

Alternative funding and Interreg

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Interact



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Interreg



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Thank you

Why are we organizing this session?



Why are YOU joining this session

It is a very interesting topic, that has potential.

Interreg project are dealing with alternative funding. The knowledge is important for me to understand the benefits of e.g crowdfunding.

Curious about other funding mechanisms beside grants and FI.

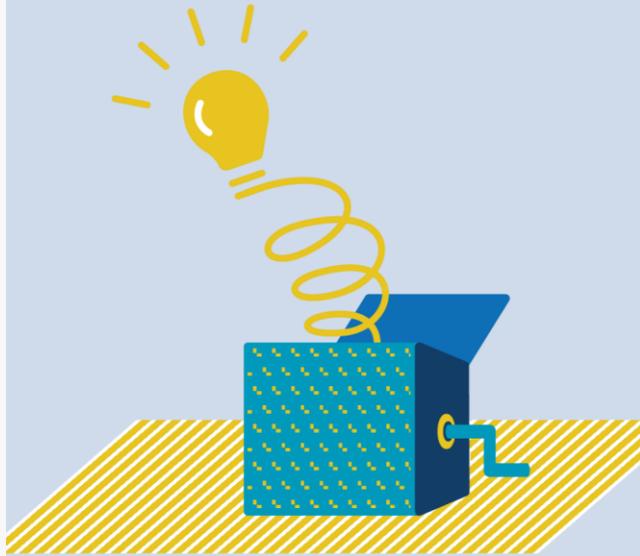
To learn more about alternative funding options and how they are relevant to the Interreg context.

Because it is a wonderful tool to involve the crowd in policy.

Interreg project are dealing with alternative funding. The knowledge is important for me to understand the benefits of e.g crowdfunding.

How alternative financing instruments can be effectively integrated into Interreg programmes to enhance community engagement and project sustainability.

Alternative financing instruments can provide new opportunities for Interreg programmes to drive innovation, increase efficiency, and ensure the sustainability of projects.



Our aim for today's session

- Learn about alternative financing instruments such as crowdfunding, crowdsourcing, community financing and fund matching;
- Showcase first-hand experience of project examples;
and
- Brainstorm if and how to unlock the potential of these instruments for the Interreg programmes.



Agenda

13:30-15:30

01

Welcome and
introduction

02

Overview of
alternative
financing
instruments

Q&A

03

Hands on 3
project
examples

Q&A

04

Wrap-up and
next steps

Involving the community in Interreg projects

Georgie Friederichs CrowdfundingHub



Community instruments

Involving the crowd actively in your projects and regional policies can bring huge benefits for commitment and results

Possible forms:

- ★ Crowdsourcing
- ★ Crowdmatching
- ★ Crowdfunding



No “ One size fits all” instrument. Depending on your goals different instruments can be effective, or not effective.

Five steps:

Step 1. Define the involvement goals.

Why do you want to involve the community, what do you want to achieve by involving them?

