

EU crowdfunding takes off as Crowdcube expands across Europe

Crowdcube will be the first platform to operate under new EU regulations designed to bring together existing crowdfunding rules under one uniform regulatory framework.

Temps de lecture : minute

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The regulations, which came into force on Wednesday, will unlock more opportunities for retail investors to lead capital raising projects.

The new rules increase the limit of how much privately-owned EU businesses can raise, set a new legal framework for the day-to-day operations of crowdfunding platforms and strengthen protections for investors.

By harmonising existing crowdfunding regulations across Europe, the new uniform regulatory framework will allow companies both in the UK and EU to raise up to €13M from retail investors within a single offering.

Crowdcube is set to be the first platform to operate under new regulations. Having raised €1.2B for 1130 UK and European businesses, including *Revolut*, *Cowboy*, and *Citymapper* from a community of over 1.2M investors, the investment marketplace will now become the only platform with pan-European and UK regulatory approval.

"This change in regulation in the EU has been a long time coming," said CEO and cofounder, Darren Westlake.

He added: "We are delighted that this form of fundraising is now more readily available to founders and companies across Europe. We have a decade of knowledge and expertise in the UK, which we can now leverage fully in a much larger market, and are well-positioned to capitalise on the new regulations and help businesses engage with their customers and communities in Europe for the very first time."

The change in regulations also means high-growth businesses can access cross-border investment opportunities.

Rob Moffat, Partner at Balderton, added: "This is an enormous opportunity - founders will have access to more cross-border funding options, with the engaged and supportive shareholders to match. It's a proven way for businesses to raise finance from their communities, particularly in the UK, and we're excited to see it take off across Europe."

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