

Enabling Social Innovation in Vietnam

Country Snapshot

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

This snapshot represents a descriptive, non-exhaustive overview of key highlights from Vietnam'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 🔗



Vietnam has no official legal definition of "social innovation". However, *social enterprises* are legally recognised under the [Enterprise Law](#) (2014; revised 2020) as businesses addressing social or environmental problems and reinvesting **≥51% of profits** into their mission.

Government Body for Social Innovation ✓



There is no dedicated national body for social innovation; instead, key roles are dispersed across:

- **Ministry of Planning and Investment (MPI)** – social enterprise policy and donor-supported programs.
- **Ministry of Science and Technology (MOST)** – innovation and startup ecosystem support (general, not social-specific).

Government Strategy for Social Innovation ✓



Vietnam has no standalone social innovation strategy, though **social innovation is embedded** within:

- [Socio-Economic Development Plans](#) and the **2030 Sustainable Development Agenda**.
- **Sustainable Business Support Program (2022–2025)** promoting ESG and inclusive business practices.

Policies, Laws & Regulations ✓ 🔗



- **Enterprise Law (2014; 2020)** – legal status for social enterprises.
- **SME Support Law (2017)** – indirect financial and technical support accessible to social enterprises.
- **Public service "socialisation" policies** – encourage non-state delivery of health, education and social services.
- **ESG disclosure requirements** for listed companies – indirect incentive for social impact activity.

Official Statistics



Government bodies publish various indicators related to social innovation (e.g., MOST's Provincial Innovation Index) and maintain registry data for social enterprises under the Enterprise Law. Approximately ~1,000 social enterprises are officially registered under the Enterprise Law (MPI registry), while many mission-driven organisations operate under other legal forms.

Government Programs



- **National Startup Program (Project 844, 2016–2025)** – includes impact startups via TECHFEST Impact Village.
- **ISEE-COVID (2020–2023)** – UNDP–MPI program supporting social impact businesses.
- **Vietnam Bank for Social Policies** – large-scale microfinance for inclusive entrepreneurship (indirect).

ECOSYSTEM

Stakeholders



Key non-governmental actors include:

- **CSIP, Spark Center** – early social enterprise incubators.
- **Impact Hub Hanoi & Saigon** – incubation, acceleration and community building.
- **British Council, UNDP** – ecosystem development and policy support.
- Universities (e.g. **National Economics University, Fulbright University Vietnam**) integrating social innovation into teaching and incubation.

Support Initiatives



Dominant support types:

- Incubation and acceleration programs.
- Donor-funded innovation challenges.
- University-based competitions and short training programs.

Collaboration



- Public–private collaboration is mainly **donor-led**.
- Growing **corporate–social enterprise partnerships** via CSR and ESG.

FINANCE

Financing Schemes



Social innovation financing is small-scale and fragmented:

- **International donors and foundations** are primary funders.
- **Early-stage impact investors** emerging but limited in volume.
- **Public funding** is indirect, accessed via SME or innovation schemes.



Financing Inclusivity

Financing often targets: **women, rural communities, and vulnerable groups**. However, access remains uneven, with smaller and rural initiatives facing persistent scale-up barriers.

SOCIETY



Public Awareness of Social Innovation

Public awareness is low. Social enterprises are often perceived as charities rather than viable businesses, though media coverage and national awards are improving visibility.



Research

Research capacity is emerging, led by:

- Universities and policy-oriented studies.
- The **Vietnam Social Impact Business White Book (2023)** provides the first consolidated national overview.



Education & Human Capital

- Social innovation is integrated into higher education through electives, incubators and extracurricular programs.



Entrepreneurship



Business Environment:



Innovation capacity

Vietnam ranks ~44th globally, an innovation “over-performer” for its income level

Global Innovation Index



Social entrepreneurship prevalence

High entrepreneurial activity overall, but explicit social entrepreneurship remains limited



Social & Environmental Consciousness



Solidarity

Strong **informal solidarity** (high rates of helping strangers)



Political Participation:



Culture of volunteerism

Low formal volunteering and giving

CAF World Giving Index



Sustainability

Weak environmental performance increases demand for eco-social innovation