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Home (/content/sdfinance/en/home.html) > Solutions (/content/sdfinance/en/home/solutions.html) > Crowdfunding

Crowdfunding

Innovative approach for projects, organizations, entrepreneurs, and startups to raise money for their causes from multiple individual donors or investors. Four models of crowdfunding exist: donations; reward; lending; and equity.

Key words: crowd-investing; P2P lending; Equity-based crowdfunding; alternative finance

How does it work?

Crowdfunding (https://assets.publishing.service.gov.uk/media/57a08a1540f0b652dd00055c/EoD_HD061_Jul2013_Review_CrowdFunding.pdf) is a collective effort of individuals who pool their resources to support initiatives promoted by other people or organizations. Using social networks and the viral nature of online communication, individuals and companies have raised billions of dollars in debt, equity, and donations (http://www.infodev.org/infodev-files/wb_crowdfundingreport-v12.pdf) over the past decade. Crowdfunding emerged from innovation in technologies that made it possible for businesses, **NGOs** and individuals to secure funding with no or limited intermediation. The market has grown in developed countries, partially as a response to the credit crunch resulting from the 2008 financial crisis. Thanks to a rapid and unprecedented expansion of Internet and mobile access, it soon expanded to developing countries.

Crowdfunding has grown rapidly from a Silicon Valley social experiment to a multi-billion dollar industry (http://reports.crowdsourcing.org/index.php?route=product/product&product_id=54)—from US\$1 billion in 2011 to US\$34 billion in 2015. It also expanded from financing charities into enterprise financing and quickly overtook angel investing to become one of the largest sources of financing for **SMEs**, second only to venture capital. The industry is expected to reach an annual volume of US\$100 billion by 2025 and becoming the leading financial channel for **SMEs**. Crowdfunding in developing countries raised US\$430 million in 2015, with India, the Philippines, and Nepal in the top three.

Four different models of crowdfunding have emerged:

- 1. Donations-based:** The crowdfunder donates funds without expecting any return. Donations are typically used to support disaster relief, famine, education programmes, etc. JustGiving (<https://www.justgiving.com/>) and GoFundMe (<https://www.gofundme.com/>) are among the largest donations-based platforms. Globally, over US\$2.85 billion in donations were raised in 2015.
- 2. Rewards-based:** The crowdfunder transfers funds with the expectation of a reward, which may be in the form of a token gift or an early/exclusive release of a product or service offered by the startup company. Kickstarter (<https://www.kickstarter.com/>) and Indiegogo (<https://www.indiegogo.com/en>) are among the most successful crowdfunding platforms built on rewards-based model of crowdfunding. Since its launch in 2009 through April 2017, more than 123,000 projects have been funded through Kickstarter (<https://www.kickstarter.com/help/stats>) with nearly US\$3 billion pledged. **All-or-nothing (AON)** campaigns require a project to hit 100 percent of its funding target. If the target is not achieved, funds are returned. **Keep it all or flexible funding (KIA)** campaigns instead allow the project sponsor to keep the amounts raised. AON campaigns have more backers and raise a higher amount of funds compared with KIAs: an assessment of the campaigns run in the years 2011–2013 via Indiegogo (<https://www.indiegogo.com/en>) found that AON projects' average funding goal (<http://leeds-faculty.colorado.edu/bhagat/CrowdfundingModels-KeptAll-AllorNothing.pdf>) was US\$31,397 compared with US\$20,478 for KIAs; 34 percent of AON campaigns reached their goal, compared with 17 percent of KIAs.
- 3. Lending-based or Peer-to-Peer (P2P):** the fastest growing type of crowdfunding has a 73 percent market share. The crowdfunder lends money to individuals or companies in return for interest. While there are platforms exclusively targeting socially-oriented lending, the majority operate as commercial platforms in direct competition with other financial intermediaries. KIVA (<http://www.Kiva.org>) is providing small loans (from US\$100-US\$100,000) to farmers, NGOs and SMEs that make positive impact and has already provided more than US\$1 billion in small loans.
- 4. Equity-based crowdfunding:** The crowdfunder purchases equity in a company. Equity is a new, yet rapidly growing, model in crowdfunding with over US\$2.5 billion invested in 2015. Equity-based crowdfunding could reach up to US\$36 billion by 2020 and eventually surpass venture capital by value (Massolution (http://reports.crowdsourcing.org/index.php?route=product/product&product_id=54)). Equity-based crowdfunding remains highly dependent upon supportive regulatory frameworks, which often restrict equity investment to professional investors.

