

Linking Participation and Economic Advancement: Buen Vivir Fund Case Study

Grace Lyn Higdon

June 2019

Citation Higdon, G.L. (2019) *Linking Participation and Economic Advancement: Buen Vivir Fund Case Study*, Brighton: IDS

Author Grace Lyn Higdon

Published June 2019

The Institute of Development Studies and Authors cannot be held responsible for errors or any consequences arising from the use of information contained in this report. The views and opinions expressed do not necessarily reflect those of the IDS and Authors.

ISBN 978-1-78118-562-9



Except where otherwise stated, this is an Open Access case study distributed under the terms of the Creative Commons Attribution Non Commercial 4.0 International licence (CC BY-NC), which permits use, distribution and reproduction in any medium, provided the original authors and source are credited, any modifications or adaptations are indicated, and the work is not used for commercial purposes. <http://creativecommons.org/licenses/by-nc/4.0/legalcode>

Copyright © Institute of Development Studies 2019.

Funding Supported by a grant from the Open Society Foundations.

This case study forms part of the collection of materials produced for the 'Linking Participation and Economic Advancement' project led by the Institute of Development Studies and funded by a grant from the Open Society Foundations. This research project recognises that economic processes impact the lives and livelihoods of people who frequently have little or no power in these processes. Through this research we identify alternatives: ways that communities, governments and enterprises are making economic decisions in which 'ordinary' people have a real voice. The aim of this research is to build an evidence base of these alternatives in order to explore the question: What constitutes meaningful participation in economic advancement?

Summary

The Buen Vivir Fund is a participatory impact investment fund operating internationally. It was founded in 2018 by Thousand Currents, a non-governmental organisation, following a co-design process to conceptualise the Fund, initiated in late 2016. The Buen Vivir Fund has intentionally started small in terms of volume of capital, having raised US\$1m in loan capital for its initial investment cycle in 2018–20. This US\$1m, plus US\$300,000 raised in grant capital, is being deployed with the guidance of the Fund's Members Assembly, which is the governing body comprised of ten grass-roots organisations from Asia, Africa, and Latin America, and eight institutional investors, primarily foundations. Over the next five years, the Buen Vivir Fund is poised to expand its membership to 30–50 and increase its investments to US\$5m.

Now in its second year, the Fund is fully operational having recently completed its first round of loan disbursement. To date, the Buen Vivir Fund has linked US\$427,700 in loan capital to US\$113,000 of grant capital across nine projects led by grass-roots community organisations in Latin America, North America, Southern Africa, and South Asia. These grass-roots organisations have each developed entrepreneurial, micro-lending and community-driven, sustainable wealth-sharing practices proven effective in their local contexts. The Buen Vivir Fund applies these effective grass-roots economic practices to the level of a global investment fund, and it brings together financial investors and grass-roots organisational leaders as peers and fellow Fund members. The Fund promotes a financial model that seeks to be transformative, not transactional, by broadening the definitions of return to include communities' holistic wellbeing, while avoiding the traditional focus on maximising capital accumulation. The Buen Vivir Fund employs a participatory approach such that investors and grass-roots representatives have equal voting rights in the governance and management of the Fund through its Members Assembly, and loan terms shift risk away from the grass-roots investees who make a solidarity contribution of their choosing based on the rate of growth and success of projects.

Contents

Summary	iii
1 Introduction	1
2 Buen Vivir Fund Members Assembly and lending model	2
2.1 Founding Circle members	2
2.2 Collaborative design	6
2.3 Democratic governance	9
2.4 Peer-reviewed applications and due diligence	10
3 Results and returns	12
3.1 Social impact returns	12
3.2 Loan repayment	13
3.3 Solidarity contributions	14
3.4 Non-financial returns	15
4 Strategies and enabling factors	15
5 Future outlook and lessons learned	18
6 Methodology	19
Annexe 1 Buen Vivir Fund Founding Circle members	20
Annexe 2 Buen Vivir Fund guiding principles	22
References	24
Boxes, figures and tables	
Box 1 Grass-roots organisation profile: EduPaz	5
Box 2 Investor profile: The Swift Foundation	6
Figure 1 EduPaz–Buen Vivir Fund structure	4
Figure 2 Key innovations of the Buen Vivir Fund	8
Table 1 Buen Vivir Fund Founding Circle grass-roots organisations	3
Table 2 The Buen Vivir Fund first round of investments	4
Table 3 Founding Circle co-design sub-groups	7
Table A1 Buen Vivir Fund Founding Circle members and capital received	20
Table A2 Buen Vivir Fund Founding Circle members (investors)	21

1 Introduction

The Buen Vivir Fund, LLC is a subsidiary of Thousand Currents, an international non-governmental organisation based in Oakland, California. Thousand Currents was founded under the name IDEX in 1985 with an original mission to support self-determined community initiatives in the Global South through grantmaking as a public foundation.¹ To date, the organisation estimates it has worked with over 1,000 grass-roots projects in 40 countries with a staff of 20 based throughout the globe. Thousand Currents emphasises long-term funding relationships with effective grass-roots organisations and social movements led by or serving women, youth, and indigenous peoples that work on the interdependent issues of food sovereignty, alternative economies, and climate justice. Thousand Currents strengthens its impact by focusing on a model of genuine partnership, in which the organisation not only provides grant support to its partner organisations, but also collaborates actively with them to scale their successes by building their capacity and leadership; and connecting them to broader social change movements at the regional, national, and global levels. Paired with this support to the grass-roots organisations in the Global South, Thousand Currents also leads programmes to support changing the way that donors in the Global North interact with grantees, challenging the traditional top-down model of international aid and philanthropy and partnering with donors to adopt transformative practices that dismantle injustice and inequity. The organisation strives to be ‘a vocal and visible advocate for grassroots-led social change, bridging emerging approaches and learnings from the Global South with philanthropic models and practices in the Global North’.²