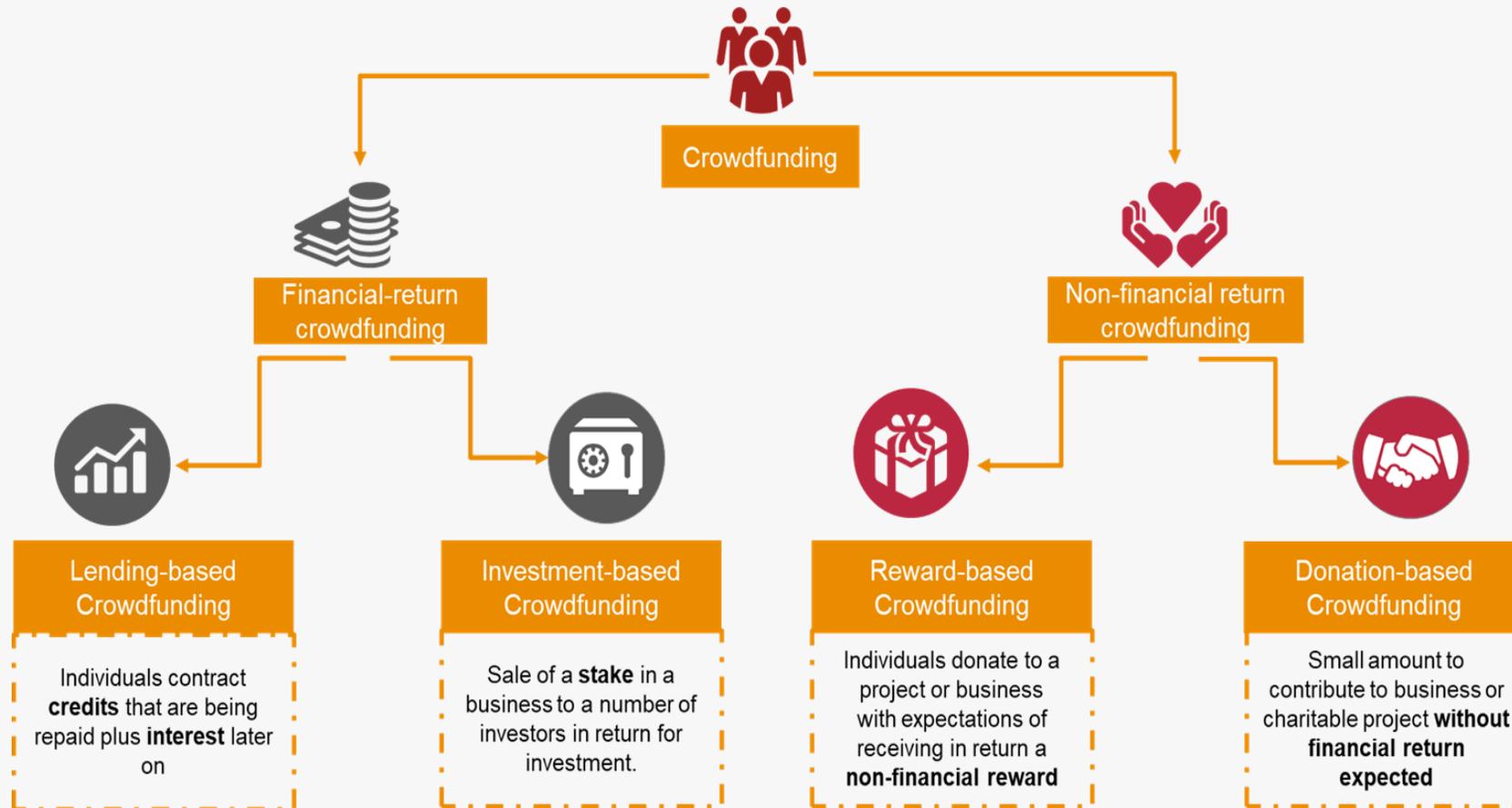
Step 2. Define and select your community

Step 3. Define the community (risk) profile

Step 4. Define the appropriate risk level

Step 5. Define the finance and risk mitigation options

Overview of Crowdfunding



Possible Options

Level of Interaction	Role of the MA	Model of integration under the Cohesion Policy
Facilitator	Providing non-financial support	Model 1: MA providing non-financial support to project owners and investors
Supporter	Providing financial support to platforms	Model 2: MA providing grants to platforms Model 3: MA providing financial instruments to platforms
	Providing financial support to investors	Model 4: MA providing grants to investors Model 5: MA providing guarantees to investors
	Providing financial support to project owners	Model 6: MA providing grants to project owners outside a crowdfunding campaign Model 7: MA providing financial instruments to project owners outside a crowdfunding campaign
Participant	Operating a platform	Model 8: MA establishing and operating its own platform
	Acting as supporter/ investor in a crowdfunding campaign	Model 9: MA acting as a supporter in a donation- or reward-based crowdfunding campaign Model 10: MA acting as an investor in a lending- or investment- based crowdfunding campaign
	Acting as a project owner	Model 11: MA acting as a project owner