A successful crowdfunding campaign may draw on a platform with a wide audience, such as Kickstarter (<https://www.kickstarter.com/help/handbook>), Indiegogo (<https://learn.indiegogo.com/marketing-crowdfunding-field-guide-a/>), Kiva (<https://www.kiva.org/>), or GoFundMe (<https://www.gofundme.com/>). New platforms may also be established under certain circumstances. There are numerous resources on crowdfunding, including blogs, books, networks, and training, including guides on running campaigns from Indiegogo (<https://learn.indiegogo.com/marketing-crowdfunding-field-guide-a/>), Fundable (<https://www.fundable.com/learn/resources/guides>), Kickstarter (<https://www.kickstarter.com/help/handbook>), Crowdfunding Guides (<http://www.crowdfundingguides.com/>), and Shopify (<https://www.shopify.com/guides/crowdfunding>).

Stakeholders

- **Crowdfunder:** The crowdfunder can be a backer, donor, or investor. Individuals make the most of the market, but private and public institutions can invest and/or donate as well.
- **Beneficiary-investee:** Any person or organization seeking funds for a company, product, project, or initiative. There is a vast range of actors from small companies, **NGOs**, individuals, start-ups, etc.
- **Crowdfunding platforms:** Online platforms connecting the crowdfunders with the beneficiary or investee. They charge commissions for participation and/or on interest/dividends. Platforms can provide a wide range of services, including financial due diligence, contracting, etc.
- **Third party verifier and other service providers:** Platforms and beneficiaries/investees can rely on a number of service providers. Platforms may need to buy services—e.g. financial due diligence—or outsource the assessment of social and environmental outcomes.
- **Sponsors:** Beneficiaries may obtain support in designing and running crowdfunding campaigns. These services can be offered pro-bono or on a commercial basis.

Potential in monetary terms (revenues, realignment or cost-savings)

Crowdfunding has grown substantially, from US\$1 billion in 2011 to US\$34 billion in 2015 (Massolution (<http://crowdexpert.com/crowdfunding-industry-statistics/>)). P2P lending (US\$25 billion), donation (US\$2.9), rewards (US\$2.7 billion) and equity crowdfunding (US\$2.5 billion) make up most of the market. These amounts are already comparable with venture capital, which is investing an average of US\$30 billion each year. The market may surpass the US\$100 billion threshold before the World Bank (http://www.infodev.org/infodev-files/wb_crowdfundingreport-v12.pdf)'s 2025 estimate. Donation and reward crowdfunding have historically taken the largest share of the market and were only recently surpassed by P2P lending. Equity-based and lending-based crowdfunding platforms are expanding at the most rapid rate, in the UK at nearly 300 percent in 2015 (NESTA (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2015-uk-alternative-finance-industry-report.pdf)). The shares of the different crowdfunding models are different between developing and developed countries: in 2015 43 percent of crowdfunding in developing countries was classified as donation, 38 percent as lending, 11 percent as equity, and 7 percent as reward (Allied Crowds (<https://cdn.filestackcontent.com/kNFQ9lGT2ObxzhGqUU>)).

