



# FUNDING FROM THE GROUND UP

INSIDE THE ALIANZA SOCIOAMBIENTAL  
FONDOS DEL SUR'S MEMBER FUNDS



ALIANZA SOCIOAMBIENTAL  
FONDOS  
DEL SUR

Socio-Environmental Funds of the  
Global South

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# INTRODUCTION

Across the Global South, community-led efforts to defend territories, ecosystems, and livelihoods have long driven socio-environmental justice, but remain chronically underfunded and overlooked by mainstream philanthropy and the broader climate and nature finance architecture.<sup>1</sup> Rooted in Indigenous and local knowledge systems, collective organizing, and political courage, these efforts have demonstrated time and again that lasting solutions to the social, climate, and environmental crises of our time emerge from the ground up.

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<sup>1</sup> Shift the Power Movement. 2024. Too Southern to be Funded: The Funding Bias Against the Global South; RFN. 2021. Falling Short: Donor funding for Indigenous Peoples and local communities to secure tenure rights and manage forests in tropical countries. Oslo: Rainforest Foundation Norway.

In response, there is a growing community of local, activist, and movement-led funds disrupting conventional funding models by placing frontline communities and movement leaders at the center of grantmaking, implementation, and governance. These funds do more than distribute resources, they cultivate trust, strengthen capacities, and act in solidarity with the people and movements they serve.

The ***Alianza Socioambiental Fondos del Sur*** (Socio-Environmental Funds of the Global South) **is a network created to amplify and support this ecosystem.** Launched in 2021, the Alianza brings together 16 activist funds operating across Latin America, Africa, and Southeast Asia as a collective platform for influencing, engagement and mutual learning. Its mission is to shift power in the philanthropic and broader funding ecosystem by strengthening Global South-led funding infrastructure and promoting just, context-sensitive approaches to socio-environmental justice.

While some donors recognize the moral value and imperative of efficiently and fairly channeling resources directly to communities in the territories, as well as the importance of working with actors close to these communities as a funding strategy, there are still misconceptions and knowledge gaps about how to do it.

**The Funding from the Ground Up Report aims to address some of these knowledge gaps. Drawing on a survey of all 16 member funds of the Alianza, it highlights the unique role of the local activist funds from the Global South, detailing aspects of their governance structures and operational models, as well as their grantmaking approaches.**

Although all Alianza member funds share common values and principles, their ways of operating reflect the diverse origins of each institution. All were founded with the mission of channeling resources directly to marginalized communities. Some were designed with regional or international ambitions, while others grew out of grassroots networks, adapting to incorporate the practice of grantmaking. This plurality is also reflected in their governance practices, administrative arrangements, and strategic approaches. Such diversity is a strength, demonstrating that proximity and adaptability are guiding principles expressed through different operational logics rather than rigid formulas.

For those seeking to deepen their understanding of how to best fund for socio-environmental justice for communities in the territories of the Global South, this report shows why investing in the local and activist funding architecture is not only a moral imperative, but a strategic one.

# WHY LOCAL FUNDS?

Locally-led funds are rooted in the knowledge of local networks and realities. Many are born out of movements themselves, designed, staffed, and governed by the very people whose communities are on the frontlines. What also makes them “local” is their direct accountability and adaptability to community feedback.

**This connection between funds and communities is not only direct but also decisive. Across diverse geographies, thematic priorities, and organizational histories, all 16 Alianza funds share three defining characteristics that underpin their legitimacy and effectiveness. These pillars are not optional features, they are the core foundations of the Alianza’s approach to transformative philanthropy.**

# THE COMMON FOUNDATIONS OF ALIANZA MEMBER FUNDS

1



## Proximity

BUILT ON TRUST AND ACCOUNTABILITY TO COMMUNITIES

All funds are deeply rooted in the communities they serve. Their governance models embed participation and direct accountability to grassroots actors, and their legitimacy stems from long-standing relationships of trust.

**94%** of Alianza funds include community or grassroots representatives in governance and advisory bodies, showing that direct accountability is not an isolated practice but a network-wide standard.

2



## Adaptability

RESPONDING TO URGENT AND EVOLVING NEEDS

Proximity allows funds to stay attuned to local dynamics, but it is their operational flexibility that enables them to respond effectively to crises and changing contexts. This adaptability is a deliberate design choice, embedded in governance and operations rather than improvised as emergencies arise.

