Background
Investments into research and development (R&D) are decisive factors for long-term economic growth. Unfortunately, promising innovation projects from non-university research institutions frequently fail to get off the ground due to a lack of financial resources, especially outside of established projects. Two reasons for this are the asymmetrical distribution of information between innovators and capital providers and the intransparency of alternative financing instruments.

Project
The research project Innofinanz examines to what extent participative financing instruments could add to the monetary funds of non-university research institutions. As a «third pillar» in addition to government-founded and industrial research funding, it is hoped that these instruments may facilitate promising innovation projects and provide capital as well as added impetus through citizen involvement.
**Objectives**

The Fraunhofer IMW’s objective within the scope of this joint project is the development of implementation models for participative financing instruments specifically within the context of the Fraunhofer-Gesellschaft. It will also examine to what extent the models developed could be transferred to other non-university research institutions.

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**Project Partners**

University of Cologne - Faculty of Management, Economics and Social Sciences

RWTH Aachen University - Chair for Technology Entrepreneurship

**Project Duration**

03/01/17–04/30/18

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**Research and Development & Innovation**

**Public Funding**

Social added Value
Secure economic competitiveness, generate jobs, solve social problems

**Industry Financing**

Individual added Value
Utilize and exploit research results, market introduction, solve individual problems

**Participative Financing**

Community added Value
Participation in exploitation results, philanthropy (ie. B. CSR), solve community problems

**Diagram: The Fraunhofer Center for International Management and Knowledge Economy IMW**