The Buen Vivir Fund is based on the concept of *buen vivir*, or ‘right living’, which originates from indigenous peoples in Latin America; the term denotes a way of living that is in balance with the natural world, community, and generations past, present, and future. In the past decade, indigenous movements in Latin America have increasingly focused on the concept of *buen vivir* as a counter to economic development models imposed on their countries and communities that focus heavily on economic indicators and growth.³ The idea for focusing the Buen Vivir Fund on this concept came from initial exploratory conversations with long-time Thousand Currents partner organisations. Thousand Currents initiated the Buen Vivir Fund with grass-roots groups with whom it had a pre-existing relationship through its grantmaking. These grass-roots groups were in turn sharing with and investing in their local communities, either through overseeing innovative revenue-generating projects that benefit their communities (such as health clinics and affordable housing) or through operating their own lending vehicles such as revolving funds or community savings and credit circles – all based upon a deep contextual understanding of what works within those communities.

In 2015, Thousand Currents approached the former Buen Vivir Fund Director Joanna Levitt Cea about establishing an in-house impact investment fund. At the time of the initial conversations, a 2014 G8 report projected impact investments to surpass government overseas aid, estimating that more than US\$400bn would be invested by 2020.⁴ Levitt Cea brought her experience of championing policies to ensure citizen participation and human rights safeguards at global financial institutions to Thousand Currents’ unique approach to grass-roots grantmaking. Between October 2015 and January 2016, Levitt Cea conducted a landscape review of impact investing and baseline

1 IDEX changed its name to Thousand Currents in 2016.

2 <https://thousandcurrents.org/faqs/>

3 <https://thousandcurrents.org/buen-vivir-an-old-but-fresh-perspective-on-global-development/>

4 Social Impact Investment Taskforce (2014) *Impact Investment: The Invisible Heart of Markets*, available at: <http://gsgii.org/reports/impact-investment-the-invisible-heart-of-markets/>

research, which included interviews with more than 40 actors in diverse realms of the impact investment space as well as Thousand Currents staff, board, and grantees. The scoping study concluded that ‘For better or worse, impact investing is fundamentally changing the way that aid, philanthropy and even mainstream investment are perceived and practiced’ (Levitt Cea 2016).

Thousand Currents determined that there were two major gaps in the field of impact investment in which their organisation was uniquely positioned to add value. The first was the systemic lack of participation of the ‘beneficiaries’ of impact investment in any decision-making or agenda-setting on that investment. The second was the fact that, in spite of the rapidly growing diversity of entities seeking and receiving impact investment, the *terms* of this investment tend to remain strikingly unvaried. One interviewee that Levitt Cea spoke to summed it up: ‘At the end of the day, everyone is just slightly tweaking the same old terms from Wall Street and Silicon Valley’. Thus, Thousand Currents decided to create an investment vehicle that would centre on the full participation of grass-roots organisations receiving investment capital and innovate investment terms and practices that dramatically depart from the standards of Wall Street and Silicon Valley. Instead, the Buen Vivir Fund draws from the time-honoured lending and investment practices of grass-roots organisations in the Global South that place the wellbeing of people, planet, and ecology before profit.

2 Buen Vivir Fund Members Assembly and lending model

The Buen Vivir Fund’s Members Assembly is the governing authority of the Fund, making decisions on Fund investments and direction. The Members Assembly is made up of one representative from each grass-roots organisation and investor organisation. This governing body is supported by the Buen Vivir Fund Management Team, staffed by Thousand Currents, which implements the decisions of the Members Assembly and operates the Fund. The due diligence process of the Buen Vivir Fund includes peer evaluation by Fund members. When a project is approved by the Members Assembly for investment by the Fund, this investment can include grant support, investment capital (to date, all investments have been in the form of debt), and ‘beyond-financial investment’, such as specific advising support that the project may be seeking. In the lending model of the Buen Vivir Fund, projects borrow and return 100 per cent of the principal received. Additionally, a solidarity contribution, referred to as an *aporte* payment, is made, over and above return of principal. Different from fixed interest payments, the amounts of these *aporte* payments are self-determined by organisations and made during or upon completion of successful projects.

2.1 Founding Circle members

In May 2016, a draft proposal for the founding of the Buen Vivir Fund was circulated to select Thousand Currents donors, established grass-roots partners, and advisers. Initial discussions around who would become members of the ‘Founding Circle’ of the Buen Vivir Fund began soon after. The Fund prioritised two inclusion criteria for organisations: those whose current work included a focus on alternative economic or financing practices, and those with existing relationships to Thousand Currents or strongly recommended by trusted contacts. For a list of the Buen Vivir Fund Founding Circle members see Table 1; for details of the capital received by each organisation see Table A1, Annex 1.

