

Enabling Social Innovation in Mexico

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 Mexico’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 🔗

Mexico does **not** have a formal legal definition of social innovation. However, the term is commonly used in public policy and academic discourse to describe **innovative solutions addressing social inclusion, poverty reduction, sustainability, and inequality**, often linked to social entrepreneurship and community development.



Government Body for Social Innovation ✓

Mexico does **not** have a single, dedicated national government agency for social innovation. Relevant responsibilities are **distributed** across institutions:

- **Secretaría de Economía (Ministry of Economy):** Supports social enterprises, cooperatives, and inclusive business models through MSME and entrepreneurship programs, and oversees the National Quality Infrastructure System, which among its objectives seeks to promote innovation.
- **Instituto Nacional de la Economía Social (INAES):** Federal agency promoting the **social and solidarity economy**, including cooperatives and community enterprises (created 2012).
- **Secretaría de Ciencia, Humanidades, Tecnología e Innovación:** supports Mexico’s social innovation ecosystem by advancing science, technology, humanities, and innovation policies that can enable evidence-based, inclusive, and socially oriented solutions.



Government Strategy for Social Innovation ✓

There is **no standalone national social innovation strategy**. Social innovation elements are embedded within broader frameworks, including:

- **National Development Plan 2019–2024:** Emphasises social inclusion, territorial development, and poverty reduction through community-based and cooperative approaches.
- **Social and Solidarity Economy policies** led by INAES, focusing on local development and vulnerable populations.
- **Programa Sectorial de Ciencia, Humanidades, Tecnología e Innovación 2025–2030:** Provides Mexico’s sectoral policy framework for science, humanities, technology, and innovation, including priorities that can support evidence-based, inclusive, and socially oriented innovation.

Policies, Laws & Regulations

Frameworks directly or closely linked to social innovation:

- **Law on the Social and Solidarity Economy (2012):** Establishes the legal basis for cooperatives and social enterprises, indirectly enabling social innovation.
- **General Law on Humanities, Sciences, Technologies and Innovation:** Provides the national legal framework for science, humanities, technology and innovation, supporting the development and application of knowledge to address public and social challenges.
- **Quality Infrastructure Law:** Establishes Mexico's quality infrastructure system, which among its objectives seeks to promote innovation and strengthen standards, conformity assessment, and quality practices.
- **General Law on Circular Economy:** Provides a framework for circular economy approaches, resource efficiency, and sustainable production and consumption models, creating enabling conditions for environmentally oriented social innovation

Broader enabling frameworks:

- **General Law on Social Development:** Provides institutional backing for programs targeting poverty, inequality, and social inclusion.
- **Tax incentives for authorised non-profits (Donatarias Autorizadas):** Enable philanthropic funding for social initiatives.

Official Statistics

Mexico does **not** collect official statistics specifically labelled as “social innovation.” However:

- **INEGI** collects extensive data on cooperatives, civil society organisations, and social economy entities.
- Administrative data from **INAES** track beneficiaries, funding, and geographic coverage of social economy programs.

Government Programs

Key public programs indirectly supporting social innovation include:

- **INAES Social Economy Programs (2012–present):** Grants and technical assistance for cooperatives and community enterprises, particularly in rural and indigenous areas.
- **Entrepreneurship and MSME programs (Ministry of Economy):** Some instruments support inclusive and impact-oriented enterprises.

ECOSYSTEM

Stakeholders

Prominent non-governmental and hybrid actors include:

- **Ashoka Mexico:** Supports leading social entrepreneurs and systemic change initiatives (est. 2001).
- **New Ventures México:** Accelerator and impact-investment platform for sustainable and inclusive businesses .
- **Centro Mexicano para la Filantropía (CEMEFI):** National philanthropy platform promoting social investment and corporate responsibility .

Sectoral networks indirectly supporting social innovation:

- Cooperative federations and civil-society networks linked to INAES and CEMEFI.
- Growing networks of **impact entrepreneurs and B-Corp-aligned firms.**

Support Initiatives

Common non-financial support mechanisms include:

- **Incubators and accelerators** focused on impact entrepreneurship (e.g. New Ventures, university-based incubators).
- **Foundations and philanthropy-led programs** offering capacity building and pilot funding.
- **University-linked social innovation labs**, particularly in major cities (Mexico City, Monterrey, Guadalajara).



Collaboration

- **Public–civil society partnerships** are common at local and state levels, especially in community development and social inclusion projects.
- **Key events** include social entrepreneurship forums, impact investment summits, and philanthropy conferences led by CEMEFI and ecosystem partners.
- **Awards** for social entrepreneurship and innovation are primarily foundation- or university-led rather than state-led.

FINANCE



Financing Schemes

There is **no consolidated national estimate** of annual funding dedicated specifically to social innovation. Available financing sources include:

- **Public funding:** INAES grants for social economy entities, mainly targeting rural, indigenous, and low-income communities.
- **Philanthropy and foundations:** Corporate and family foundations provide grants for social innovation pilots.
- **Impact investment:** Growing but still limited; concentrated in urban centres and later-stage ventures.
- **International development finance:** Multilateral institutions and donors support inclusive development and social innovation-related projects.



Financing Inclusivity

Social-innovation-related funding in Mexico is **explicitly targeted** toward:

- Rural communities
- Indigenous populations
- Women-led and community-based enterprises

However, access to capital remains **uneven**, with significant gaps for early-stage innovators and organisations outside major metropolitan areas.

SOCIETY



Public Awareness of Social Innovation

Social innovation is increasingly visible in **media, academia, and philanthropy**, often framed around social entrepreneurship, sustainability, and inequality reduction. Public awareness remains **moderate**, with stronger recognition among urban and professional audiences.



Research

- Academic research on social innovation is emerging, often linked to **development studies, social entrepreneurship, and sustainability**.
- Practitioner-oriented research is led by foundations, accelerators, and international organisations rather than government bodies.



Education & Human Capital

- **University programs** increasingly integrate social innovation and social entrepreneurship within business, public policy, and development studies.
- Dedicated degrees are **limited**, but elective courses, incubators, and challenge-based learning are expanding.
- No official data exist on the proportion of graduates specialising in social innovation.

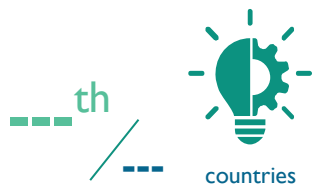
Entrepreneurship



Business Environment

Mexico ranks in the upper middle tier globally, reflecting a mixed but improving business climate.

EIU Business Environment Ranking



Innovation Capacity

Mexico performs moderately, with strengths in market size but weaker innovation inputs.

Global Innovation Index



Social entrepreneurship

GEM data indicate high entrepreneurial activity, with a significant share motivated by necessity, and a smaller but growing segment focused on social impact.

Social & Environmental Consciousness



Solidarity

World Values Survey data indicate strong family and community ties, with lower institutional trust.



Political participation

Moderate levels of electoral participation with uneven civic engagement.



Volunteering

Mexico ranks in the mid-range globally on the CAF World Giving Index.

CAF World Giving Index



Sustainability

Mexico faces significant environmental challenges, with mid-range performance on the Environmental Performance Index.

Environmental Performance Index (EPI)