

Enabling Social Innovation in Maldives



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Country Snapshot

Social innovation: "the processes and outcomes of developing novel approaches to address societal challenges facing people and planet." ¹

This snapshot represents a descriptive, non-exhaustive overview of key highlights from Maldives's social innovation ecosystem.

- Direct focus on social innovation
- Connected but indirect focus on social innovation
- No focus on social innovation

INSTITUTIONAL FRAMEWORK

Official Definition of Social Innovation

The Maldives has **no official legal definition** of social innovation. Government documents reference innovation mainly in relation to **technology, governance reform, youth empowerment and climate resilience**.

Government Body for Social Innovation

There is no dedicated national agency for social innovation. Relevant bodies with indirect mandates include:

- **Ministry of Higher Education, Labour and Skills Development** – oversees higher education.
- **Ministry of Youth Empowerment, Information and Arts** – oversees youth entrepreneurship, community development and volunteerism programs.
- **Ministry of Tourism and Environment** – leads national work on climate mitigation and adaptation, environmental protection and related innovation initiatives, often in coordination with digital governance bodies.
- **Ministry of Family and Social Development** – oversees rights and wellbeing related to children, women, and elderly.

Government Strategy for Social Innovation

There is no national social innovation strategy. However, key strategies indirectly relevant to SI include:

- **Strategic Action Plan 2019-2023** – emphasised decentralisation, youth empowerment, digital governance, and climate-related innovation.
- The **[Creative Economy Strategic Action Plan 2024–2028](#)** prioritizes expanding opportunities for MSMEs and creatives, emphasizing innovation, skills and inclusivity
- **[National Youth Strategy](#)** – promotes youth entrepreneurship, skills development and community leadership.
- The President's pledge to designate 2026 as the **"[Year of National Innovation](#)"** also reflects high-level commitment to fostering innovation broadly, though with a focus on the creative and digital economy.
- **[Maldives Islamic Social Finance Initiative](#)** – Led by the central bank of the Maldives, Maldives Monetary Authority, designed to integrate Islamic social finance into the national financial framework.
- **[Digital 2.0 Maldives](#)** – led by the President's national vision to reshape government service, economic growth, public services, and delivery of information and opportunities to citizens.

Policies, Laws & Regulations

No Social Innovation specific laws exist. Broader policies that indirectly enable social innovation include:

- **Decentralisation Act** (amended 2020): strengthens local councils and community-based service delivery, creating space for localised social innovations.
- **Small and Medium Enterprises Act** (2013): provides financial and technical support to MSMEs, including socially oriented enterprises.
- **ESG and Sustainable Finance Guidelines**: The financial regulators are introducing sustainability reporting standards and a Green Taxonomy to promote Environmental, Social, and Governance considerations in business. For instance, the [Maldives sustainable finance initiative](#) by the government of Maldives in collaboration with Maldives Stock exchange.. These policies indirectly support social innovation by incentivizing socially responsible business practices.

Official Statistics

No official SI statistics exist. Some statistics on **entrepreneurship, youth employment, MSME development**, and volunteerism are collected across ministries, but there is **no national database on social enterprises** or community-led innovations.

PGovernment Programs

While not explicitly labelled as SI programs, several initiatives support related goals:

- **Entrepreneurship and MSME Support**: The state-established **SME Development Finance Corporation (SDFC)** (now [SME Digital](#)) since 2019 provides finance and advisory to small businesses, improving access to credit for start-ups and community enterprises.
- **Youth and Women Entrepreneurship Schemes**: Government policy prioritizes women and youth-led ventures. A notable program is the **“Fashaa Madhadhu” loan scheme**, launched in 2022 and expanded in 2025, which offers concessional finance to women entrepreneurs – with 25% of funds earmarked for women with disabilities. This directly fosters inclusive innovation by empowering underrepresented entrepreneurs.
- **Social Protection & SDG Initiatives**: Programs like the [National Social Protection Framework 2023](#) aim to reform welfare and encourage innovative solutions for social issues (e.g. community-based climate resilience, livelihood diversification)[4]. Ministries also collaborate with UN agencies (UNDP, UNICEF, etc.) on pilot projects – for example, the **“Innovation for People, Planet and Prosperity”** social innovation camp series has government observers and aligns with national SDG priorities

ECOSYSTEM

Stakeholders

Diverse actors, with NGOs and government leading; nascent networks. The Maldives’ social innovation ecosystem involves multiple stakeholders:

Non-government bodies directly/indirectly supporting SI include:

- **Hope for Women** (2000): national NGO advancing gender equality, women’s empowerment and social change.
- **Transparency Maldives** (2007): civic-innovation, governance and accountability initiatives.
- **The Maldives National University – MNU Research Centres**: research on community development, governance, climate and society.
- **Society for Health Education (SHE)**: health, education and youth programs with strong community-based innovation components.

