

Country Crowdfunding Factsheet

Slovenia

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EUROPEAN
CROWDFUNDING
NETWORK



European Crowdfunding Network

The European Crowdfunding Network AISBL (ECN) is the professional network promoting adequate transparency, (self) regulation and governance while offering a combined voice in policy discussion and public opinion building, incorporated as an international not-for-profit organization in Brussels, Czech Republic.

We support our members in carrying initiatives aimed at innovating, representing, promoting and protecting the European crowdfunding industry. We aim to increase the understanding of the key roles that crowdfunding can play in supporting entrepreneurship of all types and its role in funding the creation and protection jobs, the enrichment of European society, culture and economy, and the protection of our environment.

In that capacity we help developing professional standards, providing industry research, as well as, professional networking opportunities in order to facilitate interaction between our members and key industry participants. On behalf of our members, the ECN will maintain a dialogue with public institutions and stakeholders as well as the media at European, international and national levels.



This document has been extracted from Annex II of the study " Identifying market and regulatory obstacles to crossborder development of crowdfunding in the EU", published in November 2017 and funded by the European Commission (DG FISMA).

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Slovenia

Overview

In 2015, the first Crowdfunding Platform was launched in Slovenia. Crowdfunding is thus a completely new industry for this small country. The year 2016 will be a trend indicator.

A. Role of alternative finance

Market size

The Crowdfunding volume in 2015 for Slovenia was EUR 0.8m.¹ The majority of Crowdfunding projects is hosted by platforms from other countries. The first Crowdfunding Platforms started operating in Slovenia at the end of 2015.

Trend

There is an overall positive trend in the area of central and eastern Europe. But there is no specific data available about Slovenia.

Total Crowdfunding Platforms

The first Crowdfunding Platforms started in Slovenia at the end of 2015.

[Arifund](#) and [Conda.si](#) are two existing platforms.

Crowdfunding models

Equity-based Crowdfunding	In 2016, a platform has started crowd investing in Slovenia.
Lending Crowdfunding	<u>No data available</u>

¹ Zhang, B. et al (2016): Sustaining Momentum. The 2nd European Alternative Finance Industry Report. Cambridge University ([link](#))

B. Regulatory context

Country	Slovenia
Summary	
Recent developments in Crowdfunding regulation	<ul style="list-style-type: none"> AIFMD was implemented through the Act on Alternative Investment Fund Managers (<i>Zakon o upraviteljih alternativnih investicijskih skladov</i>), which entered into force on 23 May 2015, and an amendment to the Investment Trusts and Management Companies Act (<i>Zakon o investicijskih skladih in družbah za upravljanje</i>), which entered into force on 19 May 2015.
Current/planned Crowdfunding regulation	
General regulation	<ul style="list-style-type: none"> Financial services and transactions related to offerings of securities provided by a Crowdfunding Platform trigger a requirement for a licence by the Securities Market Agency Intermediary services with respect to consumer credit and other loan agreements require a licence by the Bank of Slovenia or the Securities Market Agency Donations-based and Rewards-based Crowdfunding Models are, among others, likely to have implications under tax, game of chance and consumer protection laws
Prospectus requirement	<ul style="list-style-type: none"> Prospectus requirement for offer of securities Threshold: EUR 100,000 in the European Union within 12 months Other most relevant exceptions: (i) offering of securities to sophisticated investors only, or (ii) offering of securities to up to 150 natural or legal persons, who are not sophisticated investors Simplified prospectus possible for offerings of securities below or equal to EUR 5m in the European Union within 12 months
AIFMD regulation	<ul style="list-style-type: none"> AIFMD has not yet been implemented in Slovenia AIFs are presently regulated by the Investment Trusts and Management Companies Act and the Venture Capital Companies Act A Crowdfunding Platform might fall under the AIF regulation and a future regulation implementing the AIFMD in

	<p>Slovenia</p> <p>Intermediary services with respect to consumer credit and other loan agreements would require a licence by the Bank of Slovenia or the Securities Market Agency</p>
Payment service regulation	<ul style="list-style-type: none"> • Remittance of cash payments or transfer of funds by an intermediary between a consumer and a provider of goods and services constitutes provision of payment services, which requires a licence from the Bank of Slovenia. • A Crowdfunding Platform might rely on the “technical service provider” exemption.
Consumer credit regulation	<ul style="list-style-type: none"> • The Consumer Credit Act (<i>Zakon o potrošniških kreditih</i>) regulating the content and offering of consumer credit applies only to credit and loan agreements entered into with natural persons who are acting as consumers, which means acting outside of their employment or gainful activity.
Further possible requirements	<ul style="list-style-type: none"> • Consumer Protection Act (<i>Zakon o varstvu potrošnikov</i>) • Consumer Protection against Unfair Commercial Practices Act (<i>Zakon o varstvu potrošnikov pred nepoštenimi poslovnimi praksami</i>) • Prevention of Money Laundering and Terrorist Financing Act (<i>Zakon o preprečevanju pranja denarja in financiranja terorizma</i>) • Book Entry Securities Act (<i>Zakon o nematerializiranih vrednostnih papirjih</i>) • Personal Data Protection Act (<i>Zakon o varstvu osebnih podatkov</i>) • Investment Trusts and Management Companies Act (<i>Zakon o investicijskih skladih in družbah za upravljanje</i>) • Venture Capital Companies Act (<i>Zakon o družbah tveganega kapitala</i>) • Supportive Environment for Entrepreneurship Act (<i>Zakon o podpornem okolju za podjetništvo</i>) • Humanitarian Agencies Act (<i>Zakon o humanitarnih organizacijah</i>) • Code of Obligations (<i>Obligacijski Zakonik</i>) • Prevention of Restriction of Competition Act (<i>Zakon o preprečevanju omejevanja konkurence</i>)
Regulatory barriers for Crowdfunding crossing borders	