Table 1 Buen Vivir Fund Founding Circle grass-roots organisations

Grass-roots organisations	Country
AFEDES: Women's Association for the Development of Sacatepéquez	Guatemala
ISMUGUA: Institute for Overcoming Urban Poverty	Guatemala
GRAVIS: Center of People's Science for Rural Development	India
CIELO: Federación Indígena Empresarial y Comunidades Locales de México	Mexico
DESMI: Social and Economic Development for Indigenous Mexicans	Mexico
EduPaz	Mexico
Ñepi Behña	Mexico
Women's Awareness Center Nepal	Nepal
Ubunye Foundation	South Africa
Whole World Women Association	South Africa

Source: The author.

In total, ten grass-roots organisations were invited: nine established Thousand Currents partners and one new addition chosen for its alignment to the Buen Vivir Fund's mission as well as an existing relationship with the Fund Director. All ten had established track records of operating a loan fund or building solidarity economies within their communities in other ways. As the Buen Vivir Fund Director, Joanna Levitt Cea, described, 'We picked ten grassroots organisations that had conducted ground-breaking work in developing and testing models for lending and sharing wealth among the communities they served and in utilizing financial capital to create economic initiatives that really pay attention to well-being'.⁵

Given that traditional impact investment funds often open only one or two new direct investments per year, the Buen Vivir Fund's first year portfolio, spread across multiple countries, is ambitious. However, the volume of capital used to launch the Fund is deemed quite small by traditional impact investment standards. This reflects a recommendation from Thousand Currents' grass-roots partners to 'start small with a strong focused group, and work on getting the practice right before expanding'.⁶

Eight financial investors – identified as those having grantmaking or investment practices that deliberately seek to balance power dynamics between funders and grantees/investees, as well as an orientation toward humility, patience, and willingness to experiment – were invited to join. Six of the eight are institutional investors from foundations.

Investors in the Founding Circle were asked for a baseline pledge of US\$125,000 in investment capital in addition to giving US\$12,500 in grant capital to seed the collaborative design process. Though many investors were eager to commit much more, Thousand Currents chose to maintain an aforementioned commitment to start small and grow incrementally in order to make membership in the Fund 'a transformational experience for all and not a transactional one'.⁷ An investor in the Buen Vivir Fund can expect to contribute investment as well as grant capital and to receive the principal investment returned during a time period agreed upon with the grass-roots organisation, as well as to receive *non-financial returns* that include the lessons learned from participating in the Fund (see Section 3.4, Non-financial returns).

⁵ Personal communication, 7 December 2018.

⁶ A Welsh Herrera, Ñepi Behña, interview, 26 November 2018.

⁷ J. Levitt Cea, Buen Vivir Fund Director, interview, 8 February 2019.

Table 2 The Buen Vivir Fund first round of investments

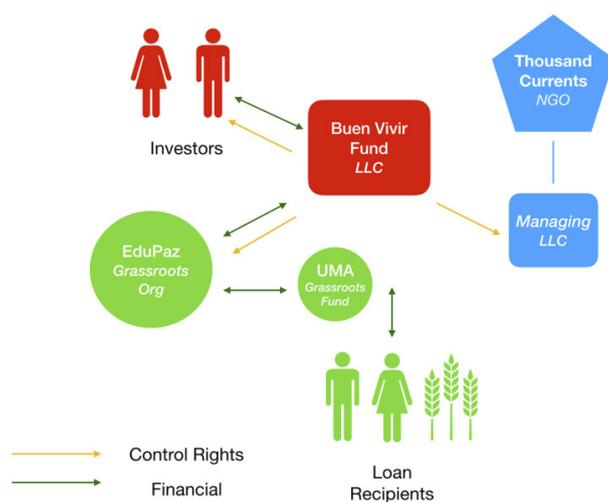
Investor	Investment capital (US\$)	Grant capital (US\$)
Dietel & Partners	–	\$150,000
Libra Foundation with Pi Investments	\$125,000	\$12,500
NoVo Foundation	\$250,000	\$12,500
The Swift Foundation	\$125,000	\$12,500
The Whitman Institute	–	\$37,500
Tan Philanthropy	\$125,000	\$12,500
Regenerative Finance	\$250,000	\$12,500
Wallace Global Fund	\$125,000	\$52,000
Total	\$1,000,000	\$302,000

Source: The author.

Currently, all Buen Vivir Fund financial investors are based in the United States. Due to legal requirements, the Fund can only accept accredited investors at this time but is initiating work to explore avenues for opening to unaccredited individual investors as well.⁸

The Fund currently has a waiting list and will be opening to new members in 2020. The eager desire from many in the impact investment community to join the Buen Vivir Fund makes clear that the value being offered is unique to the space. The Members Assembly has yet to determine the baseline pledge amount for future investors and whether to set a maximum or minimum investment amount moving forward as the Fund expands. A summary of the initial round of investments can be found in Table 2; see also Table A2, Annexe 1.

Figure 1 demonstrates the structure of the Buen Vivir Fund, with the example of its investment into the UMA fund (Una Mano Amiga – ‘A Helping Hand’) of member organisation Educación para la Paz (EduPaz); see Box 1.

Figure 1 EduPaz–Buen Vivir Fund structure

Source: The author.

⁸ Accredited individual investors are generally those with at least US\$1m in liquid financial assets.