Blueprints – Overview

	MA providing grants outside the Crowdfunding campaign	MA investing through a lending-based crowdfunding platform	MA providing guarantees to investors	MA operating a crowdfunding platform
01 Type of model	Outside the crowdfunding campaign	Inside the crowdfunding campaign	Inside the crowdfunding campaign	N/A
02 Relevance to level of market readiness	 Low Medium High	 Low Medium High	 Low Medium High	 Low Medium High
03 Degree of complexity	 Low Medium High	 Low Medium High	 Low Medium High	 Low Medium High
04 Role of the managing authority	Supporter	Participant	Supporter	Participant
05 Sectoral focus & target	<ul style="list-style-type: none"> • Art & culture • Sport • Social development <p>➤ Social enterprises and NGOs</p>	<ul style="list-style-type: none"> • Economic development – including SME support <p>➤ SMEs</p>	<ul style="list-style-type: none"> • Economic development • Innovation, including greentech <p>➤ Start-ups and SMEs</p>	<ul style="list-style-type: none"> • Social development • Economic development <p>➤ Social enterprises, NGOs and SMEs</p>

Possibilities and issues for Interreg projects

- Cross border opportunities with new crowdfunding legislation
- You need local MA's to assist with local regulation and circumstances for local projects
 - Every region can have local regulation
 - Every community is different
- You have to choose a specific community and goal per project
- If you want cross border investments you need local investors to work with you
- Interregional guidance on:
 - Common guidelines
 - Best practices
 - Capacity building
 - Process of choosing

Case study local regional project

Utrecht using crowdfunding for innovative projects to boost funding to create buy in for the product

Challenges:
timing combination different investors

Comfort Break



**CROWD-FUND-PORT:
CENTRAL EUROPEAN
CROWD-FUNDING
SUPPORT
2016 - 2019**

The (almost)
COMPLETE
Guidebook to
CROWDFUNDING
for SMEs





Priority 1: cooperating on innovation to make CE more competitive

KEY CHALLENGES

- ❑ Disparities in development and knowledge between participating CE countries in the field of CF
- ❑ Lack of research about existing situation on CF market development in CE countries
- ❑ Lack of skills and competences of key stakeholders (platforms, SMEs, citizens, investors, policy makers)

IMPLEMENTATION APPROACH

11 project partners. Two working groups:

- ✓ 5 expert partners (AT, D, IT)
- ✓ 6 project partners implementing activities (SK, SI, CZ, CRO, HU, PL)

KEY OUTPUTS & ACTIVITIES

- ✓ The (almost) COMPLETE Guidebook to crowdfunding for SMEs
- ✓ Adaptation of the material to the needs of CF markets (SK, SI, CZ, CRO, HU, PL)
- ✓ 5 module capacity building and national training (SK, SI, CZ, CRO, HU, PL)
- ✓ PILOT PROJECTS: Open call for SMEs and start-ups to support the preparation of CF campaigns (20 campaigns per country)



SOCIAL IMPACT PROJECTS

No 1: 60.000 € support to homeless people

DESIGN & TECHNOLOGY
PRODUCTS

No1: 18.986 € safety
gadget for motorists

FOOD AND DRINKS

No1: Slovak dumpling
company 12.000 €

99 CROWDFUNDING CAMPAIGNS
62% success rate



ART & CULTURE

No 1: 99.000 € Music festival

PRODUCTS WITH
ENVIRONMENTAL IMPACT

No1: 1.2 mio € smart waste
management system

SPORT AND GAMES

No1: 36.000 € a board game

EDUCATION PROJECTS

24.000 € Journalist reports

PROJECT IN NUMBERS



RESULT/INDICATOR	PLANNED	ACHIEVED
NUMBER OF TRAINED SMEs, Start-ups in (SK, SI,CZ, CRO, HU, PL)	320	700
NUMBER OF SUPPORTED CROWDFUDNING CAMPAIGNS (SK, SI,CZ, CRO, HU, PL)	120	99
AMOUNT OF FUNDS LEVERAGED THROUGH SUCCSEFULL SUPPORTED CF (SK, SI,CZ, CRO, HU, PL)	550.000 €	2.1 MIO €
NUMBER OF CREATED JOBS CREATED TROUGH SUCCSEFULL SUPPORTED CF (SK, SI,CZ, CRO, HU, PL)	20	26
PARTICIPANTS AT THE PROJECT EVENTS	1500	1800

LESSON LEARNED AND TAKEAWAYS

1. Knowledge and services for SMEs about “WHEN, HOW, WHY” use crowdfunding in business support institutions in CE area were unavailable.
2. The demand for IMPACT PROJECTS (environment and social impact) from citizens/investors.
3. Little knowledge about crowdfunding as a policy tool among policy stakeholders.



