

Social Innovation & Entrepreneurship

Unlocking a catalyst for sustainable development

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Schwab Foundation for Social Entrepreneurship

In partnership with the World Economic Forum, the Schwab Foundation for Social Entrepreneurship is the foremost global community of pioneering social innovators driving systemic change since 1999.

It provides a platform for social innovators to accelerate the transition to a new economy, by mobilizing private and public sectors for transformative solutions. It curates & convenes over 500 leading social change organizations operating in over 190 countries and directly impacting over 800m lives.



21st century – a plurality of business models



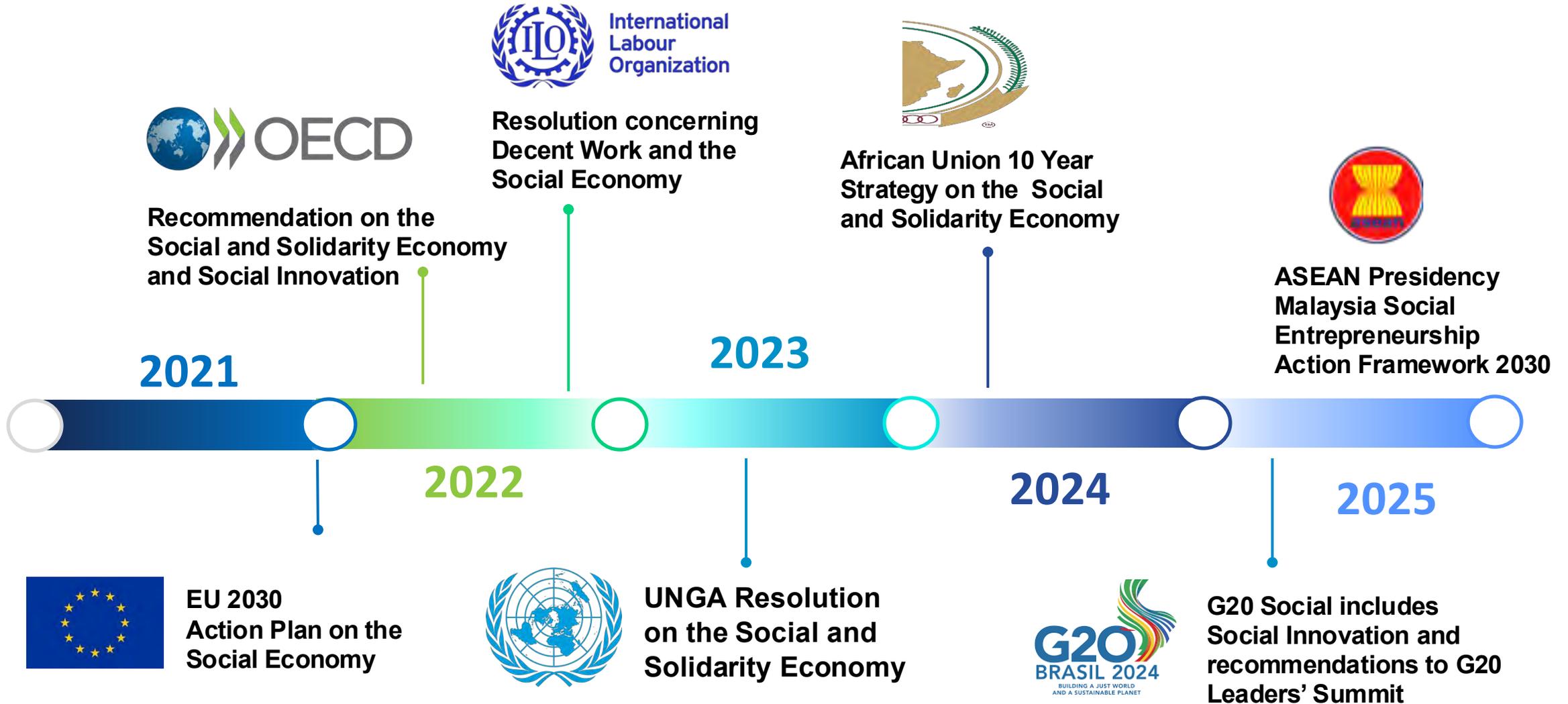
Social Innovation & Entrepreneurship

“Social economy organisations put social and environmental concerns at the heart of their business model, prioritising social impact and sustainability over profit maximisation”.