Box 1 Grass-roots organisation profile: EduPaz

Educación para la Paz (EduPaz) uses a solidarity economy model to support indigenous and peasant farming communities in six municipalities in Chiapas, a region on the southern border of Mexico. EduPaz promotes agroecological practices that advance food sovereignty and improve community health. EduPaz has been a grass-roots partner of Thousand Currents, receiving numerous grants, for over ten years and was invited to join the Buen Vivir Fund Founding Circle in mid-2016. In September 2018, EduPaz received US\$90,000 in loan capital and US\$15,000 in grant capital from the Buen Vivir Fund, the largest amount disbursed in the first round of lending. The loan terms decided upon by EduPaz and the Buen Vivir Fund include a three-year repayment plan, and the organisation anticipates contributing an *aporte* of 15 per cent. As a member of the Fund's Founding Circle, EduPaz retains one seat on the Members Assembly governing body and has participated in all Members Assembly votes since the Fund's founding, including the peer-review of another grass-roots organisation's application.

EduPaz is using the grant capital to incubate a community fund, A Helping Hand for the Ecology of Chiapas (Una Mano Amiga, UMA). The UMA fund will in turn use loan capital to seed the work of rural producers to create small enterprises. The financial flows, control rights and structural relationship between EduPaz, its projects, and the Buen Vivir Fund are illustrated in Figure 1. To date, 180,000 pesos have been disbursed to 241 community members involved with 82 projects to seed a wide range of small enterprises such as coffee and chicken cooperative businesses; mechanics and carpenters; and bakeries and grocery stores. In addition to providing seed funding, Don Javier Inda, one of the founders of EduPaz, describes the values that underpin the work the organisation does:

Our main role is to accompany and advise in the journey of the groups with whom we work. It is [a] process of popular education: a shared and reflective practice among the participants; learning together in the process itself and walking together; supported by the collective wisdom of indigenous and peasant cultures; and a bet on their creativity and resilience.

These are concepts and values we see as fundamental. The dominant economy is based on profit and seeks to commercialize everything. It creates greater inequality and poverty. Power and wealth are concentrated in smaller and smaller groups. Natural goods are exploited without measure, contaminating the earth, air and water, exhausting resources that belong to everyone, serving few and threatening the future of humanity and survival on the planet. In this context, we recognize the following as fundamental in our work:

- *Moving towards an economy centered on human needs and in harmony with nature is a vital and strategic option. Heal relationships between human groups, between men and women, between peoples and nature.*
- *Development is not only economic, not just about producing and selling. Development must satisfy all basic human needs and meet ethical standards and values.*
- *Value contributions of the grassroots groups: work, organization, knowledge, experience, decisions located in the specific context of each place and time, proximity that favors healing the earth and improving the environment.*
- *The poor are agents with dignity and not objects of beneficence. With their work they are creators of wealth and have the right to all that is required for a good living: food, fair work, health, education, housing, rest, free and informed political participation.*
- *Thousand Currents and the Buen Vivir Fund create a bridge between donors and grassroots groups with joint decisions, shared risks, non-extractive loans to grassroots groups, in a new experience that opens the way to an alternative economy.*

Source: Author interviews with EduPaz.

Box 2 Investor profile: The Swift Foundation

The Swift Foundation aspires to use investment as a transformative catalyst for economic, social, and environmental change. It has created the Transitional Investment Portfolio, an impact investment portfolio funded by US\$10m in endowment capital, which ‘envision[s] a Just Transition from our broken and extractive economy to one that returns capital to communities and the earth, recognizes the assets of communities, and is in right relationship with people and the land’. In 2016, The Swift Foundation drew US\$125,000 in loan capital and US\$12,500 in grant capital from its pool of Seed Funding investments to commit to the Buen Vivir Fund. It then awarded a follow-up two-year grant of US\$30,000 to the Fund to continue the accompaniment process of the Fund’s first two-year Cycle of Investment and Learning.

The Swift Foundation was attracted to invest in the Buen Vivir Fund because of Thousand Currents’ existing partnerships with grass-roots organisations, which in turn opened up a unique set of investment opportunities: ‘We cannot underestimate the amount of time and relationship-building that Thousand Currents has already put in with their partners. The resulting trust has laid groundwork for these organizations’ engagement in an investment agreement with outside capital. They wouldn’t do it otherwise with a foreign investor.’

The Swift Foundation has previously awarded six grants to Thousand Currents over the course of four years and was one of the first investors invited to join the Fund. The Swift Foundation expects the initial loan capital to be returned in 2030, with the first repayment instalment occurring in 2021.

Thus far, the overall experience of being a member in the Buen Vivir Fund has been markedly positive for The Swift Foundation, as described by Jennifer Astone, Executive Director: ‘It’s really been an amazing experience. The way the Buen Vivir Fund developed the parameters of the Fund was a total flip on most investment opportunities; it just took me out of the paradigm in which I’d normally operate.’