General	<ul style="list-style-type: none"> • The registered offices of the Crowdfunding Platform would generally determine the governing law for the contracts for the provision of its services to projects and investors, if the parties did not expressly agree on the governing law. • The same requirements and conclusions of Slovenian law discussed above would also apply to Crowdfunding crossing borders regardless of whether the Slovenian Crowdfunding Platform was addressing investors in Slovenia or in another EU country.
Inbound	<ul style="list-style-type: none"> • The Financial Instruments Market Act (<i>Zakon o trgu finančnih instrumentov</i>) and the Banking Act (<i>Zakon o bančništvu</i>) apply. • A Crowdfunding Platform based in an EU Member State may provide investment services and activities in Slovenia either through a branch or directly. • Notification and “passporting” procedures apply. • The Crowdfunding Platform would be liable with all its assets for the liabilities arising from the business conduct of its local branches in Slovenia. • The prospectus requirements would apply in cases where securities (debt or equity) were offered in Slovenia, unless an exception detailed above applies. • A prospectus may be approved by the Securities Market Agency or it may be “passporting” into Slovenia
Outbound	<ul style="list-style-type: none"> • The Financial Instruments Market Act (<i>Zakon o trgu finančnih instrumentov</i>) and the Banking Act (<i>Zakon o bančništvu</i>) apply. • Notification and “passporting” procedures apply. • The Securities Market Agency may refuse to submit the respective notification to the supervisory authority of another EU Member State if reasonable doubt exists as to whether the organisation and management of the branch or the platform's financial standing are adequate. • If a Crowdfunding Platform from Slovenia addressed only investors and/or only companies and projects in another EU country and the offering would not take place in Slovenia, the Slovenian prospectus regulation would not apply.
Impact of EU regulation	
Prospectus regulations	<ul style="list-style-type: none"> • The EU Prospectus Directive is implemented into the Slovenian rules governed under the Financial Instruments

	Market Act (<i>Zakon o trgu finančnih instrumentov</i>).
AIFM Directive	<ul style="list-style-type: none"> The AIFMD has recently been implemented into Slovenian law, namely through the Act on alternative investment fund managers (<i>Zakon o upraviteljih alternativnih investicijskih skladov</i>) and an amendment to the Investment Trusts and Management Companies Act (<i>Zakon o investicijskih skladih in družbah za upravljanje</i>).
MiFID/MiFID II	<ul style="list-style-type: none"> The MiFID II is implemented into the Slovenian rules governed under the Financial Instruments Market Act (<i>Zakon o trgu finančnih instrumentov</i>).
PSD/PSD II	<ul style="list-style-type: none"> The Payment Services Directive is implemented into Slovenian legislation through the Payment Services and Systems Act (<i>Zakon o plačilnih storitvah in sistemih</i>).

C. Disclosures & safeguards

No professional industry association exists. To foster the professional and transparent development of the local market, it might be advisable for a national Crowdfunding association to establish a Code of Conduct with which platforms should be obliged to comply. Examples exist in a number of countries, such as the UK, France, Germany or the Netherlands. Alternatively, the open adoption of the European Crowdfunding Network Code of Conduct and its Charter of Crowdfunders' Rights by market players could help in markets without a critical mass of platforms.

Platforms themselves, to the extent that they can serve as marketplaces, have the potential to aid regulatory developments through early self-regulation and transparency. But this will require credible and enforceable quality and transparency standards as well as level playing fields. Any such initiative should aim to cover key performance indicators for the industry, conflict of interest rules and platforms remuneration. However, regulation will always play the main role in establishing and ensuring a functioning market with an adequate level of safeguards and disclosures.

D. Support policies

Overview

According to the CASI project policy brief for Slovenia, "changes to the current law and regulations are the first and probably the most important prerequisite for Crowdfunding in Slovenia."²

Market Supervision

Securities Market Agency and/or the Bank of Slovenia.³

E. Additional insights

Policy measures

Potential Policy Measures are indicated in the CASI policy brief for Slovenia as follows:

- Simplify the administrative procedures at all levels and in different areas (taxation, equity investments, reporting).
- Don't change the legislation and rules so often, so companies can plan their activities and internalise the processes to address them.
- Decrease taxation and make it more attractive/simple for start-up companies.

Try to reach bilateral agreements with some bigger markets (e.g. USA) to unify and simplify administrative issues to support the execution of Crowdfunding projects and initiatives.⁴

jects and initiatives.⁵

² Crowdfunding in sustainable innovation - Insights from and for Slovenia ([link](#))

³ Securities Market Agency ([link](#)) and Bank of Slovenia ([link](#))

⁴ Ibid.

⁵ Ibid.