Five characteristics shared by various definitions.

- 1. Purpose** Exists to improve or solve social and/or environmental problems.
- 2. Operations** Prioritises purpose, people, and planet over profit in operational and strategic decisions.
- 3. Revenue** Has a self-sustaining revenue model.
- 4. Use of Surplus** Reinvests the majority of any surplus towards its purpose.
- 5. Structure** Chooses legal structure / financing that protect & lock in purpose long term.

Policy momentum for the social economy



Recommendation on the Social and Solidarity Economy and Social Innovation

2021



International Labour Organization

Resolution concerning Decent Work and the Social Economy

2023



African Union 10 Year Strategy on the Social and Solidarity Economy

2024



ASEAN Presidency Malaysia Social Entrepreneurship Action Framework 2030

2025



EU 2030 Action Plan on the Social Economy



UNGA Resolution on the Social and Solidarity Economy



G20 Social includes Social Innovation and recommendations to G20 Leaders' Summit

Policy momentum for the social economy



More than **30 countries** worldwide have policies, regulations, legal recognition, national financing and incentives for social entrepreneurship.

Global State of Social Enterprise 2024

A comprehensive global data set to estimate the size and scope of social enterprise worldwide, from literature, data and research in > 80 countries.



The State of Social Enterprise:
A Review of Global Data
2013–2023

INSIGHT REPORT
APRIL 2024



3% of all companies globally – with impact



10 million social enterprises

There are 10 m social enterprises globally, united by the principle of putting purpose before profit.



200 million jobs

Social enterprises are creating 200 million jobs, across various sectors from agriculture to AI.



\$2 trillion annual revenue

Social enterprises are generating \$2 trillion in revenue annually, while creating positive impact.



1 in 2 led by women

1 in 2 social enterprises are led by women, compared to 1 in 5 conventional enterprises.

Data Dashboard

An [interactive dashboard](#) is available on the website of the World Economic Forum. It highlights where data is available and at which depth. It also provides direct links to country-level report where they are openly available.



