

# The EU Crowd

***Transnational Cooperation  
in the Age of the Web 2.0***

# Introduction

- Proposition
  - Integrating crowdfunding to Interreg could increase Transnational Cooperation
- Background of the idea
- How could we make it work for the North Sea Region

# Key Terms

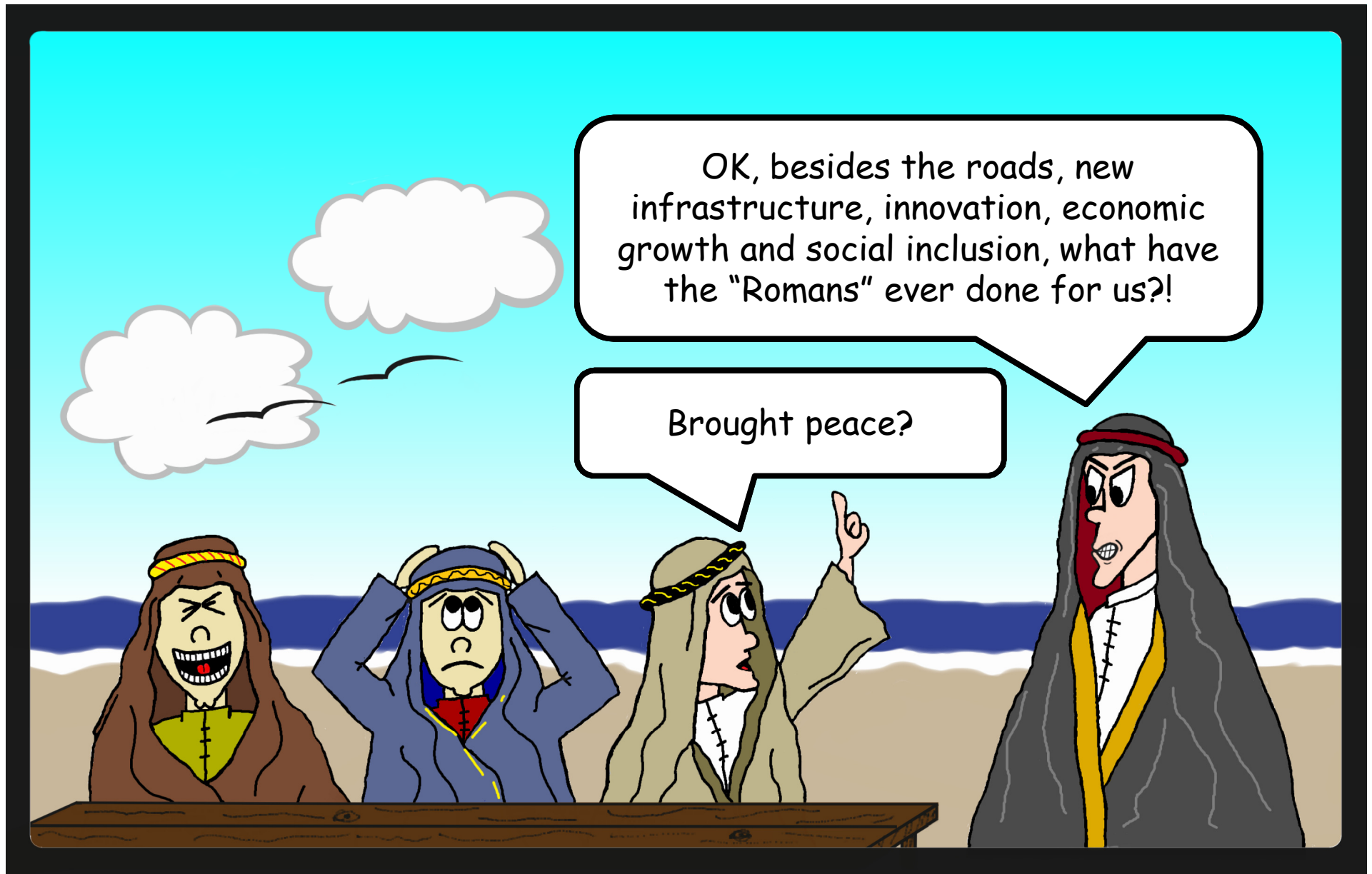
- Crowdfunding
  - the practice of funding a project or venture by raising money from a large number of people who each contribute a relatively small amount, typically via the Internet.
- Web 2.0
  - the second stage of development of the Internet, characterized especially by the change from static web pages to dynamic or user-generated content and the growth of social media.



