



Understanding/Context

Social innovation, fast becoming a priority for decision-makers at the highest levels worldwide, refers to the application of practical, sustainable, market-based approaches that bring about social or environmental change, with an emphasis on underserved populations. There is broad agreement that many conventional efforts to tackle extreme poverty and the associated lack of access to basic services have failed, and that governments must be prepared to collaborate with the private sector on new ideas. As governments search for guidance and inspiration on how to scale cost-effective solutions to social problems, social innovation has taken centre stage.

Shaping the Agenda

To engage governments on a policy agenda, the Global Agenda Council on Social Innovation has worked closely with the Schwab Foundation for Social Entrepreneurship and its research partners to conduct nearly a year of analysis. The resulting report, *Breaking the Binary: Policy Guide to Scaling Social Innovation*, was launched at the first Social Innovation Summit, held in Lima, Peru, on 23 April 2013. Convened under the theme “Developing an Action Plan to Advance Social Innovation” and co-chaired by four Council Members, the Summit was designed to advance policy frameworks in Latin America and internationally. Ministers from Brazil, Colombia and Peru engaged in interactive discussions with social entrepreneurs, representatives from foundations, investors and business executives on how social innovation and social entrepreneurship can be encouraged most effectively and what the appropriate role of government should be. The event culminated in the launch of a national task force in collaboration with the Inter-American Development Bank and the National Confederation of Private Business Associations of Peru to promote social innovation there.

Separate launch events of the *Policy Guide to Scaling Social Innovation* are planned in the United States and in the United Kingdom, in coordination with the G8 Social Investment Forum in London.

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Over the coming months, the Council will collaborate on additional opportunities to elevate the social innovation policy agenda. Acknowledging the critical role that capital providers play in supporting and scaling social enterprises, from early stage grants and philanthropic capital to commercial investments, the Council will focus on a separate work stream on “aligning capital providers for greater development impact”.

This includes launching a scoping study to determine whether select foundations, development finance institutions and commercial investors have a genuine interest in collaborating under a joint capital structure and, if so, to identify under what conditions they would contribute funds. There is also growing interest among corporations to get more involved in social innovation, to explore opportunities to create social value within their business operations and to support and collaborate with social enterprises in scaling up innovations. Recognizing this, the Council plans to explore work streams that engage corporations as partners and champions in advancing the social innovation agenda.

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