- ▶ Rapid response mechanisms
- ▶ Flexible granting processes
- ▶ Evolution in response to demand

3



## Advocacy

CATALYSTS FOR STRUCTURAL CHANGE

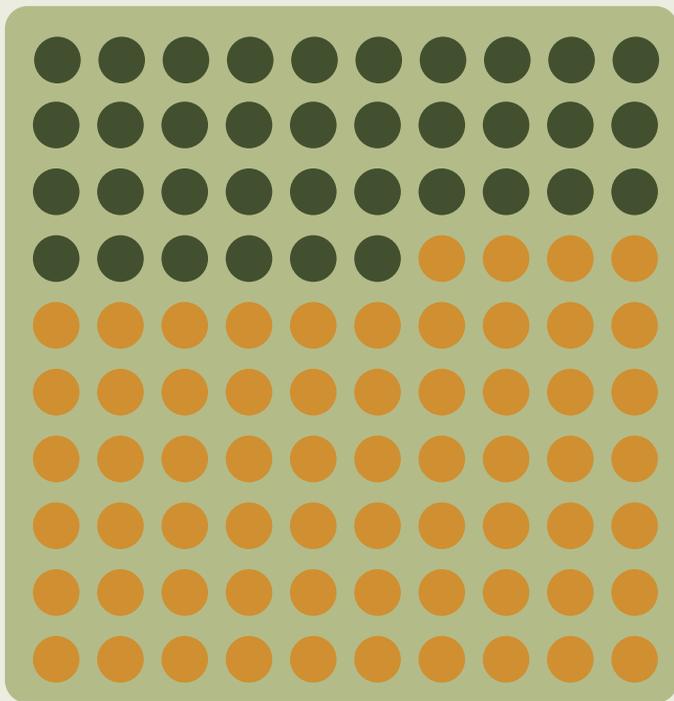
Beyond grantmaking, every fund in the Alianza is politically engaged. Their role as catalysts for structural change differentiates them from intermediaries.

- ▶ Defending rights
- ▶ Influencing policy
- ▶ Shifting power dynamics in philanthropy
- ▶ Building movement
- ▶ Changing narratives

# FROM FUNDS TO FRONTLINE COMMUNITIES

The 16 member funds of Alianza are spread across Latin America, Africa, and Southeast Asia, supporting projects in over 50 countries. Understanding the way they move resources to communities is key to grasping their distinct role.





In 2024, Alianza funds disbursed

**USD 14 million**

to grantees—nearly double the 2022 figure. This represents

**64% of their total revenue,**

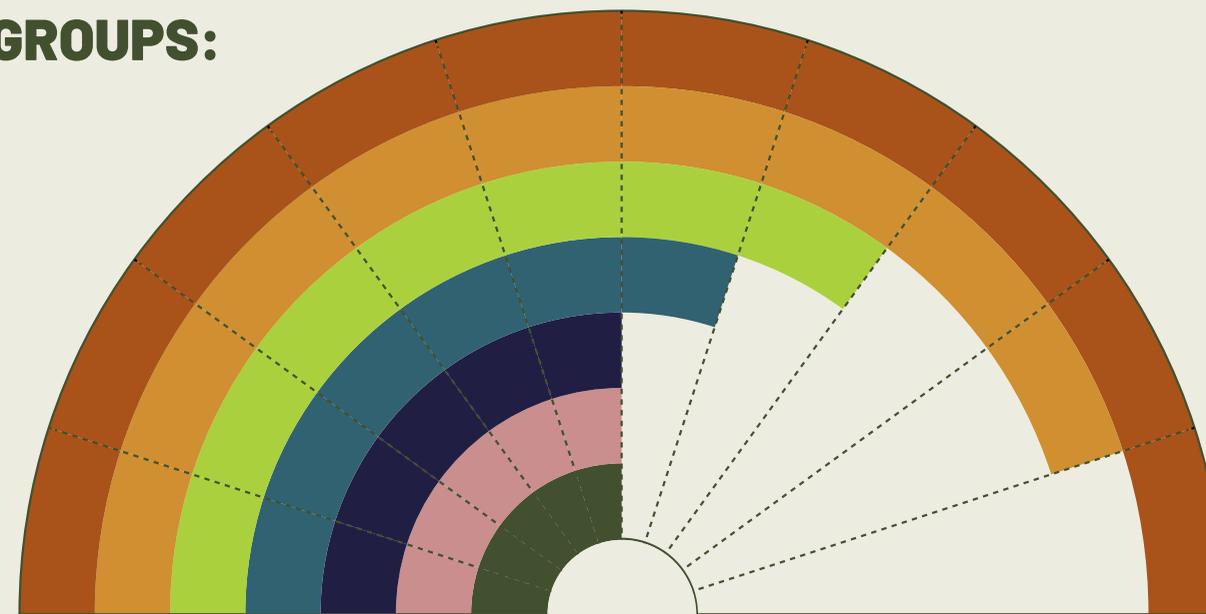
showing the funds' strong absorptive capacity and consistently high rates of grant allocation.