Other Organizations

- **Civil society organisations (CSOs)** – a wide base of associations operating under the [Associations Act framework](#); CSOs are recurring participants in Miyaheli “civil society editions.” ^{2 3}
- **Financial institutions** – Bank of Maldives’ acquisition and restructuring of SDFC is positioned as a mechanism to broaden MSME finance access. ¹

Support Initiatives

- [UNDP Maldives Accelerator Lab](#) – part of UNDP’s Global Accelerator Labs Network. The lab tests, explores, and grows solutions to enhance sustainable development in the country.
- [Miyaheli Social Innovation Camp](#) – recurring social innovation / social entrepreneurship ideation and mentoring model; includes award/recognition for winning ideas and follow-on support pathways.^{3 11 12}
- Other support initiatives exist but are generally **project-based**, often donor- or corporate-supported, and not consistently labelled as “social innovation.”

Prominent examples:

- [Youth Co:Lab Maldives](#) (UNDP/Youth Co:Lab regional initiative).
- [Community Resilience and Climate Innovation Pilots](#) (various islands).

Collaboration

Partnerships often occur through:

- **Government–UNDP collaborations** on digital governance, community innovation and social protection.
- **NGOs partnering with island councils** on local development and inclusion projects.
- **Regional innovation networks** engaging Maldivian youth in South Asian innovation challenges.

Events & Awards

- **National Youth Awards** – includes categories recognising youth-led social initiatives.
- **UNDP/NGO innovation challenges** – periodic competitions focusing on SDGs, climate action and youth entrepreneurship.

FINANCE

Financing Schemes

Most funding for social innovation is embedded in development, SME, youth or climate programs. Key financing types include:

- **Government grants** for MSMEs, youth projects and community initiatives. [6 7 10](#)
- **International development funding** (UNDP, ADB, World Bank) for climate adaptation, governance, inclusion and digital innovation.
- **Microfinance & SME loans** through BCC and commercial banks.
- **Philanthropy/charity funding** via NGOs and community organisations. Dedicated impact investing vehicles and social impact bonds are not yet established in the Maldives. Large-scale CSR programmes are emerging mainly through major financial institutions and companies (e.g. Bank of Maldives’ CSR and community-funding schemes), but remain relatively limited compared to traditional development and government funding.^{3 12}

Inclusiveness of Financing

Programs often prioritise **youth, women, islanders in outer atolls, and climate-vulnerable communities**. Financing is moderately inclusive but constrained by **limited capital markets**, geographic dispersion and small-scale project design.

Public Awareness of Social Innovation

Public Awareness of Social Innovation. Public discourse references innovation mainly through:

- Climate resilience and environmental sustainability
- Youth participation and entrepreneurship
- Digital governance and transparency
- Social innovation terminology is not widely used, but SI-like practices are present in community initiatives. [3 11](#)

Research

Academic research on SI is limited. **Climate adaptation, decentralisation, governance, gender equality and public-service innovation** (MNU, NGOs and UN partners). There are **no national journals or research centres dedicated solely to Social Innovation**. Some national platforms – such as Villa College’s International Journal of Social Research and Innovation and the ICSRI conference – cover social innovation themes, but there are no large, specialised research centres focused exclusively on social innovation.

World Values Survey includes Maldives in Wave 7 (2017–2022), providing data relevant to societal values and solidarity-related indicators.¹³

Education & Human Capital

There are **no formal degree programs** in social innovation; however, SI concepts appear in:

- **Entrepreneurship programs** (MNU, technical institutes).
 - **Climate/environmental studies**.
 - **Youth leadership and civic engagement training** from NGOs and UN agencies.
- Proportion of SI-focused graduates is **unknown but likely minimal**.

Entrepreneurship



EIU Business Environment Ranking: The Maldives scores mid-range among small island economies; structural challenges include small market size and reliance on tourism.

EIU Business Environment Ranking 2024



Innovation capacity: Maldives ranks in the lower-middle tier globally, with strengths in ICT access and environmental innovation.

Global Innovation Index 2024



GEM (Global Entrepreneurship Monitor): Indicates **high entrepreneurial intention among youth**, but fewer established enterprises; social entrepreneurship data not specifically reported.

Global Entrepreneurship Monitor 2019

Social & Environmental Consciousness



Solidarity



Participation



Volunteering (CAF World Giving Index):

Maldives ranks low globally, though community volunteerism (particularly youth-led) is active in local development and climate responses.

CAF World Giving Index 2024



Sustainability

Environmental Performance Index: The Maldives performs modestly overall but prioritises climate adaptation, reflecting its extreme vulnerability to sea-level rise.¹⁴ Environmental Performance Index 2024

