

Enabling Social Innovation in Paraguay



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 Paraguay’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 🔗

Paraguay does not have a formal legal definition of social innovation. However, **CONACYT** applies a working definition that focuses on innovative responses to unmet societal needs with measurable positive impact. ²



Government Body for Social Innovation ✓

- There is no standalone institution dedicated to social innovation. Nonetheless, the **Estrategia Nacional de Innovación (ENI)** facilitates multi-sector collaboration, while **CONACYT** and the **Presidential Management Unit** indirectly support social innovation efforts. ³



Government Strategy for Social Innovation ✓

Although Paraguay lacks a national strategy exclusively for social innovation, the **ENI** (2019) incorporates social innovation into its national challenges. Notable initiatives include:

- **Moirū** – grassroots community challenge
- **Wendá** – digital civic engagement platform ^{3 4}



Policies, Laws & Regulations ✓ 🔗

Relevant frameworks include:

- Law 1028/1997, which supports science, technology, and innovation
- Law 438/94, providing the legal foundation for cooperatives
- A new draft law on the Social Solidarity Economy, currently in development, seeks to formalize and promote the social economy sector ⁵



Official Statistics 🔗

There are no official statistics on social innovation in Paraguay. However, cooperative-sector data point to very high engagement: more than 800 cooperatives with around 1.8 million members and a significant role in the financial system and key productive sectors. ⁶

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Government Programs



The government has supported social innovation through specific calls for proposals and capacity-building programs. These include:

- **CONACYT's** innovation calls during the COVID-19 pandemic
- The **Moirū community innovation contest**
- **Innovadores Públicos**, a program to train public officials in innovative methodologies^{3 4}

ECOSYSTEM

Stakeholders



Key non-governmental actors include:

- **Koga Impact Lab, Ashoka Cono Sur, and Fundación Paraguaya**
- Cooperative federations, youth networks, and NGOs also play significant roles in the social innovation landscape⁷

Support Initiatives



Support programs focus on incubation, acceleration, and skill development. **Koga** and several universities run incubation initiatives. UNDP's **Accelerator Lab** and **IDB**-supported programs provide mentorship and seed funding for social innovation projects.⁸

Collaboration



Paraguay's social innovation ecosystem is characterized by strong collaboration:

- The **ENI** fosters public-private partnerships
- Initiatives like **Moirū** and **I-Lab Paraguay** exemplify coordinated efforts
- National events such as the **Paraguay Impact Summit** and **REIP Nexus** help consolidate the ecosystem^{4 8}

FINANCE

Financing Schemes



Funding for social innovation comes from a combination of public budgets, donor agencies, and microfinance institutions.

- **ENI** mobilized approximately USD 14.5 million in 2020
- **CONACYT** provided smaller grants
- **IDB Lab, Itaipú**, and local cooperatives have supported inclusive innovation initiatives^{4 9}

Financing Inclusivity



Funding initiatives tend to prioritize underrepresented groups, including women, rural populations, and low-income communities. Nevertheless, structural challenges remain for early-stage and informal innovators to access capital.²



Public Awareness of Social Innovation

Public understanding of the term "social innovation" is limited, though media coverage is increasing. Initiatives like **Moirū** and **Ashoka** fellows have received some national attention. Cultural values of solidarity and mutual aid are well established. ^{4 7}



Research

While academic research on social innovation is limited, institutions and practitioners have documented successful cases. These include:

- The **Poverty Stoplight** model by **Fundación Paraguaya**
- Research reports from UNDP ¹⁰



Education & Human Capital

Social innovation is increasingly integrated into university curricula. Community service projects, youth training programs like Ideaté, and public sector innovation labs contribute to skills development in this field. ¹⁰



Entrepreneurship



Business Environment
Paraguay ranks 125th in the World Bank's Doing Business Index



Innovation Capacity
Global Innovation Index



Social entrepreneurship

Early-stage entrepreneurship is high, with a growing interest in social enterprise models.



Social & Environmental Consciousness

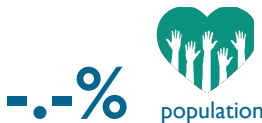


Solidarity



Political participation

Moderate



Volunteering

Paraguay ranks among the top countries globally in generosity and volunteerism



Sustainability

Environmental performance:
The country faces environmental challenges, ranking 93rd in the Environmental Performance Index

Environmental Performance Index (EPI)