



Module 1: The power of crowdfunding for
public authorities

Who we are

Eurocrowd is the European Crowdfunding Network, a Brussels-based NGO with the objectives of

- Representing and promoting the crowdfunding industry across the EU
- Supporting the European crowdfunding market by sharing Good practices and ensuring regulatory compliance
- Advising and supporting policy makers at European, national, regional and local level in understanding and unlocking the potential of crowdfunding for local development and social inclusion

What is crowdfunding

- Crowdfunding is the practice of funding a project or venture by raising many small amounts of money from a large number of people, typically via the Internet.
- Open call to raise funds for a specific project
- From anyone with access to the internet (potentially)
- Through an Internet-based mechanism (specialised website)
- Foreseeing tangible or intangible benefits in exchange for each economic contribution

Flexibility: Crowdfunding models



- **Donation:** a donor contract without existential reward



- **Reward:** purchase contract for some type of product or service (pre-sales), or tangible perk



- **Lending:** credit contract, credit is being repaid plus interest

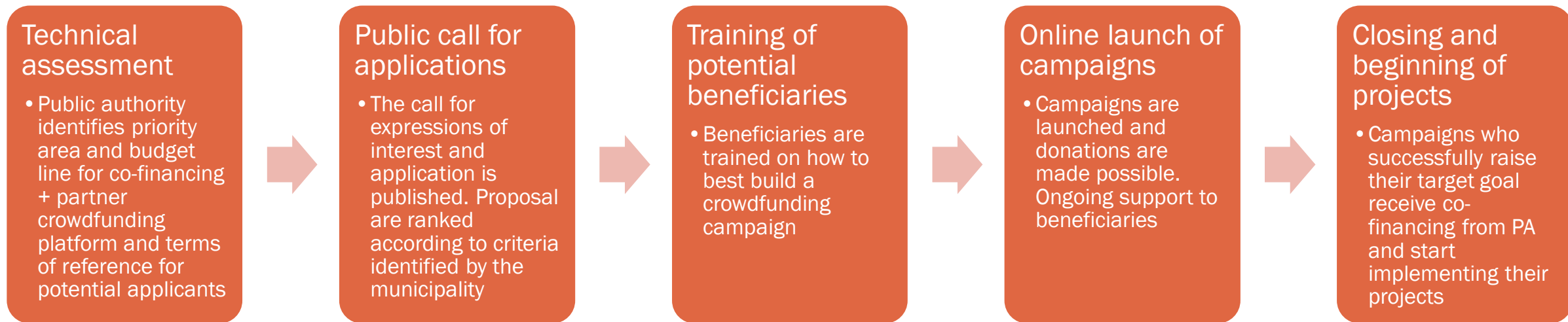


- **Equity:** shareholding contract, shares, equity-like instruments or revenue sharing in the project/business

What is Matchfunding?

Public authorities enter into agreements with crowdfunding platform(s) to increase transparency, democratise their management of public budgets, promote a sense of citizen ownership towards funded initiatives, facilitate access to funds for local stakeholders, and improve accountability and control over funded actions, as well as to funnel funds towards projects that are validated by citizens via crowdfunding.

How does it work in practice:



Possible role of public authorities



Sponsor

PA develops **its own crowdfunding campaign** for a specific project and asks co-funding from citizens

Manager

Local authority **creates its own crowdfunding platform** to support territorial development around one specific area (ie sport)

Curator

Local authority **selects** projects from a crowdfunding platform and provides top-up, in line with specific priorities

Facilitator

Local authority provides **matching funds and/or technical assistance** to support development of crowdfunding campaigns in specific sectors (sports, tourism, entrepreneurship, etc)

Advantages for Public Authorities

Economic	Non-Economic
Access to finance made easier for beneficiaries Increased funding for PA to finance projects	Community test/validation of idea Increased sense of partnership between PA and citizens (alignment of interest)
Short time for raising and receiving funds for beneficiaries	Marketing and visibility for both PA and projects Creation of customer/user base
Risk dilution as budget is only granted after the campaigns are successful	Increased sense of “ownership” of contributors/investors Feedback cycle (almost in real time)

Case studies

CASE STUDY: MetaKultura - Match-Funding for Cultural Projects in Gipuzkoa

1. Campaign Title and Overview

Title: MetaKultura: Match-Funding for Cultural Projects in Gipuzkoa

Overview: MetaKultura is a match-funding initiative supporting cultural projects in Gipuzkoa, Spain. It is a partnership between the Gipuzkoa Provincial Council and the crowdfunding platform Goteo.org. The municipality acts as a facilitator and match-funder, supporting projects with infrastructure, communication services, and workshops.

Match-Funding Scheme: Top-up model.

CASE STUDY: MetaKultura - Match-Funding for Cultural Projects in Gipuzkoa

2. Project Details

Goal: Promote and fund cultural initiatives within Gipuzkoa.

Municipality's Role:

- The Gipuzkoa Provincial Council acts as a facilitator and provides match-funding.
- Annual commitment of 70,000 EUR for match-funding and 44,500 EUR for Goteo's services.
- Provides communication for open calls, training activities, and impact measurement.

CASE STUDY: MetaKultura - Match-Funding for Cultural Projects in Gipuzkoa

Results and Impact

Funding Achieved:

- Over five years, the initiative raised 739,737 EUR.
- 339,203 EUR from match-funding resources.
- 407,327 EUR from citizen contributions.

Community Engagement:

- 12,861 citizens participated.

Outcome:

- 78 cultural projects successfully supported.

CASE STUDY: MetaKultura - Match-Funding for Cultural Projects in Gipuzkoa

4. Key Takeaways

Challenges:

- Slow administrative procedures.
- Time constraints for project applications.
- Lack of continuity after the call ends.

Lessons Learned:

- Training municipal technicians to identify the best projects is crucial.
- Gamification can give projects a final push.
- Extending the call period and maintaining communication with projects post-campaign can improve results.

CASE STUDY: "New Life" for Percorso Vita

1. Campaign Title and Overview

Title: "New Life" for Percorso Vita

Overview:

- Revitalization of the Percorso Vita trail in Zola Predosa, (Bologna).
- Used Idea Ginger platform with a hybrid (donation & reward-based) model:
 - €10: Thank-you email.
 - €15: Thank-you email + musical aperitif for one person at Villa Edvige Garagnani.
 - €20: Thank-you email + guided tour for two (Villa Edvige Garagnani, Museo del Passato, and Parco Giardino Campagna).

CASE STUDY: "New Life" for Percorso Vita

- €25: Thank-you email + ticket for Zola Jazz & Wine concert.
- €50: Gastronomic experience for two.
- €60: Guided tour for two.
- €100: A plant dedicated to the donor.
- €150: Donor's name on the informational board.

Municipality's Role: Initiator & promoter of the campaign.

CASE STUDY: "New Life" for Percorso Vita

2. Project Details

Goal:

- Funding Target: €5,000
- Intended Use of Funds:
 - Install informational boards.
 - Improve fitness areas.
 - Promote the trail's history.

Municipality's Role:

- Created and promoted the campaign through public outreach.

CASE STUDY: "New Life" for Percorso Vita

3. Results and Impact

- **Funding Achieved:** €6,950 raised (139% of the target).
- **Community Engagement:**
 - 346 backers.
- **Outcome:** The trail was successfully restored.

CASE STUDY: "New Life" for Percorso Vita

4. Key Takeaways

- **Challenges:**
 - No specific challenges documented, but securing higher-tier donations may have been difficult.
- **Lessons Learned:**
 - Offering rewards can encourage donations.

[Campaign Page](#)

Thank you!



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