# Background



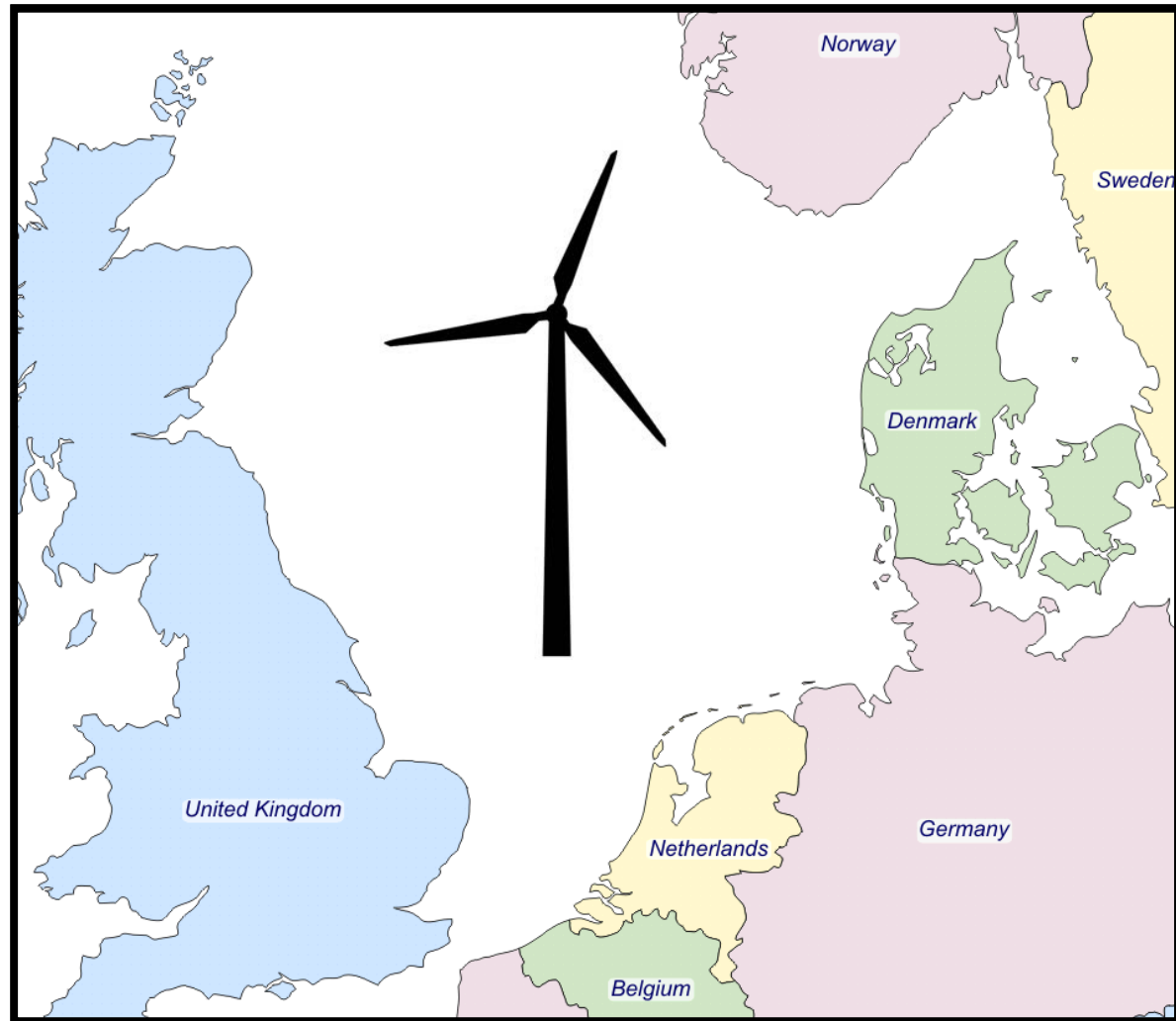




# Background

## Challenges in Interreg:

- Match
- Shared benefit
- Legacy



# Growth of Crowdfunding

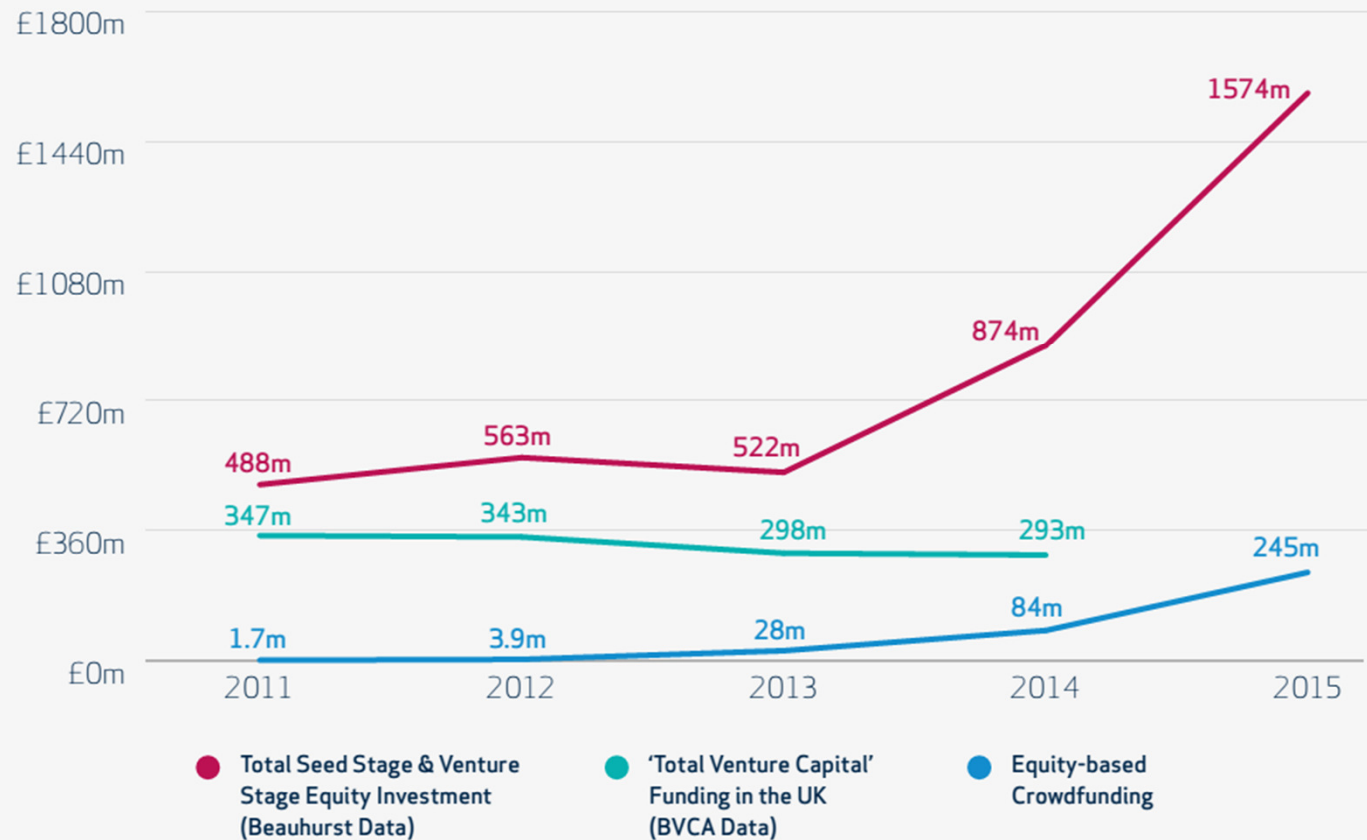
**UK 2015  
= £3.2bn**

**World:  
2010 = \$880m  
2015 = \$34bn**

**VC average:  
\$30bn**

**Equity-based Crowdfunding in the Context of VC/ Equity Investment in the UK  
(2011-2015)**

Figure 10