Beyond scale, the true strength of Alianza funds lies in how and to whom they allocate resources.

▶ **100%**

of the funds reported disbursing grants directly to "end-line grantees"— including grassroots organizations, local governance structures, community-based enterprises, and, in some cases, families and individuals.

## SUPPORTED GROUPS:



- Women
- Indigenous People
- Youth
- Smallholder farmers and non-timber forest product harvesters
- Human rights defenders
- African and Afro-descendant communities, including Quilombolas\*
- Other traditional peoples & communities

This reflects Alianza's commitment to intersectional socio-environmental justice and to communities directly defending land, water, forests, and collective rights.

\*Quilombolas are Afro-Brazilian descendants of enslaved people who established autonomous communities known as quilombos

# THEMATIC FOCUS OF GRANTS

Alianza funds support a wide spectrum of themes rooted in socio-environmental justice. At the core lies a shared recognition: durable action depends on strong, self-determined communities.

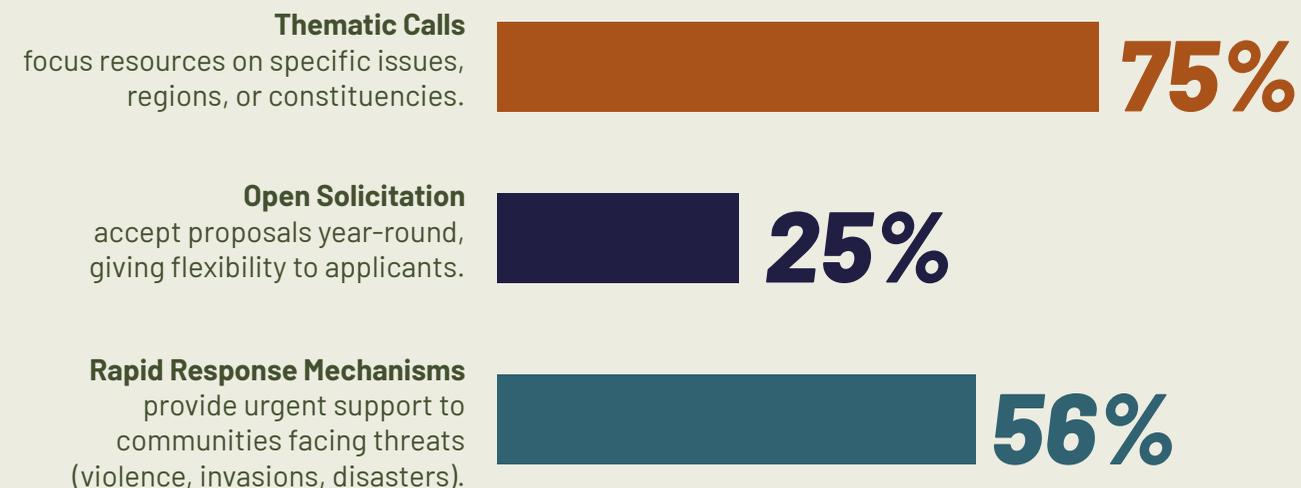


Alongside these, funds also reported working on a broader set of interconnected issues, such as:

- ▶ Climate change mitigation
- ▶ Human rights & education
- ▶ Disaster risk reduction
- ▶ Renewable energy
- ▶ Food sovereignty & security
- ▶ Youth-led socio-environmental initiatives

# SELECTION MECHANISMS

Alianza member funds combine different mechanisms to select and support projects, balancing thematic calls, open solicitations, and rapid response mechanisms.



Together, this diversity of funding mechanisms reflects both the sophistication of Alianza member funds' grantmaking systems and their deep understanding that different communities and movements require different pathways to access resources.

# MORE THAN JUST GRANTS

While direct grantmaking is a central function, **Alianza members go far beyond financial transfers** – they combine financial support with long-term accompaniment, capacity strengthening, and technical assistance rooted in mutual learning and trust.