Crowdfunders invest mostly in business and entrepreneurship (40 percent), social causes (20 percent), films and performing arts (12 percent), and real estate (6 percent). In addition to the above, specialized platforms have also emerged, targeting subsectors like agriculture, retail, food, and housing and services (UNEP (<http://fs-unesp-centre.org/sites/default/files/publications/crowdfundingaugust2015.pdf>)). Environmental projects are at the periphery; while platforms like Indiegogo (<https://www.indiegogo.com/>) and Kiva (<https://www.kiva.org/>) have started to enlist green projects, they remain a minority. An exception is renewable energy with an estimated €200 million in crowdfunding transactions that is facilitated by 25 specialized platforms (<http://www.recrowdfunding.eu/news-updates/2015/9/14/tracking-renewable-energy-crowdfunding>).

The different crowdfunding models and platforms' own strategies have produced a broad range of results in the amount of resources mobilized. Kiva (<https://www.kiva.org/about/impact>), which serves small entrepreneurs through a network of microfinance organizations, has facilitated the disbursement of 1,6 million loans to the tune of US\$1 billion as of October 2017. Of the Kiva borrowers, 749,149 have come from least developed countries, 81 percent being women. Kickstarter (https://www.uclouvain.be/cps/ucl/doc/core/documents/coredp2015_15web.pdf) has allocated over US\$815 million from 4.9 million backers to nearly 50,000 projects. To date, the most successful project was the video game "Star Citizen", which collected more than US\$145 million. In Nepal (<https://cdn.filestackcontent.com/kNFQ9lGT2ObxzhGqUU>), where a devastating earthquake killed over 8,500 and affected 5.6 million people in 2015, US\$23 million was raised from individuals sending money to their families, diaspora groups supporting their communities, and other international donors, much of it through crowdfunding.

When is it feasible?

Each crowdfunding model is tied to different regulatory requirements which may vary substantially between countries. Legal requirements can be cumbersome depending on the model pursued (e.g. equity based crowdfunding is most demanding), the crowdfunding platform location, the project sponsor or beneficiary, and if it entails an international transaction.

The Cambridge Centre for Alternative Finance (http://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-05-eastafrika-crowdfunding-report.pdf) identifies four main regulatory regimes:

1. Lack of legislation. In some instances, generic provisions that protect investors may apply.
2. Intermediary/platform regulation—controls are established on some forms of crowdfunding—e.g. equity and lending—with registration and other governance and reporting requirements.
3. Banking regulation—lending and equity platforms are considered banks, requiring a banking license for certain crowdfunding operations.
4. Two-tiered regulation—crowdfunding platforms are monitored at the federal level (such as the Securities and Exchange Commission in the USA) along with state-level agencies. Some US states impose bans on some forms of crowdfunding, e.g. equity, while others may provide exemptions.

Some countries have more favourable legislation—e.g. the UK, the Netherlands, Germany, and the USA. Regulatory reforms are advancing and more countries have updated their regulatory framework to facilitate crowdfunding. The UK and Sweden have already completed more than one round of reforms. A short summary of existing regulations is provided:

- **Europe:** Member states have country-specific provisions with limited harmonization. The European Commission helps by assessing national frameworks and identifying best practices. The Current State of Crowdfunding in Europe (http://www.sbs.ox.ac.uk/sites/default/files/Entrepreneurship_Centre/Docs/OxEPR2/current-state-crowdfunding-europe-2016.pdf) and Sustaining Momentum (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2016-european-alternative-finance-report-sustaining-momentum.pdf) reports provide detailed information.
- **United States:** Reward based or donation based crowdfunding are widely accepted. If a company offers equity investment, SEC oversight rules apply. Further information may be found in Hitting Stride (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-06-americas-alternative-finance-industry-report.pdf) and Breaking New Ground (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2016-americas-alternative-finance-benchmarking-report.pdf).
- **Asia:** The regulatory environment is diverse and rapidly changing. Some countries, such as Singapore and Thailand, have opted to regulate alternative finance using pre-existing regulatory frameworks, but others, like Malaysia, New Zealand, and South Korea have created bespoke regulations to govern equity and debt-based operations. Further information may be found in Harnessing Potential (http://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/harnessing-potential.pdf).
- **Latin America and the Caribbean:** Latin America and the Caribbean lags behind, with two-thirds of surveyed platforms in Breaking New Ground (http://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2016-americas-alternative-finance-benchmarking-report.pdf) reporting no regulations or that crowdfunding is illegal. Mexico does not have supportive legislation, while others, like Brazil, are discussing reforms.
- **Middle East & Africa:** Israel and the UAE offer the most progressive regulatory environment. In Africa, South Africa and Kenya are the most advanced but still with crowdfunding activities not clearly regulated. Further information may be found in Africa and Middle East (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-ccaf-africa-middle-east-alternative-finance-report.pdf) and Crowdfunding in East Africa (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-05-eastafrika-crowdfunding-report.pdf).

