

Enabling Social Innovation in Honduras



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 Honduras’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 🔗

No official definition exists. Government and civil society use terms such as *innovación social* or *innovación comunitaria* informally, with no unified framework ².



Government Body for Social Innovation ✓

No dedicated agency. Functions relevant to SI are distributed across:

- **SEDESOL** – social programmes with community-driven elements ³.
- **SDE** – entrepreneurship and MSME development.
- **SENACIT** – innovation policy with occasional inclusion goals ⁴.



Government Strategy for Social Innovation ✓

No national SI strategy. Relevant elements appear in:

- **Vision País 2010–2038** – social inclusion, local development.
- **Digital Government Strategy 2020–2025** – public-sector and digital inclusion innovation.
- **National Entrepreneurship Policy** – youth/women entrepreneurship, some social enterprise focus ⁵.



Policies, Laws & Regulation ✓ 🔗

No SI-specific laws. Broader frameworks enabling SI include:

- **MSME Promotion Law (2008)** – support measures used by social enterprises.
- **Social Protection Framework (2015)** – community-based service delivery.
- **Municipal Development Law** – funds for local innovation.
- **Cooperative Law** – legal basis for cooperatives engaging in rural SI.



Official statistics 🔗

No SI statistics. INE and SENACIT provide partial data on social economy actors and innovation activity.



Government Program

No programs labelled explicitly as SI, but several support SI-type initiatives:

- **Youth employability programmes**, including entrepreneurship components.
- **Rural development and cooperative programmes**.
- **Digital inclusion and e-government programmes** ⁴.
- **Municipal development funds** for local innovations.

ECOSYSTEM



Stakeholders

Key non-governmental SI enablers:

- **Impact Hub Tegucigalpa (2016)** – leading hub for social entrepreneurship.
- **Foundations** (Terra, Ficohsa, Nasser) – education/youth/community innovation.
- **UNDP Honduras** – innovation pilots and local governance experiments ⁶.

Sectoral networks:

- **FOPRIDEH** – NGO umbrella body.
- **Cooperative federations** (FEDECACES, FENACAMH).
- **Red de Desarrollo Sostenible** – community development network.

Support organisations:

- **University innovation centres** (UNAH, UNITEC, Zamorano).
- **CEMPRENDE** – entrepreneurship support.



Support initiative

Common forms: incubation, innovation challenges, community labs.

Examples: Impact Hub accelerators; UNDP Accelerator Lab pilots; university entrepreneurship competitions; NGO-led initiatives in livelihoods, climate resilience and youth innovation.



Collaboration

Partnerships mostly arise through donor-funded innovation efforts:

- **Municipal–UNDP pilots** (digital governance, waste management).
- **NGO–government projects** in youth and community development.
- **University–private sector innovation challenges**.



Events & Awards

- Startup/innovation fairs led by hubs and universities.
- National Entrepreneurship Week (includes social-impact categories).
- Awards from foundations for community or education innovation.

FINANCE



Financing schemes

No consolidated data. Financing sources include:

- **Government MSME grants/loans** applicable to social enterprises.
- **Donor financing** (UNDP, USAID, EU, World Bank, IDB) – major SI-aligned funding streams.
- **Foundations** – grants for education and community innovation.
- **Microfinance sector** – loans for rural cooperatives and grassroots innovators.
- Impact-investment presence is limited.



Inclusiveness of Financing

Target groups frequently include **women, youth, rural cooperatives** and **marginalised communities**. Structural barriers (credit access, informality, cost of capital) continue to limit inclusiveness.

SOCIETY



Public Awareness of Social Innovation

Moderate visibility; SI appears mostly in media coverage of entrepreneurship, donor initiatives and community innovation.



Research

Academic SI research is limited. Universities work on social entrepreneurship, rural development and inclusive business. Practitioner research from UNDP, USAID and NGOs covers governance, resilience and youth innovation.



Education & Human Capital

No SI-specific degrees. SI topics exist within entrepreneurship and development curricula (UNAH, UNITEC, Zamorano). Informal training through accelerators and NGO programmes. No estimates on SI-related graduate numbers.



Entrepreneurship



EIU Business Environment Ranking

Honduras ranks low due to governance and infrastructure constraints ⁷.

EIU Business Environment Ranking (2024)



Innovation Capacity

Positioned near the bottom globally, with low innovation inputs/outputs ⁸.

Global Innovation Index 2024



Social entrepreneurship prevalence

High entrepreneurial intention; low established entrepreneurship; limited publicly available data on social entrepreneurship



Social & Environmental Consciousness



Solidarity

strong family/community solidarity; low generalised trust ².



Political participation

low civic engagement ⁷.



Volunteering

World Giving Index – moderate helping behaviour; low formal volunteering rates ¹⁰.



Sustainability

low ranking overall and on climate change ¹¹.

Environmental Performance Index (EPI) 2024