Source: Nesta Alternative Finance Sector Study

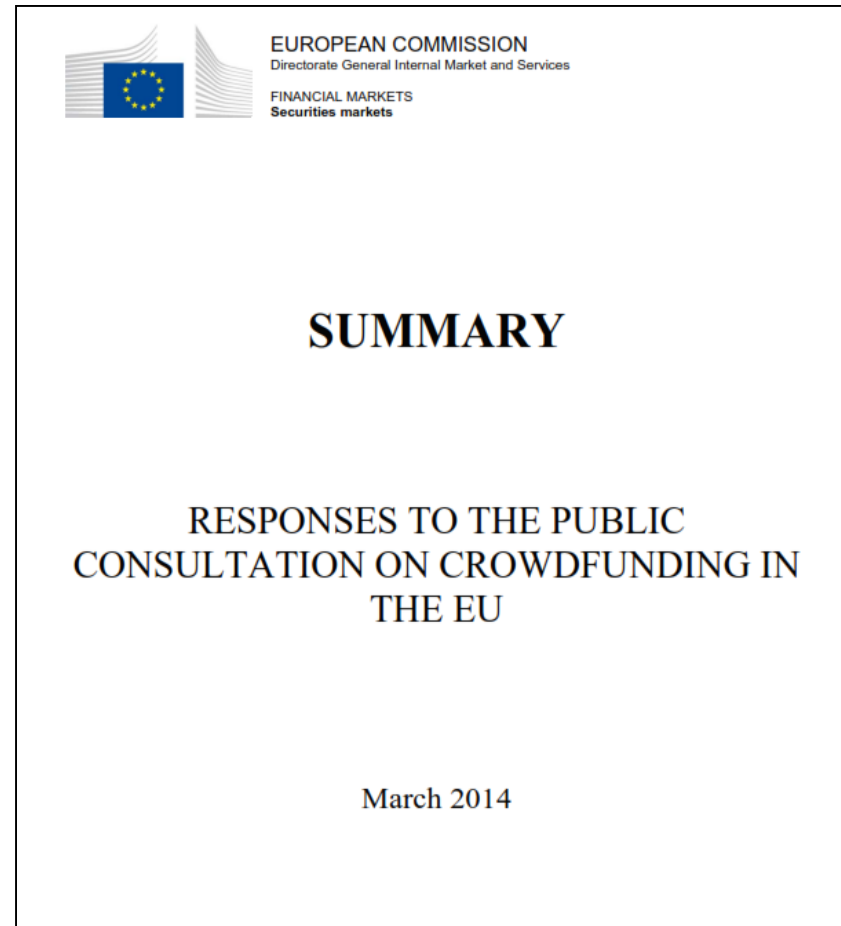


# Commission Actions

- Consultation on crowdfunding in the EU (2013)
- Communication on crowdfunding (2014)
- European Crowdfunding Stakeholders Forum (FISMA)
- Crowdfunding: Mapping EU markets and events study (2015)
- Crowdfunding in the EU capital markets union (2016)
- Identifying market and regulatory obstacles to crowdfunding in the EU (2016 tendered)
- Assessing the potential for crowdfunding and other forms of alternative finance to support research and innovation (Jan 2017)

# Opportunities for TransCoop

- Contributors confirm that crowdfunding is cross-border by nature; 82% willing to contribute to campaigns from another EU country
- 85% think biggest benefit is being able to directly select the projects to support