Source: Author interviews with The Swift Foundation; quotes from <https://swiftfoundation.org/wp-content/uploads/2019/01/Impact-Investing-Criteria.pdf>

2.2 Collaborative design

‘The co-design process shifts the foundations of how we think about financial investment. Rather than trying to include people in a system that is not working and was never designed for them, we are starting from the beginning by involving the people that will be leading it.’
Ari Sahagun, Regenerative Finance, Buen Vivir Fund investor

In October 2016, 20 representatives from the ten participating grass-roots organisations joined eight investors, five advisers, and six Thousand Currents staff in Mexico City for the Buen Vivir Fund’s inaugural learning event. This event was structured as a five-day workshop to collaboratively spark the design of the Fund’s terms of investment, financial practices, and governance structure. Over the course of five days, the participants learned about each organisation’s work, and they reviewed a background document on different approaches to investment, which had been prepared in advance of the event by Thousand Currents. This background document was a summary of learnings from Thousand Currents’ initial interviews and learning calls with Fund advisers and Founding Circle members, as an input to the discussions on how the Buen Vivir Fund was to move forward. A team of translators and translation equipment were made available to all attendees and a video documentary was

Table 3 Founding Circle co-design sub-groups

Sub-group topic	Role and activities	Group composition
Member commitments and project applications	Created format and wrote questions for two applications: (1) Buen Vivir Fund Members Assembly application (2) Investment application*	Grass-roots majority
Graphic representations	Determined diagrams and infographics for community explainers and advocacy materials	Split between investors and grass roots
Decision-making	Wrote decision-making protocols for the Members Assembly. Example: defining a passing vote and quorum	Grass-roots majority
Selection of projects	Established set of selection criteria for how the Fund selects projects	Investor majority (but built off previous collaboration with grass-roots partners)
Financial practices	Financial offerings of the Fund and how the financial model works as a whole. Example: the <i>aporte</i> system, profit-sharing-based schemes	Split between investors and grass roots
Evaluation and learning	How the Fund monitors if projects are on track for repayment or evaluating the Fund's impact	Grass-roots majority

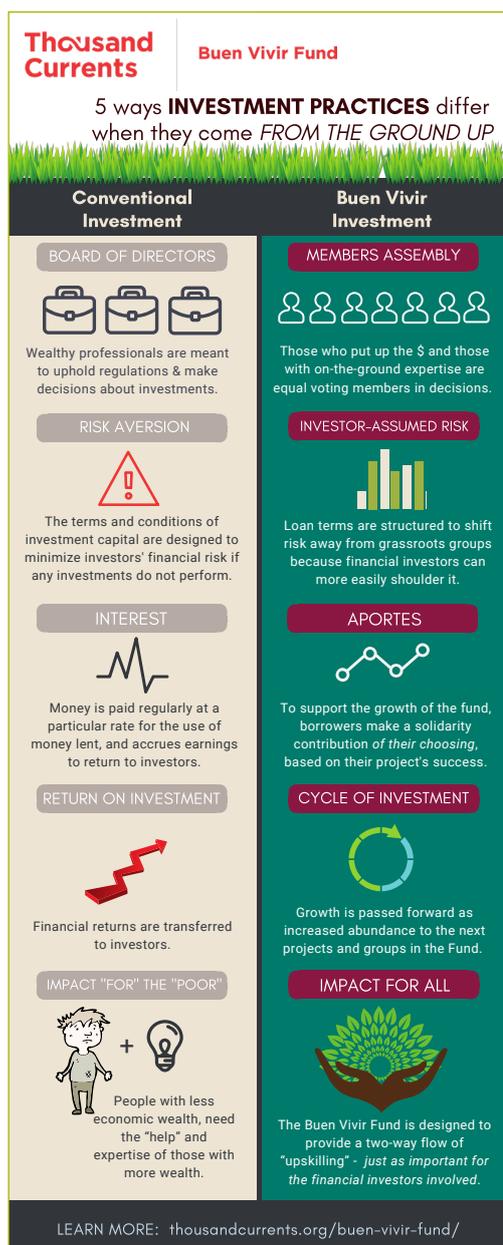
* This application is open to projects seeking financial or non-financial investment. An example of non-financial investment comes from the Regenerative Finance project, which will create a curriculum and provide political education to young inheritors of wealth in the US to encourage them to use their inherited capital in support of grass-roots-led initiatives for social justice. The investment sought for this project was in the form of specific advising by a group of individuals from the Members Assembly with relevant experience to the project aims.
Source: The author.

created in order for the grass-roots representatives to return and share the workshop experience with their constituents at home.

After the Mexico City learning event, members of the Founding Circle opted into six sub-groups to tackle different operational and strategic topics in order to develop the Buen Vivir Fund's *Guiding Framework*. People joined sub-groups according to interests and preference; they were not assigned. Group sizes varied from eight to two or three members who had a particular interest or unique skillset to bring to an issue at hand. The topical areas of interest initially revolved around broad questions such as 'How to set up loan terms' and progressively narrowed with subsequent meetings. Sub-group meetings were captured in synthesis notes that were put through a validation process in which content was presented back to the sub-groups for confirmation and amendment. The six sub-groups, with a summary of the topics they addressed, are presented in Table 3.

The collaborative design also included dozens of one-to-one consultations with the Fund Director or other Thousand Currents staff during which individuals or small groups reflected upon specific issues or new iterations as the *Guiding Framework* began to materialise. These iterative reflections were also synthesised and validated by the participating members before being incorporated into the draft framework. Often, both grass-roots and investor members took draft documents to their staff, community constituents or board meetings to get input from their broader teams as well. In total, the Fund estimates that 81 people from six different countries spent a collective 2,934 hours over the span of one year to arrive at the final design of the Fund

Figure 2 Key innovations of the Buen Vivir Fund



Source: © Thousand Currents, reproduced with permission. First published in Levitt Cea (2018).

