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Consumer Protection; The main requirements that an online platform like Citizenenergy should guarantee

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When we have to consider consumer protection in the field of online platform such as Citizenenergy, three main requirements must be considered:

- 1) Transparency
- 2) Data protection
- 3) Investor trust

1) Transparency

- Information of the platform owners that comprehend company name/legal form of the platform/ date of establishment, registration at the registry of business.
- Criteria used in the selection of the projects hosted by the platform and contributors of applicable fees.
- Preliminary screening of projects (who can invest, legality framework, compliance with platform's conditions)
- Checking the identity of project owners
- Timetable and how information on the status of signatures, the amount subscribed and the number of members will be provided.
- Relevant national and cross-border legislation
- Information on investors protection with particular attention on the measures that the operator of a platform has designed to manage the risks of fraud, conflict of interest and complaints.

2) Data protection:

- Information on how the platform manage personal data, in particular when we deal with a cross border platform. It is important to clarify which legislation will be used.

3) Regarding investors trust, we are aware that some of the most important factors to build citizens 'trust in an online crowdfunding platform are:

- Corporate Social Responsibility Policy
- Transparency of the information provided



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- Open and democratic membership
- Info on who manages the platform
- Clear and unambiguous ethical principles
- European permission and legal framework
- Other peers' experiences and reviews
- Public support of local authorities
- Experts opinions
- Clear business model
- Successful RES projects history
- Information of previous projects
- A dedicated space/web forum for each offer in which subscribers may leave comments and opinions on the offer and on who is promoting it, etc..
- Opinions and testimonials from experts in the field of renewable energy present within the Newsroom page
- A system of performance monitoring projects
- A system that facilitates the communication between contributors and project owners

At the same time, we are aware that there are some strong weaknesses and barriers that can prevent the success of online platform like:

- Unclear legal framework, local and international
- The lack of economic sustainability of the platform after the end of the European project
- Negative ideas and misinformation on renewable energy
- Differences in countries regarding existing taxes and benefits
- The lack of simple and coherent European frameworks
- Changing regulations and policy among countries
- Language barrier of the Platform and among the projects hosted within the platform
- Low media promotion

The existence of economic and legal barriers, as well as the lack of a harmonized legislation on the protection of consumers' rights on crowdfunding investments still represent a concern for the development of these platforms. The EU commission also addressed them in its report done in [2016 on crowdfunding](#). On this matter, the European Crowdfunding



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Stakeholders Forum¹ as well as the European Consumer Consultative Group could take in consideration the lessons learned and the civic recommendations coming from the experience of Citizenenergy and others.

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¹ . The group should assist the Commission in developing policies for crowdfunding to flourish while taking into account the interest of contributors. The tasks of the group will include helping the Commission to raise awareness, provide information and design training modules for project owners; providing expertise to the Commission in promoting transparency, exchange of best practices and certification; providing advice to the Commission to explore the potential of establishing a "quality label" to build trust with users; and identifying further issues that may need to be addressed