**BLUE CROWDFUNDING:
CAPACITY BUILDING OF
BLUE ECONOMY
STAKEHOLDERS TO
EFFECTIVELY USE
CROWDFUNDING
2019 - 2022**



Priority 1: Promoting Mediterranean innovation capacities to develop smart and sustainable growth

KEY PROJECT CHALLENGES

- To improve innovation and mainstream crowdfunding into blue growth sector: SMEs need high quality and sustainable support to learn and implement crowdfunding campaigns.
- Public authorities need process knowledge backed up with successful examples on how to use crowdfunding for civic blue economy projects.

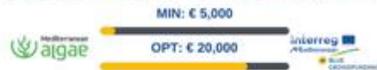
IMPLEMENTATION APPROACH & ACTIVITIES

- ✓ 13 PROJECT PARTNERS : 3 PP CF experts, 6 PP business support institutions, 4 PP regions
- ✓ Joint work: Adjusting the training material to the CF tools for the Blue economy sector, internal capacity training, and BLUE CF cluster.
- ✓ PP business support institutions: regional CF training, 13 CF campaigns for blue economy SMEs, Preparation of train the trainers' programme, international blue crowdfunding certification system, Establishment and operation of blue crowdfunding focal points.
- ✓ PP regions: identifying policy baseline for civic crowdfunding, quadruple helix workshops on using crowdfunding, Preparation of regional call for proposal for civic blue crowdfunding.



SUCCESSFUL SUPPORTED CROWDFUNDING CAMPAIGNS

SIWID: THE ALGAE-BASED SERUM



Siwid is a natural and vegan serum produced by the Spanish startup Mediterranean Algae. This product combines the properties of 3 types of algae grown in the Mediterranean Sea, respecting biodiversity and reducing carbon emissions. Its texture favours a better absorption than conventional creams. [Click here](#) to know more.



NAVIGATE IN GREEN FOR A BLUE FUTURE E-BOATS EXPERIENCE



E-Boats experience is an artisan shipyard located on the Levantine coast of Mallorca that builds and rents sustainable and electric boats. The aim of the campaign is to raise € 47,880 through Goteo platform. [Discover more here.](#)



ECO PROJECT- SMART SHIPPING THROUGH CROWDFUNDING



ECO is a project aiming to provide transparency and advanced data compiling, interpretations and analytics on the effect of maritime traffic. The object of their campaign launched on Goteo is to raise € 50,000. [Discover more here.](#)



GOOD FOR GOOD ACTIVE BIKINI CROWDFUNDING CAMPAIGN



A multitasking bikini set that answers the demands of a modern active lifestyle and the need for a more sustainable approach to manufacturing fashion. [Click here](#) to see the campaign available on Kickstarter.



SUCCESSFUL CIVIC CROWDFUNDING CAMPAIGNS

MARE CIRCOLARE CAMPAIGN



The local government of Marche Region has launched a Civic Crowdfunding campaign to eliminate polluting elements such as plastics from its seas to improve the ocean's health. The campaign is available on [produzionidalbasso](#).



SUPPORT THE SHELTER FOR WILDLIFE



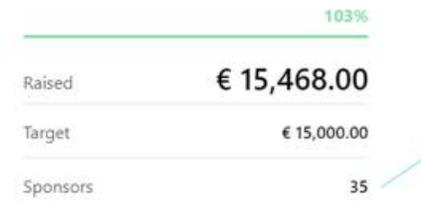
Wildlife Action is the only association in the Central Macedonia that deals with the care of wild animals, especially seabirds. The aim of the campaign is to reach € 30,000 through Goteo platform. Discover more [here](#).



THE BLUE BUS: THE SEA AT THE CENTRE



The "Blue Bus" project foresees the involvement of the disable guests of the Oikos Multifunctional Centre in Torre del Greco, managed by the Cooperative ParteNeapolis, in activities aimed at promoting the Sea as the Centre of several experiences in the name of accessibility and social inclusion with an eye to sustainability and care for the environment. Click [here](#) to know more.



