

Enabling Social Innovation in Puerto Rico



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 Puerto Rico'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 of a single, cross-government definition of “social innovation” was not identified in the official sources reviewed.
The term appears in certain government actions and recovery-related documentation, including an executive order referencing a “Centro de Innovación Social.” ²



Government Body for Social Innovation ✓

While no dedicated “social innovation ministry/agency” was identified, multiple public bodies have mandates that enable social innovation through community development, third-sector support, and cooperative development.
Key mandate signals include:

- Office for Socioeconomic and Community Development (ODSEC): its organic law establishes a Puerto Rico Social Reinvestment Fund (“Fondo para la Reinversión Social de Puerto Rico”) administered by ODSEC to incentivize community and third-sector initiatives. ³
- Cooperative development governance: Puerto Rico’s cooperative policy framework positions cooperatives as a model for sustainable socio-economic development centered on people and communities, under the legal architecture for cooperativism. ⁵



Government Strategy for Social Innovation ✓

A standalone, government-wide strategy explicitly titled “social innovation strategy” was not identified in the sources reviewed.
Relevant, adjacent strategy-like documents include:

- A government recovery-oriented plan framed around “transformation and innovation” following major disasters. (This may provide entry points for innovation-based approaches to social and economic recovery.) ⁸

Policies, Laws & Regulations



Puerto Rico's enabling environment includes several legal building blocks frequently associated with social innovation ecosystems (community investment, cooperative enterprise, and purpose-driven business forms).

Key elements include:

Community and third-sector enabling instrument

- Organic law establishing ODSEC also establishes a Social Reinvestment Fund to support community and third-sector initiatives.³

Cooperative enterprise legal framework

- General cooperative law provides a structured legal basis for cooperative entities and their operation.⁵
- A dedicated enabling act establishes a cooperative investment and development vehicle (FIDECOOP), supporting cooperative enterprise financing and development.⁴

Purpose-driven corporate forms

- Corporate-law provisions recognize Benefit Corporations ("Corporación de Beneficio Social") and Social Purpose LLCs ("Compañía de Responsabilidad Limitada con Fin Social").⁶

Mission domain policy (climate resilience)

- Climate change law establishes a policy framework for mitigation, adaptation, and resilience (often a key domain for social innovation actors).⁷

Official statistics



Puerto Rico has official statistics that cover adjacent domains relevant to social innovation (nonprofits, cooperatives, and entrepreneurship), even where "social innovation" itself is not a standalone statistical category.

Available official-statistics entry points include:

- Corporate registry statistics, including nonprofit and for-profit registrations.¹²
- Cooperative finance and market statistics, including for savings and credit cooperatives.¹³
- Entrepreneurship indicators via the official statistics inventory entry for GEM Puerto Rico.¹⁴

Government Programs



Puerto Rico's public ecosystem includes time-bound and program-specific initiatives that explicitly use "social innovation" language, alongside broader enterprise support mechanisms.

Examples include:

- Centro de Innovación Social (CIS): created/endorsed through an executive order, with audit documentation describing it as a distance-training center providing trainings and capacity-building activities for municipalities and communities.^{2 10}
- CDBG-DR recovery ecosystem programming (SBIA-related disclosures): recovery portal contract/subcontract disclosures describe implementation of a "programa de innovación social," including mentoring/training and promotion of social enterprises, within an incubator/accelerator ecosystem supported under disaster recovery instruments.⁹
- Business and entrepreneurship incentives administration: the economic development department's entrepreneurship-facing page describes the administration of an Economic Incentives Fund (FIE) under Puerto Rico's incentives framework as part of broader competitiveness and business development policy.¹¹

ECOSYSTEM

Stakeholders



Public evidence points to a multi-actor ecosystem where universities, cooperative institutions, foundations/implementers, and government recovery mechanisms intersect.

Notable actors and institutional anchors include:

- University-based ecosystem monitoring and research through GEM Puerto Rico (UPR), producing recurring national reporting on entrepreneurship conditions and indicators.¹⁵
- Academic expertise in solidarity/cooperative organizations through the Institute of Cooperativism (UPR), offering education and training oriented to cooperative and solidarity organizations.²⁴
- Recovery-program implementers and subcontractors delivering capacity-building and "social innovation" programming within CDBG-DR-related contracting structures.⁹

Support initiatives

Support initiatives relevant to social innovation appear strongest in cooperative development and recovery-linked capacity building.

Illustrative initiatives include:

- Cooperative incubation cycles: UPR publishes calls for a new cycle of “incubadoras de cooperativas,” supporting cooperative creation and development. ²³
- Recovery-linked incubation/acceleration ecosystem (SBIA-related): the recovery portal describes incubation/acceleration-linked contracting, including a “programa de innovación social” component in disclosed scopes of work. ²
- Municipal and community training (CIS): audit documentation describes structured training offerings for municipalities and communities through CIS. ¹⁰

Collaboration

Public evidence of structured, national-level “social innovation awards or competitions” was not identified in the sources reviewed.