Since crowdfunding platforms may operate across borders, international provisions also apply, particularly in relation to money laundering and the fight against terrorism. The largest platforms—Kickstarter (<https://www.kickstarter.com/help/handbook>), Indiegogo (<https://www.indiegogo.com/>), and RocketHub—have become fully compliant with international anti-money laundering laws.

Credible crowdfunding systems (http://www.infodev.org/infodev-files/wb_crowdfundingreport-v12.pdf) require more than enabling legislation. Their success also relies on supportive ecosystems and other enabling factors. These include forward-looking regulations that balance the need for investor protection with capital formation; effective technological solutions that include reliable broadband Internet or mobile data networks; and supportive institutions that offer training, mentoring, and other services to beneficiaries and investees.

Minimum investment required and running costs

Running costs incurred by beneficiaries/investees to run crowdfunding campaigns can be separated into direct fees paid to the platform used and marketing costs:

- **Platform fees:** Platforms usually charge fees, which typically run between 3 percent and 8 percent depending on the platform and the type of crowdfunding. For example, Kickstarter (<https://www.kickstarter.com/help/handbook>) and Indiegogo (<https://www.indiegogo.com/>) receive fees upon the success of the campaign (between 4 percent and 5 percent) plus credit card processing fees (source (<https://priceonomics.com/how-much-do-crowdfunding-platforms-charge/>); source (https://www.uclouvain.be/cps/ucl/doc/core/documents/coredp2015_15web.pdf)). Some platforms (e.g. Kiva (<https://www.kiva.org/>) or Generosity (<https://www.generosity.com/>)) do not charge commercial fees but ask for cost-recovery contributions to cover their operational costs.
- **Equity (additional) fees:** Equity investees are often subject to additional fees that do not apply in other models. These may include accounting fees, legal and securities costs, shareholder services, and reporting requirements. For instance, in the US these costs could range from US\$10,000 to US\$40,000 (<http://bevilacquaapllic.com/much-cost-raise-money-equity-crowdfunding/>).
- **Marketing:** Costs include communications, IT, design, and video production. Successful campaigns are often supported by well-designed marketing strategies and professional service providers. Larger crowdfunding campaigns are reported to invest between US\$500-US\$2,500 in professional photography and between US\$1,000-US\$5,000 in professional video-making. Online advertising in social platforms may cost US\$50-\$100 per day or US\$3,000-US\$10,000 in total, sometime reaching 20 percent of the budget for start-ups. Such campaigns may hire a marketing consultant (<https://www.kickstarter.com/experts?ref=footer>) or freelancer (<https://www.upwork.com/hire/crowdfunding-freelancers/>).
- **Project specific costs:** Innovative product-based campaigns require investment in prototypes as proof of concept. Actual costs are highly specific and may vary from a few thousands to hundreds of thousands of US\$.
- **Time requirements:** Estimates (<http://www.crowdcru.com/hours-per-week-spent-on-a-kickstarter-project-study/>) on how much time is spent on preparing crowdfunding campaigns are available, but they are highly dependent on the scale of the project, investees' team, outsourcing strategy, and the type of project crowdfunded.