WIPO GII 2024

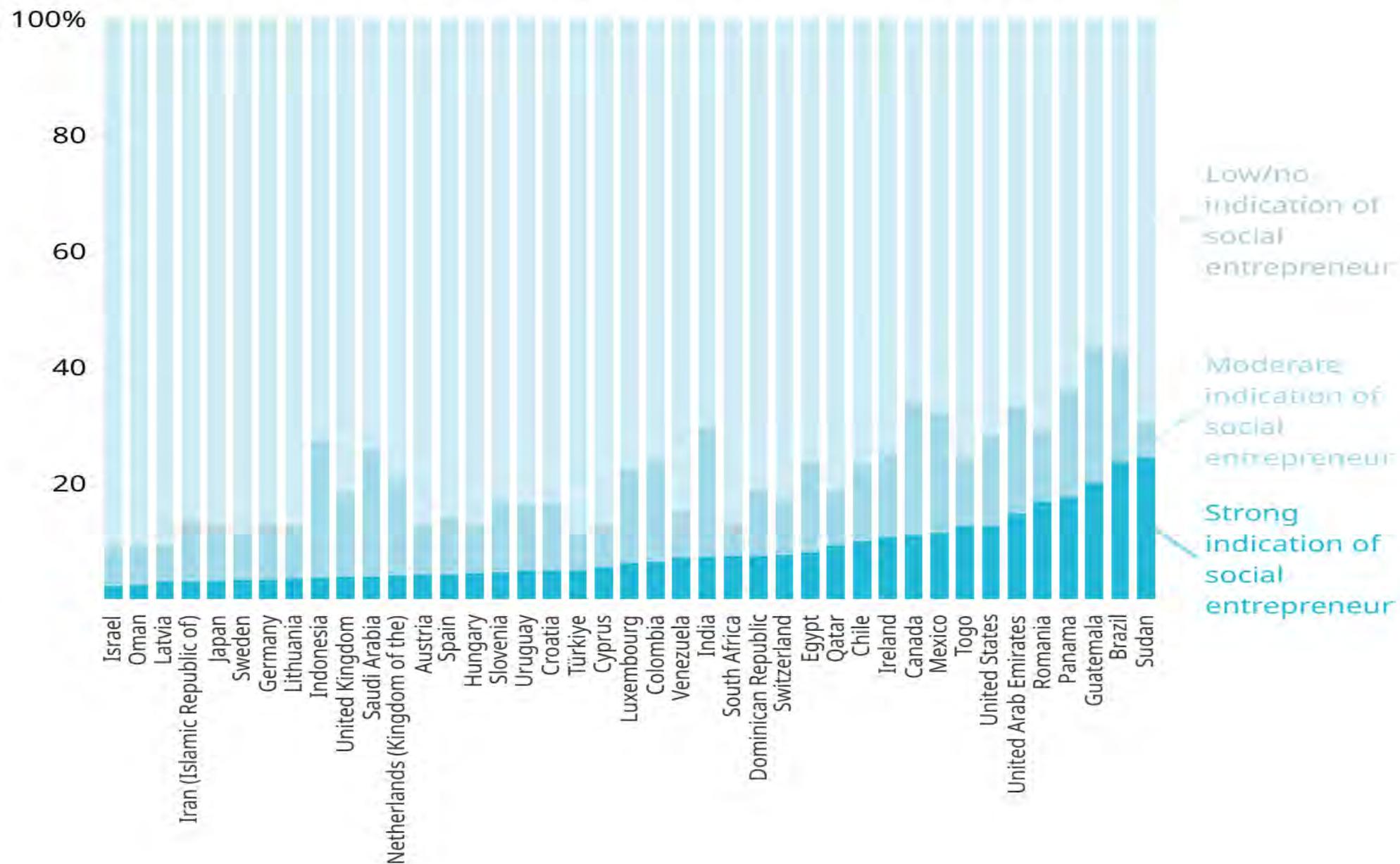
GII special theme 2024 on social innovation and entrepreneurship emphasizes **the rise and significance of social entrepreneurship as a global phenomenon** aimed at addressing critical social and environmental issues through innovative business models.

