

Enabling Social Innovation in Mongolia



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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 Mongolia'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 🔗



Public evidence for an official Mongolian government definition of social innovation was not identified. In practice, policy discourse is framed around broader domains such as innovation, SMEs, cooperatives, NGOs, employment, and youth entrepreneurship. These areas provide indirect conceptual and operational entry points for social innovation, although they are not explicitly labelled as such.

Government Body for Social Innovation ✓



Mongolia does not appear to have a dedicated public body solely responsible for social innovation. Instead, responsibilities are distributed across multiple institutional actors, including ministries responsible for innovation, labour, and economic development. The Innovation Law assigns roles to the Government, ministries, agencies, the National Committee on Science, Technology and Innovation, and local authorities. This distributed structure enables cross-sector engagement but may limit central coordination.

Government Strategy for Social Innovation ✓



While no standalone national strategy for social innovation was identified, relevant priorities are embedded in broader policy frameworks such as the State Policy on Innovation and youth entrepreneurship initiatives. These emphasise competitiveness, diversification, knowledge-based development, and innovation capacity. While supportive, this approach reflects an indirect rather than explicit strategic commitment to social innovation.

Policies, Laws & Regulations ✓ 🔗



- The Innovation Law provides the primary legal framework for innovation governance and institutional roles.
- Laws on SMEs, cooperatives, and NGOs define the main organisational forms through which socially oriented activities operate.
- While no dedicated social enterprise or social innovation legislation was identified, the existing framework provides functional pathways for social innovation through multiple legal structures.

Official Statistics 🔗



Public evidence for official statistics specifically tracking social innovation or social enterprises was not identified. As an indirect proxy, the National Statistics Office's Statistical Business Register (2023) reports 4,827 cooperatives and 31,307 NGOs. While useful, these figures do not distinguish social innovation activities within these entities

Government Programs



- The New Cooperative Movement represents a major national initiative supporting community-based enterprise, including cooperative expansion and access to finance, particularly among herder communities.
- A World Bank–Japan Social Development Fund project focuses on vulnerable rural youth, providing entrepreneurship training, socioemotional skills development, and pathways into self-employment.

These programs indicate a practical, though indirect, public role in enabling socially oriented innovation.

ECOSYSTEM

Stakeholders



Mongolia's ecosystem includes international development organisations (UNDP, JICA), local organisations such as KITE Mongolia, universities, volunteer networks, and financial institutions. While relatively small, the ecosystem demonstrates active engagement across sectors. However, many actors operate within broader innovation or development agendas rather than a clearly defined social innovation field.

Support Initiatives



Key initiatives include Youth Co:Lab, the UNDP Accelerator Lab, Social Innovation Week, and the Monja Startup Accelerator. These initiatives provide mentoring, incubation, challenge-based learning, and international exposure. They play a central role in shaping the social innovation landscape, particularly for youth and early-stage innovators.

Collaboration



Collaboration is a notable strength of the ecosystem. Events such as the Social Entrepreneurship Summit and Social Innovation Week bring together public institutions, development partners, financial actors, and entrepreneurs. These platforms demonstrate active cross-sector partnerships and knowledge exchange, contributing to ecosystem cohesion despite its relatively small size.

FINANCE

Financing Schemes



Financing for social innovation is primarily available through adjacent channels rather than dedicated instruments. These include:

- Cooperative lending under the New Cooperative Movement
- EBRD-supported financing for women entrepreneurs through local banks
- World Bank-supported entrepreneurship programs for rural youth
- Broader sustainable finance instruments such as SDG Investor Maps and thematic bonds

While these mechanisms support socially oriented activities, they are not specifically designed for social innovation, indicating a gap in targeted financing infrastructure.

Financing Inclusivity



Financing mechanisms show a relatively strong focus on inclusion, particularly targeting women, youth, and rural populations. Examples include support for women-led SMEs, vulnerable rural youth, and herder cooperatives. However, public evidence for financing explicitly targeting ethnic minority groups or other underserved populations remains limited.

Public Awareness of Social Innovation



Public awareness is gradually increasing, driven primarily by ecosystem actors rather than government initiatives. Events such as Social Innovation Week and national summits contribute to visibility and discourse. However, awareness remains relatively nascent and is not yet deeply embedded in mainstream public narratives.

Research



Research activity on social innovation is present but limited in scope. A Mongolia-specific academic study highlights the role of social enterprises in the education sector and notes that many operate under nonprofit legal forms. Broader academic and practitioner research infrastructure remains underdeveloped.

Education & Human Capital



Higher education institutions play an important role in building foundational capacity. The National University of Mongolia and the Mongolian University of Science and Technology prioritise entrepreneurship education and incorporate related themes, including social innovation, into their strategies and programs. However, dedicated social innovation degree programs were not identified.

Entrepreneurship



Business Environment

The World Bank's B-READY framework now serves as a key reference for the business environment.



Innovation Capacity

Mongolia ranks 78th out of 139 economies in the Global Innovation Index 2025, indicating a moderate level of innovation capacity.

Global Innovation Index 2025



Social entrepreneurship prevalence

Current GEM data on social entrepreneurship was not verifiable in the reviewed sources.

Social & Environmental Consciousness



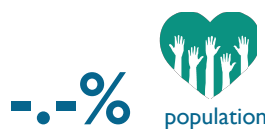
Solidarity

Climate change and low-carbon transition are identified as central national priorities.



Political participation

Mongolia demonstrates relatively strong civic engagement, with 69.8% voter turnout in the 2024 parliamentary election.



Volunteering

Volunteerism is supported through national and UN-led platforms. Environmental indicators highlight significant challenges,



Sustainability

Low ranking in the Environmental Performance Index (143rd) and mid-range positioning in the ND-GAIN Index (60th).

Environmental Performance Index (EPI)