In what context it is more appropriate

When launching a crowdfunding project, it is important to understand what the project objectives are and who the target audience is. Different models of crowdfunding are best suited for different types of projects:

- **Donation:** Projects where the beneficiary cannot offer anything in return for financial support. This is typically reserved for charity and philanthropic activities, such as the Nepal relief efforts that raised US\$23 million (<https://cdn.filestackcontent.com/kNfFQ9lGt2ObxjzHqUU>).
- **Reward:** Projects where the beneficiary may offer a non-financial reward to supporters. This is typically seen in projects that are creative, social, or entrepreneurial in nature and that serve as a means to pre-purchase a product, such as furniture manufactured from plastic waste (<https://www.indiegogo.com/projects/diseclar-furniture-produced-with-plastic-wastes#/>). Rewards can also be non-financial, such as an experience or recognition.
- **P2P lending:** Individuals or businesses needing debt financing. For instance, a solar electricity development project for 31,000 people (<https://www.jointrine.com/project/kericho>) in Kenya. Usual considerations on lending apply, i.e. capacity to repay, quality of business planning, availability of collateral, etc.
- **Equity:** Start-ups or businesses needing growth capital, e.g. a company that developed low carbon-bamboo tissue products (<https://www.seedrs.com/thecheekypanda/sections/idea>). Equity crowdfunding is also widely used in real estate.

What are the main risks and challenges?

Pros

- An effective way to capture remittances. AlliedCrowds (<https://cdn.filestackcontent.com/LW8v7hifQ0aMhIKeEdx8>) suggests that if 10 percent of the global remittance market were captured, diaspora crowdfunding could grow to US\$58 billion in 2015.
- Promote a culture of entrepreneurship, offering new avenues for matching entrepreneurs with investors. It may serve project owners that cannot access traditional or commercial finance.
- It allows project owners to validate ideas and interventions before targeting traditional donors or financial organizations. Eighty percent of social enterprises in a recent survey highly ranked crowdfunding's non-financial benefits such as marketing and supporter engagement (Crowdfunding Good Causes (http://www.nesta.org.uk/sites/default/files/crowdfunding_good_causes-2016.pdf)).
- Crowdfunding platforms may be cost-effective intermediaries as they help individual investors and donors navigate complex foreign legal frameworks, allowing them to invest abroad at affordable rates.
- The financial risk of small projects—that are usually perceived as riskier—can be shared with a wider group of investors.
- Holds the promise of democratizing start-ups' financing; 85 percent of surveyed social enterprises ranked "allowing investees to raise money from individuals rather than institutions" as moderately to extremely important in their decision to use crowdfunding (Crowdfunding Good Causes (http://www.nesta.org.uk/sites/default/files/crowdfunding_good_causes-2016.pdf)).
- Angels and venture capitalist firms can use crowdfunding platforms to discover, communicate with, and invest in start-ups they would not have otherwise found.

Cons

- Time, costs, and knowledge necessary to design an effective communication strategy and crowdfunding campaign may discourage the most vulnerable segments of the society to seek to benefit from crowdfunding.
- Project owners may need to disclose precious commercial information that may impair the ability to protect intellectual property rights or business strategies.
- Although mobile technology and Internet access are expanding, the need for web-based technology is an entry barrier for many in developing countries.
- Difficulty for investors to monitor project status and success after the resource mobilization phase is closed. Lack of standards in monitoring impact and project results apply to crowdfunding projects.
- Lack of knowledge, skills, and capacity was identified as a barrier for 66 percent of social enterprises surveyed by Crowdfunding Good Causes (http://www.nesta.org.uk/sites/default/files/crowdfunding_good_causes-2016.pdf).
- Lack of supportive regulatory environments. Not understanding regulations was a barrier for 76 percent of enterprises surveyed by Crowdfunding Good Causes (http://www.nesta.org.uk/sites/default/files/crowdfunding_good_causes-2016.pdf).