PROJECT IN NUMBERS

RESULT/INDICATOR	PLANNED	ACHIEVED
NUMBER OF TRAINED SMEs, Start-ups, NGOs about CF	240	586+162
NUMBER OF SUPPORTED CROWDFUNDING CAMPAIGNS (business and civic)	13	23
AMOUNT OF FUNDS LEVERAGED THROUGH SUCCESSFULL SUPPORTED CF	/	103.867 €
NUMBER OF PARTICIPANTS ON TRAIN THE TRAINERS	0	122

LESSON LEARNED AND TAKEAWAYS

How to successfully combine crowdfunding and Cohesion policy ?

Cohesion policy needs to become more inventive, flexible and quickly reacting to changing market conditions and in this aspect, crowdfunding, as a digital user-oriented service, can support Cohesion policy.

Benefits of fund-matching are not just more efficient spending of public funds, but also greater citizens engagement, end-user verification of products/services and improved digitalisation of public and private sector.



**CROWDFUNDMATCH:
UNLOCKING THE
CROWDFUNDING
POTENTIAL FOR THE
EUROPEAN
STRUCTURAL AND
INVESTMENT FUNDS
2023 - 2027**





POLICY OBJECTIVE: Smarter Europe, SPECIFIC OBJECTIVE: Digitisation

KEY PROJECT CHALLENGES

- ❑ Crowdfunding helps MAs to “do more with less” by combining ESIF as a more efficient and sustainable alternative to complement traditional forms of support
- ❑ Match-funding provides an additional share of much-needed private resources to cohesion policy
- ❑ Citizen engagement in crowdfunding campaigns increases transparency and democratization of spending cohesion funds

PARTNERSHIP AND POLICY INSTRUMENTS ADDRESSED TO BE FUND-MATCHED

PARTNER	POLICY INSTRUMENT & PILOT PROJECTS
Marche Region, Italy	Regional Operational Program (POR) 2021-2027 for European Regional Development Fund (ERDF) and European Social Fund (ESF) PILOT PROJECT: <i>Pilot crowdfunding campaign with ESIF match funding</i>
INVEGA, Lithuania	Programme for the EU funds' investments in 2021–2027for Lithuania
Regional Government of Extremadura, Spain	Regional SMEs Competitiveness Plan PILOT PROJECT: <i>Testing instrument for combining crowdfunding and ESIF funds</i>
North-West Regional Development Agency, Romania	West Regional Operational Program 2021-2027 (ROP), PO1 - "A smarter and competitive Europe"
Region of Central Macedonia, Greece	Regional Operational Programme of Central Macedonia 2021-2027 PILOT PROJECT: <i>Crowdfunding to complement Regional Operational Programme of Central Macedonia 2021-2027</i>
West Pomeranian Region, Poland	Regional Development Strategy for the West Pomeranian Voivodeship until 2030
Province of Antwerp, Belgium	Inclusive Economy Action Plan 2020-2024 PILOT PROJECT: <i>Matching public funds and crowdfunding for better citizen involvement and stronger social enterprises</i>
Regional Development Agency Utrecht region, Netherlands	The Proof-of-Concept fund (POC) PILOT PROJECT: <i>Matching crowdfunding with "proof of concept" financing instrument</i>



KEY ACTIVITIES

- Policy learning and exchange of experiences for successful matching of crowdfunding and ESIF funds.
- Pilot testing of crowd-fund-match examples in five more advanced partner regions.
- Peer-to-peer mentoring in the field of fund-matching of less advanced partner regions.
- Improving digital literacy of public, private institutions and people, related to utilizing crowdfunding platforms.
- Improvement of policy instruments focusing on matching crowdfunding with ESIF funds.

IMPLEMENTATION APPROACH & ACTIVITIES

✓ PREPARATORY WORK:

Partners' regional team's set-up, crowdfunding market readiness analysis, good practice identification, creation of common fund-matching scheme, 5 pilot testing, and pilot cases will be transnationally peer-reviewed and assessed

✓ POLICY IMPROVEMENTS:

Partner regions will work on implementing policy improvements or adaptation of chosen policy instruments by utilizing fund-matching as an additional tool/criteria.





**THANK YOU!
QUESTIONS
WELCOME!**



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**How would you like
us to move forward**



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Your opinion matters to us.

Please take a few minutes to provide us with feedback to help us improve our services.



Cooperation works

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