**94%** provide capacity-strengthening support.

**81%** offer technical assistance.

Services go beyond funding, including:



Peer learning exchanges



Communication and outreach support



Legal/administrative assistance (e.g. registering organizations, managing small grants)



Incubating new organizations and strengthening territorial infrastructure



Risk preparedness and anticipatory action

## KEY INSIGHTS:

1



Alianza funds prioritize themes that connect environmental protection with community wellbeing – such as climate adaptation, food sovereignty, and the defense of Territorial Communities' rights.

2



Their funding is highly flexible, going beyond low-barrier microgrants to include mechanisms shaped by community feedback—such as fiscal sponsorship, simplified reporting, and rapid-response funds—enabling communities to respond to urgent or shifting priorities.

3



Investments in organizational capacity and technical expertise are core to these models, equipping communities to become long-term agents of change.



**Community feedback directly shapes both thematic priorities and complementary services.** Advisory councils, mentoring networks, and peer exchanges serve as regular channels for grantees to influence funding approaches and capacity-building programs.



**For donors seeking lasting impact, Alianza funds offer a dual pathway:** direct financial support and targeted capacity building to sustain socio-environmental justice at the community level.

# INSIDE THE ARCHITECTURE OF ALIANZA MEMBER FUNDS

Alianza's 16 activist funds have diverse ways of organizing their governance, building technical expertise, and selecting projects. Rather than a single model, they show a spectrum of practices rooted in local realities across Latin America, Africa, and Southeast Asia. This diversity underscores the adaptability and resilience of activist funds—and highlights the need for donor approaches that are equally flexible and respectful.

# GOVERNANCE

Alianza funds combine formal oversight structures with participatory mechanisms that embed accountability to communities.



# KEY INSIGHTS

1



**Participatory governance is a common and intentional feature,** often complementing traditional board structures. This enhances legitimacy, responsiveness, and alignment with the values of socio-environmental justice.

2



**There is no one-size-fits-all governance model among Alianza members.** Instead, their structures are context-driven, blending formal oversight with community-rooted accountability.

# CONCLUSION: INVESTING IN DIVERSITY, PROXIMITY, AND JUSTICE

This report illustrated the diversity, depth, and strategic relevance of the member funds of the Alianza.

Overall, the socio-environmental funds that are members of the Alianza have demonstrated strong absorptive capacity and efficient internal systems that enable the distribution of millions of dollars in small yet strategic grants reaching grassroots actors who would otherwise be excluded from traditional philanthropy.. They combine grantmaking with capacity strengthening, technical accompaniment, and risk reduction. This ensures that resources are not only delivered but used effectively and with care.

At the same time, member funds face shared challenges: a volatile funding landscape, mismatched donor expectations, legal and technical barriers to reaching informal groups, and growing security threats for the communities they serve. Yet even in this constrained environment, they are charting clear pathways to strengthen and grow their movement.

# KEY RECOMMENDATIONS FOR DONORS

1



## Invest in local, activist funds with core, flexible, and multi-year funding.

Long-term change requires long-term commitment. Providing unrestricted or highly flexible resources enables funds to be strategic, adaptive, and sustainable.

2



## Support organizational strengthening.

Targeted investments in systems for fundraising, communications, monitoring, and financial management will enable these funds to scale with integrity and effectiveness.

3



## Recognize and respect proximity.

Alianza funds are deeply embedded in the communities they serve. Donors should trust their contextual knowledge, co-create accountability frameworks, and avoid imposing rigid, top-down reporting models.

4



## Dismantle structural barriers.

Harmonize and simplify funding mechanisms and reporting requirements to ensure that those who can access limited resources are the communities who need them most.

5



## Champion decentralized climate and nature finance.

These funds are already doing what many institutions aspire to — delivering resources to the frontlines of socio-environmental justice. They are not intermediaries; they are the infrastructure.

What most differentiates the work of Alianza member funds from other organizations that identify as local actors is not only their physical presence in the territories, but their political and operational accountability to the communities they serve.

In this sense, their work represents both a differentiated approach and a set of innovations that contribute to reshaping the funding ecosystem from the ground up.

**Beyond their physical presence in the territories, local activist funds stand out through their political and operational accountability to the communities they serve. Their work embodies a distinct approach and a set of innovations that are helping reshape the funding ecosystem from the ground up.**



Access the full version of

**FUNDING FROM THE GROUND UP**  
Inside Alianza Socioambiental –  
Fondos del Sur’s Member Funds



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