Risks

- **Cyber Security:** 76 percent of platform operators believe there is medium to very high risk of a potential cyber-security breach (Hitting Stride (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-06-americas-alternative-finance-industry-report.pdf)).
- **Fraud:** 64 percent of platform operators associated medium to very high risk (Hitting Stride (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-06-americas-alternative-finance-industry-report.pdf)).
- Use of crowdfunding platforms for money laundering; the risk being no greater than in other international financial transactions.
- Collapse of platforms due to malpractice ranked second highest among perceived risks, with 69 percent of platforms viewing this as a medium to very high risk (Hitting Stride (https://www.jbs.cam.ac.uk/fileadmin/user_upload/research/centres/alternative-finance/downloads/2017-06-americas-alternative-finance-industry-report.pdf)).
- Expected changes in the regulatory frameworks, including tax provisions.
- Political and commercial risks in equity and lending based crowdfunding. Crowdfunding models' specific risks are not reviewed in detail, e.g. in AON campaigns project sponsors may not reach the funding target.
- Reputation from failure to deliver perks/ rewards to backers.
- Inability to verify the social and environmental impact or related malpractices.

How can the design be ameliorated to improve the impact?

innovative fintech solution, crowdfunding can channel significant private financing to development. More importantly, crowdfunding is not only about securing more or better funding, but is a means to raise awareness, initiate debate, and build social capital. Organizations have benefited from crowdfunding to engage supporters, investors, and donors.

Crowdfunding can alleviate human suffering by connecting people in need with donors, volunteers, or philanthropy. Charities and development organizations have used crowdfunding extensively to raise grants, both for their development projects and their institutional resources. There is evidence crowdfunding can leverage philanthropic giving: according to NESTA (<http://www.nesta.org.uk/sites/default/files/understanding-alternative-finance-2014.pdf>), for donations and reward-based crowdfunding, only 23 percent and 21 percent (<https://www.nesta.org.uk/sites/default/files/understanding-alternative-finance-2014.pdf>) respectively stated the money they donated or pledged would otherwise be used for charitable giving. According to NESTA, 29 percent of backers on donation-based crowdfunding platforms had given advice and feedback to campaigns and 27 percent had offered to help or volunteer with the project. Moreover, companies have also started to match donations made by employees with corporate funds.

Crowdfunding can stimulate innovation and jobs. By improving and facilitating access to finance to **SMEs**, it can support job creation. A good example being Kiva (<https://www.kiva.org/about/impact>). NESTA (<http://www.nesta.org.uk/sites/default/files/understanding-alternative-finance-2014.pdf>) has attempted to measure the impact of crowdfunding. Three quarters of those who participated in reward or equity-based crowdfunding reported that they were successful in launching a new product or service. Seventy percent of **SME** borrowers have seen their turnover grow, and 63 percent have recorded growth in profit. A third of those who raised funds via P2P business lending or invoice trading have reported that they would have been "unlikely" or "very unlikely" to get funding elsewhere. Seventy-nine percent of businesses had attempted to get a bank loan before turning to P2P business lending, with only 22 percent being offered finance.

Crowdfunders like to see regular progress reports on the platform or social media, not only because they may have a personal stake, but because they also genuinely care about the product/project. This demand has pushed for better monitoring practices. On the beneficiary/investee side by nurturing connections with backers, they were able to create trust-based relationships, a unique asset for future resource mobilization.

While rewards and donation-based crowdfunding platforms are effective fundraising tools for **NGOs**, there is great potential to leverage debt and equity crowdfunding for bankable projects and **SMEs**. Development, public authorities, philanthropies and other donors can leverage grants to facilitate the transfer of billions of dollars worth of crowd investments towards projects with measurable social and environmental impact. Funding from public institutions or large philanthropic organizations can be matched with crowdfunding to leverage resources, participation and results. For example, the UK Government has used the crowdfunding platform Funding Circle (<https://www.fundingcircle.com/uk/>) to provide co-lending to British **SMEs**. The UK's Department for International Development has matched funding for crowdfunded projects in developing countries to reduce investors' risk. Similarly a public programme (<http://www.nesta.org.uk/blog/matched-crowdfunding-new-ways-people-and-institutions-collaborate-funding-projects>) from Denmark is exploring how crowdfunding can be used to support and select start-ups: in the scheme companies that have raised funds from a reward-based platform can seek a matching grant between €67,000-€207,497.

