

## Designing a Legal Framework for Social Innovation

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**Abstract :** The importance of social innovation has become increasingly significant as the process of developing effective solutions to social problems and being a force of change for people's better quality of life. In order to promote social innovation, active collaboration between government, business organizations, and the civil society sector is needed. A proper legal framework also plays an important role in building the social innovation ecosystem. Currently, there is no specific law designed for social innovation or a so-called "social innovation law". One of the legal frameworks for social innovation is the development of hybrid legal forms for social enterprises such as the UK's Community Interest Company (CIC), the US's Low-Profit Limited Liability Company (L3C) and the US's Benefit Corporation (B-Corp), among others. This is because social enterprise is recognized as an organizational form of social innovation with its aim for social benefit goals and the achievement of financial sustainability. Nonetheless, there has been a debate over the differences and similarities between social innovation and social enterprise. Thus, social enterprise law might not fit well with social innovation, resulting in a search for a legal framework specially designed for social innovation. This paper aims to study the interrelationship between social innovation, social enterprise, and the role of law to see whether we need a specific law for social innovation. If so, what should such a legal framework look like? The paper will provide a critical analysis of innovative legal forms for social enterprise as a type of social innovation law. A proper legal framework for social innovation could help promote the sector, which could result in finding new solutions to social problems. It will also bring about a greater common understanding of the exciting development of legal scholarship in this way, which will, in turn, serve as a productive basis or direction for further research on this increasingly important topic.

**Keywords :** social innovation, social enterprise, legal framework, regulation

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