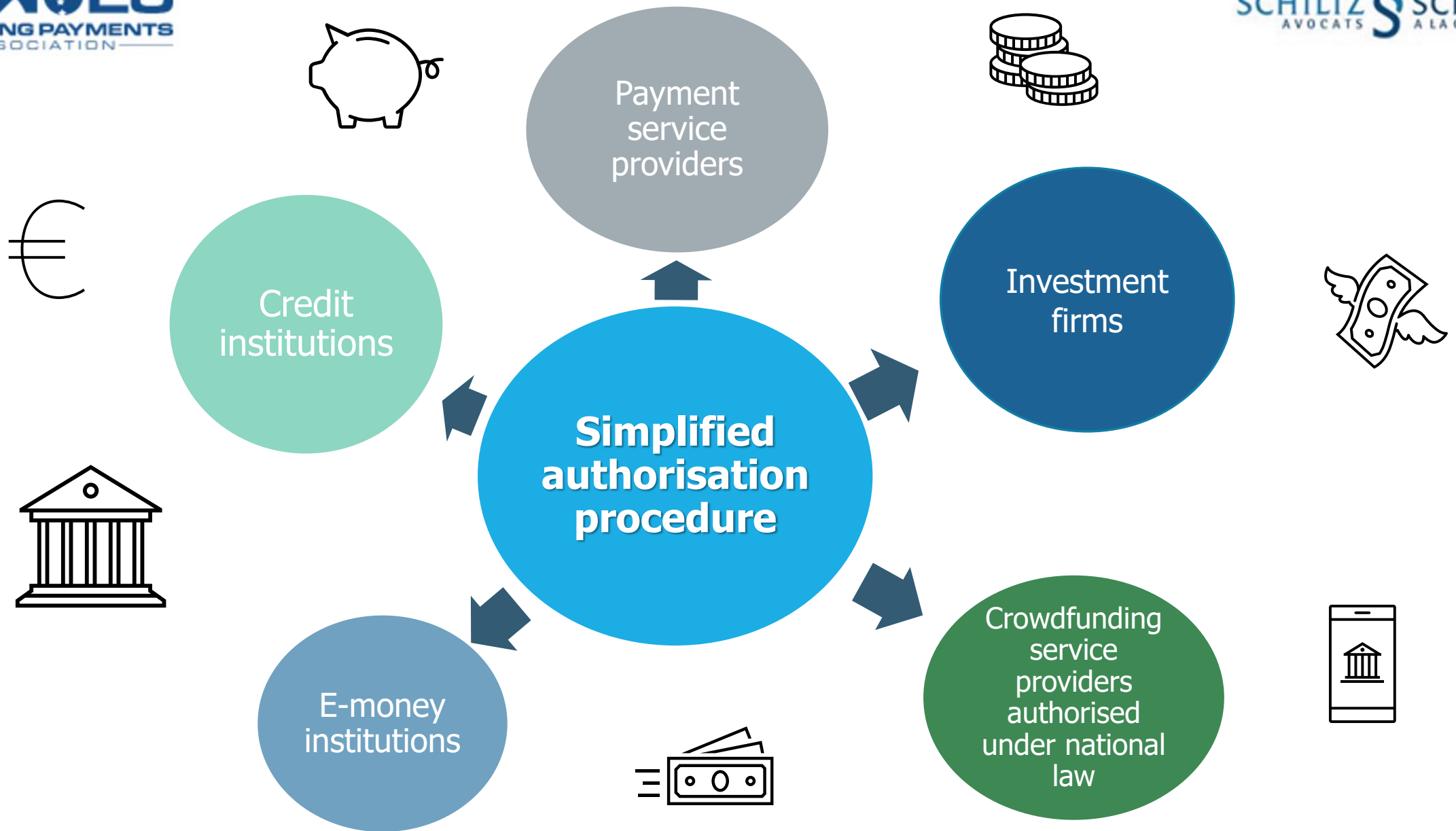


Application to the national regulator



Complying with legal requirements





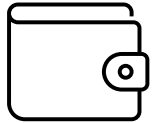
4. SERVICES

**Services
included
under
a standard
authorisation**

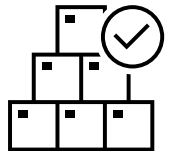
facilitating the granting of loans



managing of individual portfolio of loans
for an investor



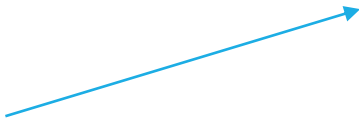
reception and transmission of clients
orders



placement of transferable securities for
crowdfunding purpose



**Services
NOT
included under
a standard
authorisation**



payment services



**safeguarding assets
services**





CROWDFUNDING

CROWDFUNDING SERVICE PROVIDERS

- financial actor of the EU
- passport

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START-UP AND SMEs

- facilitate access to finance
- validate a business idea

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INVESTORS

- more investment opportunities
- protection



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EMI, PI, BANKS, INVESTMENT FIRMS, ...

- possibility to expand activities => hybrid licenses
- new clients

Why Luxembourg ?



STABILITY

- Growth consistently above the EU's average

INNOVATION

- Innovative environment for start-ups
- First in finance
- Strong ICT Ecosystem
- Access to talent

THANK YOU
FOR YOUR ATTENTION

