

10 December 2021

Circular on ECSPR – EBA Consultation on Draft RTS for Crowdfunding Service Providers (EBA/CP/2021/39)

Introduction

This circular is being addressed to market participants, particularly those falling within the scope of the European Crowdfunding Service Providers for business Regulation ('ECSPR').

This circular shall be read in conjunction with the Regulation, the delegated regulations and previous circulars issued by the Authority, as the case may be.

EBA Consultation on draft RTS for Crowdfunding Service Providers (EBA/CP/2021/39)

The Authority would like to inform market participants that on 8 December 2021, the European Banking Authority (EBA) launched a consultation on draft Regulatory Technical Standards ('RTSs') on credit scoring and loan pricing disclosure, credit risk assessment and risk management requirements for European Crowdfunding Service Providers ('ECSPs') (EBA/CP/2021/39) specifying the information that ECSPs shall provide to investors.

The proposed requirements cover the method used for the calculation of credit scores and loan prices, the factors that the providers need to consider when carrying out a credit risk assessment and conducting a valuation of a loan, and the underlying policies and governance arrangements ECSPs are required to have in place to ensure that investors are adequately informed, and that credit risk assessment and loan valuation are conducted in a sound and consistent manner.

The draft RTS also require ECSPs to consider adequate amount of information when conducting the creditworthiness assessment of project owners and crowdfunding projects.

The consultation runs until 8 March 2022. A copy of the Consultation Paper can be accessed through the following [link](#). Comments to this consultation can be sent to the EBA by clicking on the "[send your comments](#)" button on the [consultation page](#).

Contacts

Should you have any queries on the above, please do not hesitate to contact the Authority on Crowdfunding@mfsa.mt for any further clarifications.