Collaboration signals appear through:

- University entrepreneurship ecosystem engagement: UPR institutional reporting references engagement with global organizations associated with social entrepreneurship and youth entrepreneurship (e.g., Enactus and Ashoka) as part of entrepreneurship ecosystem activity. ²⁶

FINANCE

Financing Schemes

Puerto Rico’s finance landscape includes cooperative-focused co-investment structures and recovery-linked funding flows that can support innovation in social and community domains.

Key schemes include:

- FIDECOOP (cooperative investment and development fund): the enabling act notes a public commitment of up to \$25 million for co-investment in cooperative enterprises, matched by cooperative-sector investment, with combined contributions referenced up to \$50 million; it also authorizes an initial \$5 million investment through the Government Development Bank within 120 days of incorporation. ⁴
- Recovery-linked contracting and program delivery: in one disclosed chain, a subcontract ceiling “no excederá de \$172,000” is shown for an economic development specialist role delivering elements of a “programa de innovación social” within a recovery-program context. ²

Financing Inclusivity

Targeted inclusivity mechanisms are visible in specific program delivery arrangements, though a consolidated national framework for inclusivity targets was not identified in the sources reviewed.

Observed inclusivity signals include:

- Women-targeted implementer presence: recovery portal disclosures include a subcontractor named “Mujeres de Islas, Inc.” implementing a “programa de innovación social,” including mentoring and training and promotion of social enterprises. ²



Public Awareness of social innovation

Social innovation language is present in selected official documents and program descriptions, indicating an emerging institutional discourse even without a national definition or strategy.^{2 2} Adjacent entrepreneurship discourse shows relatively high perceptions that media pays attention to entrepreneurship (as reported in GEM Puerto Rico 2023).¹⁵



Research ✓ 🔗

Puerto Rico benefits from established research and measurement inputs that can inform social innovation policy and ecosystem development. Key research/data assets include:

- GEM Puerto Rico: provides recurring national reporting and internationally comparable entrepreneurship indicators (e.g., opportunity recognition, TEA, and perceptions of ecosystem conditions).¹⁵
- World Values Survey (WVS) – Puerto Rico (2018, Wave 7): offers internationally comparable data relevant to civic values, participation, and social capital proxies.²⁰
- Puerto Rico’s official statistics institute highlights the analytical potential of WVS results to strengthen understanding of social capital in Puerto Rico.²¹



Education & Human Capital ✓ 🔗

Education and training relevant to social innovation appears through cooperative/solidarity education and social entrepreneurship coursework. Examples include:

- Institute of Cooperativism (UPR): offers academic programming and training oriented to cooperatives and solidarity organizations.²⁴
- UPR Arecibo: curriculum listing includes a course titled “Planificación de Proyectos de Emprendimiento Social.”²⁵



Entrepreneurship

Puerto Rico is covered through internationally comparable entrepreneurship measurement, with additional global rankings available primarily at the country (U.S.) level. Latest accessible indicators include:



EIU Business Environment Ranking

Doing Business (historical/legacy reference):
The Doing Business 2017 economy profile reports Puerto Rico’s rank as 55 (2016 data), while noting this series is now archived and no longer updated as a live benchmark by the World Bank.^{16 17}



Innovation Capacity

- Puerto Rico does not appear as a separate economy in the GII 2025 economy set; the GII 2025 results cover 139 economies.¹⁸
- The United States ranks 3rd in GII 2025 (context).¹⁹

Global Innovation Index



Social entrepreneurship prevalence

GEM Puerto Rico 2023 (adult population 18–64):

- Opportunity recognition: 63.3%¹⁵
- Perceived capabilities: 71.4%¹⁵
- Entrepreneurial intention: 37.1%¹⁵
- Total early-stage entrepreneurial activity (TEA): 22.3%¹⁵

Social & Environmental Consciousness

Puerto Rico’s policy framework includes climate governance milestones, and internationally comparable survey datasets exist for selected civic and social capital proxies. Evidence and indicators include:



Solidarity

Social capital proxies:
WVS Puerto Rico dataset availability (2018). ^{20 21}



EU Climate Action Progress

Climate governance:
Climate law establishing a mitigation, adaptation, and resilience framework. ⁷
Publication of a draft climate mitigation/adaptation/resilience plan through the environmental authority’s climate office. ⁸



Volunteering



Sustainability

Environmental performance benchmarking:
A Puerto Rico-specific EPI profile was not identified in the reviewed sources; an EPI 2024 profile exists for the United States (context). ²²