– summarised in the *Guiding Framework*, which outlines the policies, tools, and protocols for the Buen Vivir Fund.⁹

The *Guiding Framework* describes the Buen Vivir Fund's strategic and operational goals and highlights those which deviate from conventional investment practices in five key areas: governance, risk, interest rates, returns, and impact. The *Guiding Framework* was submitted for approval by the Founding Circle, from this point referred to as the Members Assembly, in July 2017, and enthusiastically approved by all members. When the Fund was legally established and began operations in 2018, the Fund developed an Investment Policy Statement that builds upon the *Guiding Framework* and incorporates ongoing revisions to policy as practice.

⁹ The Buen Vivir Fund's *Guiding Framework* can be found at: https://thousandcurrents.org/wp-content/uploads/2017/07/Guiding-Framework_Cycle-1-of-the-Buen-Vivir-Fund_approved-July-2017.pdf



At the Buen Vivir Fund inaugural learning event held in October 2016, Mexico City; see Section 2.2.

Photo credit: WTYSL (www.whattookyousoalong.org/).

2.3 Democratic governance

The Buen Vivir Fund uses a general assembly model that draws from governance models used primarily by indigenous organisations in Latin America. Founding members from Mexico and Guatemala contributed significantly to envisioning and shaping the Fund's governance model. The Members Assembly is comprised of one representative from each of the ten grass-roots organisations, eight financial investor organisations, and one Thousand Currents representative. The Members Assembly follows a protocol for decision-making and collective reflection and requires a majority vote for all investment-related decisions within the Fund. Each member has equal voting rights in a decision-making process that steers all decisions made related to investment, strategy, membership, and conflict resolution. Examples of decisions made by the Members Assembly include approval of new members (financial or grass-roots organisations) and approval of terms under which capital is lent. Efforts are made for the Members Assembly to reach consensus but membership is structured so the majority aggregate position is held by borrowing organisations. This is a structural manifestation of the commitment to participation. Issues are brought to the attention of the Members Assembly during two virtual meetings held per year and an in-person Learning Exchange held annually. In total, it is estimated that representatives commit ten hours per year to the Members Assembly, not including the annual four-day Learning Exchange in person.

An example of an issue presented to the Members Assembly is a proposal brought forth by a grass-roots organisation in mid-2018 to raise the Fund's maximum investment level. Prior to the vote, members received a summary of the proposal prepared by Thousand Currents staff of the Buen Vivir Fund Management Team, which framed the issue. The day of the vote, the proposal was presented via video conference to the entire Members Assembly, then small breakout groups held separate virtual meetings to discuss the benefits and challenges to raising the maximum level of investment. The Members Assembly then reconvened in a virtual meeting to hold the vote. The measure did not pass, with the members reaching a consensus to wait until the Fund completed its first two-year Cycle of Investment and Learning, which will conclude at the close of 2019, before changing terms finalised through the collaborative design process.

The Buen Vivir Fund's day-to-day operations are overseen by the Fund Management Team, which supports the Members Assembly and is comprised of two Thousand Currents staff, and two Buen Vivir Finance Fellows¹⁰ who

¹⁰ For more information about the Buen Vivir Fund Finance Fellowship, see Section 3.3, Solidarity contributions.



At the Buen Vivir Fund inaugural learning event held in October 2016, Mexico City; see Section 2.2.

Photo credit: WTYSL (www.whattookyouso-long.org/).

provide support on operations and are supervised by the Fund's Director. This team is responsible for managing the implementation of decisions made around the Fund such as deploying the capital for a loan awarded with terms specified by a Members Assembly vote. In addition, when the Members Assembly is preparing to make a decision, the Fund Management Team is responsible for bringing information, recommendations, and questions to the Members Assembly. This includes compiling information on Fund activity, progress, and learnings through biannual updates and annual reports.

The Buen Vivir Fund loan agreement is unique in that, while complying with regulations of the various countries in which the Fund operates, the loan agreement is not designed to be enforced in courts and specifies that any disputes are to be resolved by the Members Assembly. For instance, if a borrower is unable to make an agreed-upon principal repayment, resolution takes place within the Members Assembly. First the borrower is asked to describe in writing the reasons for an inability to repay. If the Members Assembly determines the borrower is acting in good faith according to the Fund's guiding principles¹¹ but, for example, due to environmental conditions outside the borrower's control repayment is not possible, two options are available: the borrower can create an updated, viable plan to complete principal repayment which will be amended to the loan agreement; or the Members Assembly will forgive the loan in its entirety. If the Members Assembly decides the borrower is acting in bad faith to the Fund's guiding principles, the Members Assembly collectively determines what penalty will be applied. To date, no conflicts that require such remedial action have arisen.

2.4 Peer-reviewed applications and due diligence¹²

Prior to a final vote from the Members Assembly, investment applications undergo a peer-review process that includes both peer applicants and financial investors. Project proposals are initially submitted to the Buen Vivir Fund Management Team, which works with the organisation applying to undergo initial clarifying and strengthening of the project plan. In the first round of due diligence, a proposed project is peer reviewed via a Project Support Team – a group of three to five strategically selected individuals from the Members Assembly. The Project Support Teams include assigned advisers who are chosen based on their technical expertise in a field related to the applicant's project. Applications are reviewed and feedback provided in order to strengthen the applications, and applicants are then able to submit supplemental material and amend applications in light of the feedback provided by reviewers. In addition, all applications are accessible by anyone

¹¹ See Annexe 2.

¹² The Buen Vivir Fund refers to its due diligence as a 'Discernment Process'.



At the Buen Vivir Fund inaugural learning event held in October 2016, Mexico City; see Section 2.2.

