



# EMN Legislative Mapping Report BELGIUM



December 2019

This series of national factsheets provides a snapshot of the various legislative frameworks concerning the provision of microcredit in Europe by non-bank financial intermediaries.

The national factsheets cover the following thematic areas:

- 1 Regulation of lending activity
- 2 Supervisory framework for non-bank lending
- 3 Products
- 4 Incentives and support
- 5 Development of existing framework for non-bank microcredit provision
- 6 Inclusive entrepreneurship and microenterprise development

1

## Regulation of Lending Activity

In Belgium, there is no specific regulatory framework for microcredit provision and non-bank lenders provide loans under the Banking and Consumer law. Belgian MFIs use different legal forms to offer microcredit, such as a social or credit cooperative. Thanks to the Companies and ASBL law, in effect since 2019, not-for-profit associations (ASBL) are also allowed to provide "commercial" services such as microcredit.

2

## Supervisory Framework for Non-Bank Lending

Non-bank lenders providing personal loans must have an agreement with the Financial Service and Management Authority (FSMA). No supervision is foreseen for non-bank lenders offering business microloans.

In terms of data protection, non-bank lenders are not obliged to share client data with the credit bureau and do not have access to data from the credit bureau.

3

## Products

Non-bank lenders are allowed to disburse business and personal microloans without limit. Regarding business microloans, there is no interest rate cap. Personal microloans have a cap of about 18% per annum.

4

## Incentives and Support

In Belgium, some national/regional level funds are dedicated to support microcredit provision through the use of guarantees and funds for on-lending (senior loans).

However, the current context offers no incentives in the form of tax deductions for individuals that provide financial support to microcredit providers in the country.

5

## Development of the Existing Framework for Non-Bank Microcredit Provision

Initiatives are underway to ensure that non-bank lenders have access to the National Bank data.

6

## Inclusive Entrepreneurship and Microenterprise Development

In the Belgian context, there are no simplified administrative procedures in place for entrepreneurs, and the government is not running any educational campaign to enhance inclusive entrepreneurship and microenterprise development.

In terms of public support, however, there is a welfare bridge to support unemployed people (up to 12 months) in the transition towards self-employment. Moreover, business development services are publicly subsidized and entrepreneurship education has been included in the secondary educational curriculum.



EUROPEAN  
MICROFINANCE  
NETWORK

European Microfinance Network (EMN) aisbl

Avenue des Arts 7-8, 1210 Brussels - Belgium

[emn@european-microfinance.org](mailto:emn@european-microfinance.org)

[www.european-microfinance.org](http://www.european-microfinance.org)



European  
Commission

This publication has received financial support from the European Union Programme for Employment and Social Innovation "EaSI" (2014-2020). For further information please consult: <http://ec.europa.eu/social/easi>

The information contained in this publication does not necessarily reflect the official position of the European Commission.