Global Innovation Index 2024

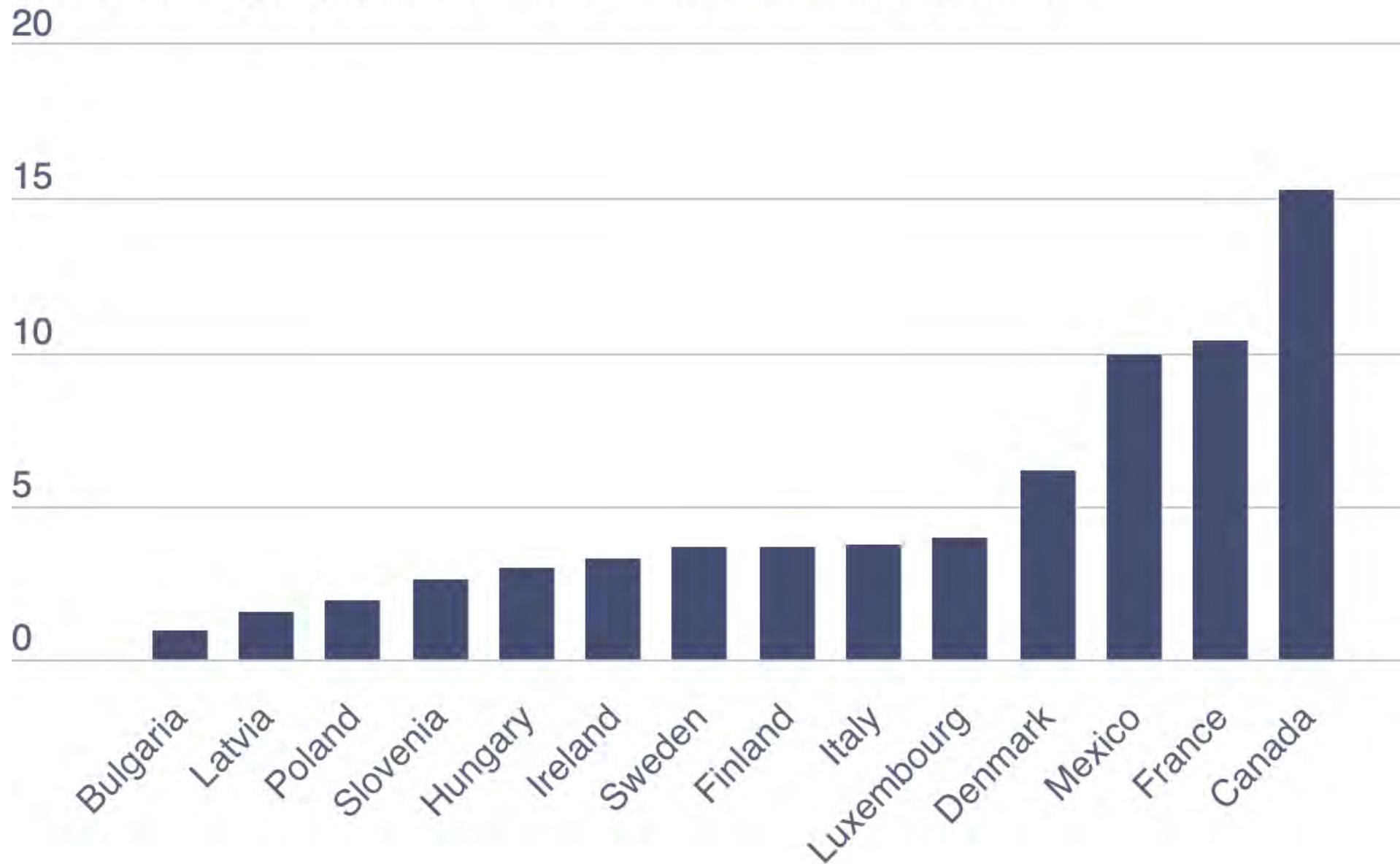
Unlocking the Promise of Social Entrepreneurship



Figure 20 Prevalence of social entrepreneurship among early-stage entrepreneurs, 2021–2022



Share of employment in the SSE in total employment



< 1% investment in AI is primarily for good



Less global inequality in deployment

Deployment of AI is consistent across high-income and low/middle-income regions, at 50/50 parity.



Barriers are funding, skills and access

Three critical challenges: scale of investment, skills shortages and accessing AI technology



<1% for investment primarily for impact

Over a 5 year period, data shows \$2.2bn out of \$290bn (<1%) of global AI investment goes to impact initiatives, <50% is financial



Private sector collaboration crucial

- 54% enhance core products/services
- 30% develop new solutions
- 20% enhance efficiencies & scale

Recommendations for states & ecosystems

1. Recognise spectrum of social impact enterprises and build new regulatory frameworks
2. Create incentives for funding and investment (incl. in technology)
3. Expand education and research
4. Make public and private procurement channels more inclusive
5. Collect national enterprise and impact data that is globally comparable

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CONTRIBUTORS & ADDITIONAL DATA SOURCES



Thank you

GLOBAL RECOGNITION
SOCIAL ECONOMY

STEP
AND
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