Photo credit: WTYSL (www.whattookusolong.org/).

in the Fund through a shared cloud drive. The Project Support Team reviews the project materials compiled for them by the Fund Management Team and holds a virtual meeting with the applicant organisation, in which they share questions, recommendations, trouble-shooting, and coaching, to help the group further strengthen their project plan. The Project Support Team then makes a recommendation to the Members Assembly regarding approval of the project for investment. To date, Project Support Teams have sometimes made a recommendation for approval after one meeting; and on other occasions asked the group to undergo one or two additional steps and meetings before the Team felt able to make a recommendation for approval.

After conducting the due diligence process in this manner in the first round, the Buen Vivir Fund Management Team had learned a few critical lessons, which led to modification of the process. For example, it was believed that Project Support Teams would be best sequenced early in the due diligence process; however, organisations applying first needed to do significant work with the Buen Vivir Fund Management Team before they felt ready to engage Project Support Teams. Hence, moving forward, Thousand Currents has decided that the applicants will first do the necessary work with the Fund Management Team to strengthen the application, and then based on the particular technical expertise that the project requires, the Fund Management Team will intentionally match the applicant with individuals from the Members Assembly who have the technical expertise in the field related to the applicant's project.

Under some circumstances, grants for feasibility studies, learning and technical assistance are deployed to applicants *prior* to loan approval in order to improve the viability of the proposed enterprise. For example, one applicant had questions around its supply chain, so the Project Support Team worked with the applicant to identify potential solutions and grant capital was deployed to conduct a feasibility study for the project. The results of the feasibility study and technical advice were then incorporated into the overall loan application that went before the Members Assembly and was ultimately approved.

3 Results and returns

To date, the Buen Vivir Fund has made four loans with two in the immediate pipeline worth a total of US\$465,000 to grass-roots partners in Latin America, Southern Africa, and South Asia. With US\$1m committed, the Buen Vivir Fund expects to release the second tranche of capital in mid-2019. Examples of projects which are benefiting from these loans are varied and encompass a wide range of approaches that include:

- Strengthening and expanding markets for fair-trade cooperative suppliers in Mexico;
- Building a medical clinic and training centre to promote and preserve Mayan traditional medicine practices in Guatemala; and
- Building affordable housing for migrant women and children in South Africa.

In addition to loan disbursement, the Buen Vivir Fund has piloted a completely new practice of impact investment built collaboratively from the bottom-up with its grass-roots partners. The holistic and thorough nature of this endeavour cannot be overstated. From an application process which is peer-reviewed, to an inclusive, democratic governing body, to a definition of returns that encompasses community wellbeing, the Buen Vivir Fund has brought transformative participation, in which people partake in decision-making, into impact investment. As one impact investor noted, 'When I look at the investments we have made in terms of a participatory model, really this is the only one. This is the only one that I've been engaged with where it's really from the bottom-up that is international in focus'.¹³

The Buen Vivir Fund anticipates four types of return on investment: (1) social impact returns, (2) repayment of loan capital to investors, (3) a financial solidarity contribution from grass-roots partners, and (3) non-financial returns to investors.

3.1 Social impact returns

The Buen Vivir Fund uses the terminology '*buen vivir* returns' to emphasise the interrelated social, environmental, cultural and other returns generated by the kinds of initiatives in which the Fund invests. The Buen Vivir Fund Investor Policy Statement articulates *buen vivir* returns as follows:

Projects generate rich *buen vivir* returns in at least one, and usually multiple, of the following areas. The implementing organization of each project self-determines which areas are relevant to their project, and specific return objectives within the area, according to the priorities of the communities and groups involved in the project.

- **Everyday joy:** The day-to-day work of the project has supported people to work with dignity, use their creative capacity, and feel joy.
- **Well-being of body, mind, and spirit:** The project has supported people to improve their health and well-being in ways that matter to them.
- **Thriving earth:** The project has contributed to healing and improving the health of the ecosystem in areas such as soil health, biodiversity and water quality.

¹³ J. Astone, The Swift Foundation Executive Director, interview, 16 November 2018.



AFEDES (Women's Association for the Development of Sacatepéquez); International Women's Day 2017 in Guatemala. Photo credit: © AFEDES

- **Cultural vibrancy:** The project has contributed to restoring and revitalizing cultural knowledge, traditions and pride.
- **Leadership by all:** The project has contributed to strengthening the leadership of individuals and groups to take initiative in dreaming up and creating the change that they feel is most needed.
- **Balanced relationship to money:** The project has enabled people to practice sharing, accessing, and passing forward money in ways that restore balance.
(Buen Vivir Fund Investor Policy Statement, unpublished)

Buen vivir returns are monitored using self-determined key performance indicators that grass-roots partners identify during the application process. Examples measure various aspects of holistic community wellbeing that include: sense of being rooted in community; awareness of cultural history; environmental conservation practices; sharing and strengthening of artisanal skills; time spent with family; and migration mitigation. Investees measure these key performance indicators one or two times per year, beginning in the first year of the project.

