

Attorney-at-Law Merit Lind, the Head of Law Firm Deloitte Legal Estonia and the Head of the Crowdfunding Expert Group established by FinanceEstonia, has drafted the Crowdfunding Industry Best Practice, which aims to turn the ever increasingly popular crowdfunding platform providers' activities more transparent for the clients and investors. The English translation of the Crowdfunding Best Practice is now available on FinanceEstonia's website. See further: [http://www.financeestonia.eu/priority\\_niche/crowdfunding/](http://www.financeestonia.eu/priority_niche/crowdfunding/)

A number of the platform providers' activities in Estonia are not hit by financial regulation. The Best Practice provides behavioural guidelines for the platforms to ensure increased transparency and clarity for their clients.

The Estonian Ministry of Finance acknowledges the initiative and is open for discussions on how national regulatory instruments could increase the crowdfunding related potential even further in the future, taking into account the need to support the investors as well as the parties attracting investments via the portals. "The financial markets regulations and other regulatory instruments only graze the surface of the crowdfunding realm. Therefore, the creation of a market-driven Best Practice only proves that responsible service providers do not always require state interference," commented Ardo-Heiki Ingar from the Ministry of Finance.

"National or even EU-level regulatory instruments might primarily be important for enabling cross-border activities in this sector. In such cases the regulatory framework would increase investor confidence and turn crowdinvestments into a credible alternative to traditional avenues," added Ingar.

All Estonian crowdfunding platform providers can apply to join the Best Practice. The Best Practice quality labels are being issued annually.