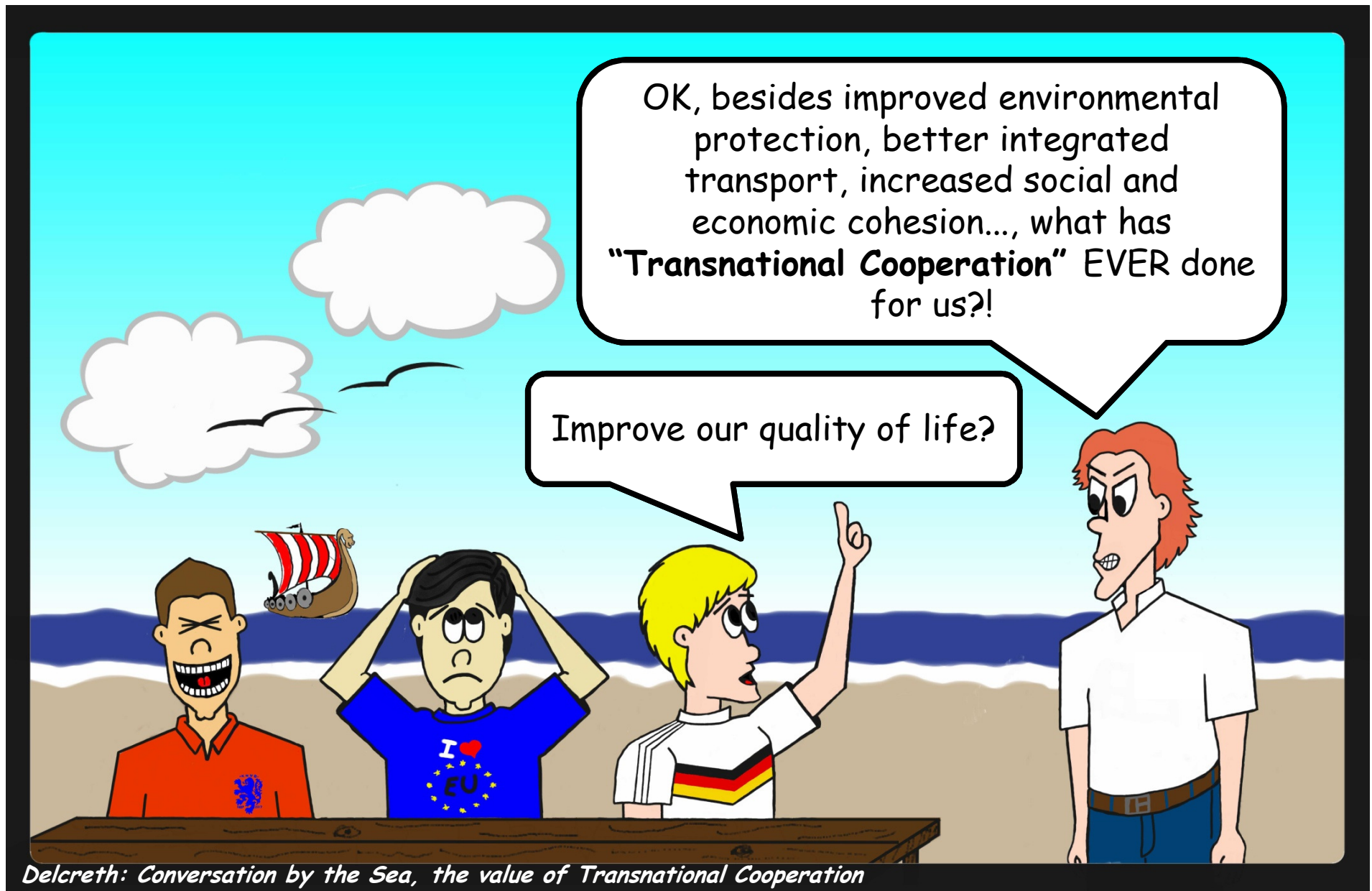


# Opportunities for TransCoop

- Communication on crowdfunding  
COM(2014)172: ***Unleashing the potential of Crowdfunding on the EU***
  - Why Crowdfunding
    - Community engagement and sense of involvement
    - Flexibility and choice
  - Possibilities for matched funding
    - Need to demonstrate market failure
    - Could be co-investment, loan guarantees or directly
    - **Existing state aid rules for risk finance can be framework**

# Way Forward for NSR

- Like everything it has its pros and cons
- EU funding programmes could help with transparency
- Has the potential to empower communities and change perceptions
- Could increase transnational cooperation through communities directly working together with shared needs and resources
- Would a pilot be possible? How? Interested?





**Thank You**