

Enabling Social Innovation in South Africa

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 South Africa'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 🔗



South Africa does **not have an official legal definition** of social innovation. Government policy documents instead reference related concepts such as *social entrepreneurship*, *inclusive innovation*, and *public-sector innovation*, particularly through the Centre for Public Service Innovation (CPSI).

Government Body for Social Innovation ✓



There is **no dedicated national government body** for social innovation. Relevant institutions include:

- **Centre for Public Service Innovation (CPSI, 2001)**: Supports innovation in public service delivery through awards, pilot programmes, and replication initiatives.
- **Technology Innovation Agency (TIA, 2008)**: Provides early-stage funding for inclusive and grassroots innovation, including community-based solutions.

Government Strategy for Social Innovation ✓



South Africa has **no national strategy explicitly focused on social innovation**. Relevant enabling strategies include:

- **National Development Plan 2030 (2012)**: Emphasises inclusive growth, community-driven development, and innovation to address inequality and unemployment.
- **White Paper on Science, Technology and Innovation (2019)**: Promotes grassroots and inclusive innovation within the national STI system.

Policies, Laws & Regulations ✓ 🔗



Social-innovation-specific frameworks:

None identified.

Broader enabling frameworks:

- **Non-Profit Organisations Act (1997; amended 2022)**: Regulates NGOs, which constitute a core part of the social innovation landscape.
- **Broad-Based Black Economic Empowerment (B-BBEE, 2003)**: Incentivises corporate socio-economic development spending that frequently supports social innovation initiatives.
- **King IV Code on Corporate Governance (2016)**: Mandates ESG and integrated reporting, indirectly encouraging social and environmental innovation.
- **Section 12J Venture Capital incentive (2014–2021)**: Formerly channelled private investment into impact-oriented SMEs.

Official Statistics

There are no official statistics specifically on social innovation. The government does collect data on:

- Registered non-profit organisations (approximately 260,000 entities) .
- Social economy baseline studies estimating employment and organisational scope.

Government Programs

There are **no programs exclusively dedicated to social innovation**, but several initiatives provide indirect support:

- **TIA Seed Fund & Grassroots Innovation Programme:** Early-stage funding for community-led innovation.
- **CPSI Awards and Replication Programme:** Identification and scaling of public-sector innovations.
- **National Youth Development Agency (NYDA) Grants:** Support youth entrepreneurship, including social enterprises.

ECOSYSTEM

Stakeholders

Non-governmental bodies:

- **Bertha Centre for Social Innovation & Entrepreneurship (2011):** Leading African academic and practice hub for social innovation, based at the University of Cape Town.

Sectoral networks

- **COPAC:** Promotes cooperatives and solidarity economy models.
- **CIVICUS:** Global civil society alliance headquartered in Johannesburg.

Support Organisations

Common types include incubators, accelerators, and university hubs. Prominent examples include **Innovation Edge, Fetola, RLabs, mLab Southern Africa, JoziHub**, and university-based entrepreneurship centres.

Support Initiatives

Leading non-financial support initiatives focus on incubation, acceleration, challenge funds, and living labs:

- **Fetola Accelerator:** Supports growth-stage SMEs and social enterprises.
- **Innovation Edge Challenge Fund:** Early-stage innovation focused on early childhood development.
- **RLabs Living Labs:** Youth-led community innovation platforms.

Collaboration

Collaboration occurs primarily through:

- Public–philanthropic partnerships in areas such as early childhood development.
- Corporate–social enterprise partnerships linked to B-BBEE obligations.
- CPSI-led replication of public-sector innovations.

Key events: South African Innovation Summit; CPSI Public Sector Innovation Awards.

Key awards: SAB Foundation Social Innovation and Disability Empowerment Awards.

FINANCE

Financing Schemes

Estimated total funding:

There is **no official estimate** of annual funding dedicated specifically to social innovation. Combined public, philanthropic, and corporate funding is substantial but not systematically tracked.

Main financing types:

- **Public funding:** TIA grants; NYDA grants; SME support schemes.
- **Philanthropy:** DG Murray Trust, SAB Foundation, Oppenheimer Generations Philanthropies.
- **Corporate / ESG:** Significant funding flows through mandatory B-BBEE socio-economic development spending.
- **Impact investment:** Foundation-linked investment vehicles and blended-finance models.
- **Crowdfunding:** Donation-based platforms such as BackaBuddy.

Financing Inclusivity

Financing frequently **targets youth, women, township entrepreneurs, and rural communities**, though access remains uneven for early-stage and informal innovators

SOCIETY

Public Awareness of Social Innovation

Public and media attention to social innovation is **growing**, particularly around unemployment, education, health, and township entrepreneurship. Public discourse more commonly uses the term *social entrepreneurship* than *social innovation*.

Research

Academic research is led by **the Bertha Centre**, with additional contributions from universities such as UCT, Wits, Stellenbosch, and the University of Pretoria . Practitioner research includes **corporate social investment reporting** and civil-society ecosystem studies

Education & Human Capital

Formal education:

- UCT Graduate School of Business – Social Innovation & Entrepreneurship track.
- University of Pretoria – Postgraduate Programme in Social Entrepreneurship.

Informal education:

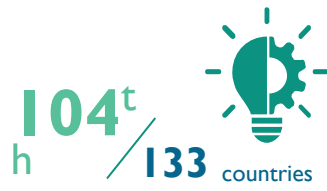
- RLabs Academy, Fetola training programmes, Bertha Centre short courses.
- No official data exist on the proportion of graduates with social-innovation-focused credentials.

Entrepreneurship



Enabling conditions for business

South Africa's entrepreneurial environment is characterised by moderate innovation performance and high levels of necessity-driven entrepreneurship, with social enterprises often emerging in response to unemployment and service gaps



Innovation capacity



Social & Environmental Consciousness

Available evidence points to:



Solidarity

Strong community-oriented values and solidarity norms



Participation



Volunteering

Moderate levels of volunteerism relative to global averages



Sustainability

Significant environmental and climate challenges alongside growing sustainability awareness