

Enabling Social Innovation in Panama

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 Panama’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 formal legal definition of “social innovation” was identified in publicly available national legislation. A working definition is used within RENGIS, framing social innovation as a process of developing creative solutions to social and environmental problems that improve wellbeing and promote effective, sustainable approaches. ²

Government Body for Social Innovation



Social innovation is most visible in the science, technology and innovation ecosystem, particularly through SENACYT and its business-innovation structures that explicitly reference social innovation and RENGIS. ³

Government Strategy for Social Innovation



- The national CTI strategy cycle is anchored in the Plan Estratégico Nacional de Ciencia, Tecnología e Innovación (PENCYT) 2019–2024 (approved January 2020 and referenced in SENACYT materials). ¹¹
- A PENCYT 2025–2029 was presented in 2025 and described by official sources as aligned with the Government Strategic Plan 2025–2029 and the SDGs, pending review/approval and publication. ¹²

Policies, Laws & Regulations



Selected instruments that can enable social-purpose innovation (even if not branded as “social innovation”):

- Benefit-and-collective-interest companies (BIC): Law 303 of 2022 creates a legal company form tied to positive social and environmental impact and related reporting/oversight. ²
- Open data policy: Executive Decree 511 of 2017 is referenced in Panama’s national open data portal as part of the open data legal framework and governance model, including roles for Autoridad Nacional de Transparencia y Acceso a la Información and Autoridad Nacional para la Innovación Gubernamental. ⁸
- Cooperatives: a dedicated cooperative legal framework and oversight body, Instituto Panameño Autónomo Cooperativo (IPACOOOP), supports collective/social-economy activity. ¹⁰

Official Statistics



Panama’s open data / official statistics infrastructure supports evidence-based problem diagnosis, but a standardized national indicator set dedicated specifically to “social innovation” was not identified. The open data portal emphasizes data reuse and transparency as policy goals. ⁸



Government Programs

- SENACYT has issued competitive calls for “innovación social” projects (including a 2024 call) to finance solutions responding to social/environmental challenges. ⁶
- SENACYT’s National Business Innovation Award (2025) aims to recognize firms and startups developing science- and technology-based solutions supporting competitiveness and sustainability. ⁷

ECOSYSTEM



Stakeholders

Panama’s ecosystem is shaped by university-linked and networked arrangements:

- RENGIS: national convening platform for social innovation practice, methodology, and capacity building. ²
- Universidad Tecnológica de Panamá (UTP): hosts LABIS-UTP and related “innovation + participation” initiatives, and reports multi-university collaboration in social innovation activities. ³
- Ciudad del Saber: innovation and entrepreneurship hub and a local anchor for Global Entrepreneurship Monitor (GEM)-related entrepreneurship ecosystem activity. ¹⁴



Support Initiatives

- LABIS-UTP: described as a national social innovation laboratory coordinated with RENGIS and supported by SENACYT and the Social Secretariat of the Presidency (among others). ³
- Applied training: a 2024 program framed around “Social Innovation, Technology and Democracy” reported delivery across multiple regional centers, with follow-on mentoring for selected project proposals. ⁴



Collaboration

Cross-sector and international cooperation is visible through multi-university governance and Erasmus+ capacity-building links reported by LABIS-UTP. ³

FINANCE



Financing Schemes

Direct financing is most visible through public competitive instruments:

- SENACYT “innovación social” calls provide a dedicated grant pathway for solution development and piloting. ⁶

SOCIETY



Public Awareness of Social Innovation

- GEM reporting suggests entrepreneurship has a high social profile in Panama; “making a difference in the world” is a widely endorsed motivation among new entrepreneurs. ¹³
- University-led civic participation training explicitly uses social innovation language and methods. ⁴



Research, Education & Human Capital

- ABIS-UTP describes a methodological approach (sensitization, co-creation, co-execution) and evaluation criteria for social innovation projects. ³
- UTP’s 2024 workshops combined theory and practice and moved selected projects into mentoring and a national forum pathway. ⁴

Entrepreneurship



Business Environment

Economist Intelligence Unit (EIU) Business Environment Rankings are proprietary. As a public, historical proxy for business regulation, World Bank Doing Business 2020 ranked Panama 86th of 190 economies.¹⁶



Innovation Capacity

In the Global Innovation Index 2025, Panama ranked 82nd. The profile highlights relative strength in infrastructure and weaker performance in business sophistication and human capital/research—relevant constraints for scaling impact ventures.¹⁵



Social entrepreneurship

GEM reports a high Total early-stage Entrepreneurial Activity (TEA) rate in 2023 (31.1% of adults), alongside relatively low established business ownership (~5%), suggesting scale/survival constraints.¹³

Social & Environmental Consciousness



Solidarity

The World Bank climate profile highlights exposure to sea level rise and coastal inundation, reinforcing the relevance of climate resilience as a social innovation problem domain.²⁰



Political participation

EIU's Democracy Index 2024 scores Panama's political participation sub-index at 7.22/10 (overall 6.84/10), indicating relatively strong participation compared with many peers (a potential enabling condition for participatory social innovation).¹⁹



Volunteering

Charities Aid Foundation (CAF) World Giving Report data for 2024 indicates 38% volunteered (average 9.4 hours per person) and 64% gave money in some form; total donations averaged 0.81% of income.¹⁷



Sustainability

Environmental Performance Index 2024 ranked Panama 49th overall (EPI score 52.9); the climate change category rank was 89.¹⁸