

INNOVATION FINANCE

Credit points	5		
Duration of the study course	1.sem. (study programme 90 CP) / 2.sem. (study programme 120 CP)		
Study course annotation	<p>Innovative finance usually refers to the process by which environmental, social and governance considerations are duly taken into account in investment decisions in the financial sector, leading to increased long-term investment in sustainable economic activities and projects. Innovative financing is an approach in financing companies and projects that have a positive social and environmental impact. This course provides knowledge of innovative financing in a national and global context, how organisations make decisions about funding and investing in innovation projects. A general introduction to the financing of innovation projects is given, followed by a discussion on the specifics of innovation. Approaches to the assessment of innovative projects in terms of financial investment and sources of funding for innovation projects are discussed.</p>		
Aim of the study course	<p>Provide theoretical and practical knowledge in the field of innovative finance and implementation of innovative projects, as well as an understanding of the implementation of innovation policy at the national and global level. Develop students' interdisciplinary, systemic and innovative thinking and creativity</p>		
Study course results	Knowledge	Skills	Competences
	<p>Upon successful completion of this study course, students:</p> <ul style="list-style-type: none"> • Demonstrate an understanding of the basic principles of innovation finance; • Demonstrate an understanding of the implementation of innovative policies in the national and global context; • Demonstrate an understanding of the possibilities of attracting a sustainable financing and support program for innovation in Latvia and Europe; • Demonstrate an understanding of the innovation ecosystem model; • Demonstrate an understanding of the sources of financial resources and the content of innovative applications for funding. 	<p>Students know how to:</p> <ul style="list-style-type: none"> • Assess various possibilities of attracting financial resources; • Prepare projects for attracting financial resources; • Discuss and analyse innovative financial practices and tools; • Assess the risks of attracting financial resources 	<p>Students are able to:</p> <ul style="list-style-type: none"> • Develop an innovative application for attracting financial resources; • Analyse and assess the return of the project according to the company's goals. • Analyse the sources of innovative finance and their impact on the value created by the company; • Set goals and formulate objectives related to the financing of innovative projects and start-ups
Study course content	Topics		
	1	Introduction. Development directions of the financial sector. The essence of innovation finance in the national and global context.	
	2	Financial Innovation theory and basic principles, their place in the new investment continuum.	
	3	Analysis of Latvian and EU countries' innovative development and	



		technological leadership trends at the international and global level, as well as their social and environmental aspects.
	4	Latvian and EU state policy and strategy in the field of innovative development, including legal framework, regulatory enactments and regulatory documents.
	5	Innovative finance in the structure of the innovation ecosystem: Investors, accelerator funds, government organisations, corporations, communities, non-profit organisations, social enterprises and their interaction in the development and application of new financial mechanisms and structures.
	6	Questions about investing in innovation. Development of innovative project financing architecture (model).
	7	Development of financial resources attraction projects and their assessment.
	8	Risk identification, analysis and development of risk mitigation plan.
Form of assessment:	Exam	
Obligatory literature:		
<p>Metrick, Andrew. Venture capital and the finance of innovation / Andrew Metrick, Ayako Yasuda. — 2nd ed. p. cm. Includes index. ISBN 978-0-470-45470-1 http://ict-industry-reports.com.au/wpcontent/uploads/sites/4/2013/09/2011-Book-Venture-Capital-and-Finance-of-Innovation-Metrick-Yasuda-Dec2011.pdf 2.</p> <p>Thierry Roncalli, Handbook of Sustainable Finance, 2023 http://www.thierry-roncalli.com/download/HSF.pdf</p>		
Additional literature:		
<ol style="list-style-type: none"> 1. Binns Tony, An Introduction to Sustainable Development Routledge Perspectives on Development Series. Third edition https://handoutset.com/wp-content/uploads/2022/06/ 2. An-Introduction-to-Sustainable-Development-3rdedition-Routledge-Perspectives-on-Development-J.-Elliot.pdf 2. Borut Likar, Peter Fatur, Urška Mrgole, 3. Innovation management. Edition: 1st edition, 2013 Publisher: Korona plus d.o.o. - Institute for Innovation and Technology Editor: Borut Likar, Peter Fatur, Urška Mrgole https://www.researchgate.net/publication/292127499_Innovation_management (pdf.) 3. 4. Brigham E. Financial Management: Theory and Practice, 2nd Ed. / Ehrhardt Brigham. - Andover UK: Cengage Learning, 2018. - 638 [14] p. 5. Carayannis, E.G. Innovation and Entrepreneurship / Elias G.Carayannis, Elpida T.Samara. - Springer, 2015. - 232 p. 6. Kerzner, Harold Project management: a systems approach to planning, scheduling, and controlling / Harold Kerzner. 11. izd. Hoboken, N.J.: John Wiley & Sons, 2013. xxvii, 1264 6. 7. Lapiņa, I., Liepiņa, R., SROI Network. Sociālo investīciju atdeve: rokasgrāmata. Rīga: RTU Izdevniecība, 2014 		
Other sources of information:		
<ol style="list-style-type: none"> 1. Scientific publication databases: WEB of Science, Scopus, Elsevier, EBSCO 2. European Union: https://europa.eu/european-union/index_en 3. Ministry of Finance of the Republic of Latvia: https://www.fm.gov.lv/ 4. Ministry of Economy: https://www.em.gov.lv/lv 5. Eurostat: https://ec.europa.eu/eurostat/data/database 6. Central Statistical Bureau of Latvia, https://www.csb.gov.lv 		
Changes and additions to the program and literature list are possible during the study process		