The following considerations could improve the social and environmental impact of crowdfunding:

- Incorporation of sound social and environmental standards and accountabilities within the business operations of crowdfunding platforms.
- Encourage transparency, accountability, and rigorous reporting to reduce greenwashing, fraud and malpractice.
- Support regulations that protect investors but not at the expense of market efficiency and the needs of capital formation.
- Improve the measurement of social and environmental impacts using the large amount of data/information collected by crowdfunding platforms.
- Pursue economies of scale in projects that are scalable.
- Improve financial and technical literacy among social entrepreneurs as well as non-traditional investors.
- Support the crowdfunding ecosystem through strong social media; market penetration; expanded access to the Internet; and partnerships with entrepreneurial hubs, incubators, and accelerators.

Guidelines and Case Studies

Guidance

- Guidebooks from Indiegogo (<https://learn.indiegogo.com/marketing-crowdfunding-field-guide-a/>), Fundable (<https://www.fundable.com/learn/resources/guides>), Kickstarter (<https://www.kickstarter.com/help/handbook>), Crowdfunding Guides (<http://www.crowdfundingguides.com/>), and Shopify (<https://www.shopify.com/guides/crowdfunding>).
- Crowdfunding's potential for the developing world (http://www.infodev.org/infodev-files/wb_crowdfundingreport-v12.pdf)
- Allied Crowds' Alternative Finance Reports (<https://alliedcrowds.com/reports>)
- Nesta Crowdfunding Research Reports (<http://www.nesta.org.uk/project/crowdfunding>)
- Crowdfunding Hub European Research (<http://www.crowdfundinghub.eu/research-2/>)
- Cambridge Centre for Alternative Finance (<http://www.jbs.cam.ac.uk/faculty-research/centres/alternative-finance/publications/>)
- Crowdfunding Academy (<http://www.crowdfundingacademy.eu/en/main>)
- Dos & Don'ts of Crowdfunding for Development (<https://www.scribd.com/document/225225200/Dos-and-Don-ts-of-crowdfunding-for-development>)
- 'CrowdingIn' Platform Browser (<http://www.crowdingin.com/platforms/all/all>)

Case studies

- Ecuador (<http://greencrowds.org/#about>) (Green Crowds)
- Indonesia (<http://www.id.undp.org/content/indonesia/en/home/presscenter/articles/2016/11/16/10-steps-to-successful-crowdfunding.html>) (Article), Indonesia (<https://kitabisa.com/bringwaterforlife>) (Kitabisa)
- Croatia (<https://www.indiegogo.com/projects/energy-independent-school>) (Indiegogo)
- Tajikistan (<http://www.tj.undp.org/content/tajikistan/en/home/presscenter/pressreleases/2016/05/31/first-crowdfunding-campaign-of-its-kind-launched-in-tajikistan.html>) (Article), Tajikistan (<https://www.indiegogo.com/projects/guzgef-solar-school-education#/>) (Indiegogo)





Our work

» [\(/content/rbap/en/home/post-2015/sdg-overview\)](/content/rbap/en/home/post-2015/sdg-overview)



[\(http://www.undp.org/content/home/en/home/post-2015/\)](http://www.undp.org/content/home/en/home/post-2015/)

Environmental finance » [\(/content/undp/en/home/ourwork/sustainable-development/natural-capital-and-the-environment/environmental-finance/\)](/content/undp/en/home/ourwork/sustainable-development/natural-capital-and-the-environment/environmental-finance/)

Our Perspective [\(/content/undp/en/home/blog/2015/7/9/The-macroeconomics-of-development-financing-/\)](/content/undp/en/home/blog/2015/7/9/The-macroeconomics-of-development-financing-/)

Jul 9, 2015

We should reach a consensus on the fact that macroeconomic policies in low-income economies need to also jettison the conventional wisdom of undue restrictiveness.