3.2 Loan repayment

Grass-roots organisations commit to replacing the investment capital shared by the Fund in their local currency¹⁴ at zero interest. In other words, financial return to investors is capped at replacement of the principal. This is seen as part of the Fund's commitment to using 'non-extractive capital'. The loan terms and repayment plans are established jointly between grass-roots partners and the Fund Management Team, subject to final approval by the Members Assembly. Currently, repayment time frames range from two years to 15 years, with the first instalment set to be paid in 2020. Three organisations that created smaller grass-roots funds using the Buen Vivir Fund capital have plans to revolve their funds several times before initiating return to the Buen Vivir Fund. Community members who have borrowed from these smaller grass-roots funds are on target or ahead of schedule for repayment.

¹⁴ This is important as risk of currency fluctuation is borne by the financial investors and the Buen Vivir Fund.



Members of AFEDDES (Women's Association for the Development of Sacatepéquez) participate in a maize ceremony in Guatemala.

Photo credit: © AFEDDES

3.3 Solidarity contributions

The Fund invests in groups that are anticipating returns ranging from 1.75 per cent to 10 per cent, depending on the project. These rates are determined by grass-roots groups themselves and may shift up or down depending on the success of the project. Instead of requiring interest at a set rate, the Buen Vivir Fund has adopted the practice of *aportes*, or solidarity contributions. The concept of *aportes* comes from an indigenous-led fund in Mexico created by one of the groups in the Members Assembly, CIELO (Federación Indígena Empresarial y Comunidades Locales de México; Federation of Indigenous Entrepreneurial and Local Communities of Mexico). CIELO's practice of *aporte* payments draws from the traditional economic practices of the many indigenous peoples within its network. Cecilio Solis Librado, one of CIELO's founders, explains that the purpose of *aporte* is 'to help the Fund stand on its own two feet more strongly'.¹⁵

Upon replacement of loan capital for investors, borrowers elect to contribute an additional amount to the Buen Vivir Fund based on their own self-determined capacity. The amount of the *aporte* depends on the success of the project and the payments are not made to individual financial investors. The payments contribute toward stability and growth of the Fund as a collective resource for current and future projects. Given that the first round of funding was disbursed in September 2018, to date no repayments or *aportes* have been made. In sum, the model of the Buen Vivir Fund aspires for the Fund to grow from the *aporte* payments of successful investments. The Fund deliberately chooses to pass this growth on to future organisations, instead of to financial investors.

Solidarity contributions to the Fund are also made by investors, often in the form of grant capital but also in alternative forms, such as the formation of the Buen Vivir Finance Fellowship sponsored by investor and Member, NoVo Foundation. The two-year fellowship brings mid-career finance, investment, and social finance professionals to the Buen Vivir Fund in order to support implementation, development, and expansion while also serving as a learning and professional development opportunity for Fellows to build their capacity in a Buen Vivir approach to investing, supporting them to apply the model and lessons of the Fund more broadly.

¹⁵ C. Solis Librado, CIELO, interview, 19 November 2018.



Enterprise development organised by the Ubunye Foundation, a beneficiary of the Buen Vivir Fund. Photo credit: © Ubunye Foundation.

3.4 Non-financial returns

The Buen Vivir Fund places value on what is ‘life-giving not resource-amassing’, and thus envisions a full spectrum of non-financial returns for investors. Investors in the Founding Circle of the Buen Vivir Fund Members Assembly have characterised the experience as investing ‘a relatively small amount of money in the Buen Vivir Fund [that] is now changing how we approach our entire portfolio’.¹⁶ Investors have been inspired to apply practices they learn from grass-roots members to their own offices, meetings and investment policy statements, prompting one investor to explain, ‘I’ve just thought about ways to slow down meetings and make them more purposeful’.¹⁷ Non-financial returns for these investors might include: an increase in the quality of time spent with colleagues due to utilising new meeting practices learned from grass-roots peers in the Fund; new deal flow and opportunities for values-aligned investment that come from conversations with their newly diversified peer network via the Members Assembly; and more effective due diligence and impact evaluation of their portfolio via applying innovative practices learned from fellow Members.

4 Strategies and enabling factors

The Buen Vivir Fund has been able to build participation into the impact investment process and is on the path to achieving the full spectrum of returns outlined above thanks in large part to a few key ingredients of success, strategies, and enabling factors. These include an organisational culture that values participation; recruiting Founding Circle members with open mindsets and long-term vision; and a history of established partnerships and practice.

Thousand Currents has an organisational culture that is holistically committed to equitable grass-roots partnerships, and participation within the Buen Vivir Fund is steered by leaders who prioritise guidance and knowledge from their partners in the Global South. Thousand Currents uses its position and influence as a vocal and visible advocate for grass-roots-led social change, bridging emerging approaches and learnings from the Global South with philanthropic models and practices from the Global North. Given the flood of resources into the impact investment space, staff at Thousand Currents felt

¹⁶ J. Astone, The Swift Foundation Executive Director, interview, 16 November 2018.

¹⁷ S. Fitzmorris, Wallace Global Fund, interview, 28 November 2018.



A local weaving school run by AFEDES (Women's Association for the Development of Sacatepéquez) in Guatemala.

Photo credit: © AFEDES

they had both an obligation and a responsibility to advocate for alternative models in the emerging impact investment field with the aim of influencing the practice of others by demonstrating a participatory model themselves. From the outset, funding and time were earmarked explicitly for participatory approaches to be a central pillar of the Fund's design to demonstrate how we can shift power in the sector of impact investing.

To maintain a rich culture that values participation, Thousand Currents recruited Founding Circle members who had established relationships of trust with the organisation and who were willing to risk and experiment in search of an equitable impact investing model. This included financial investors who were ready to embrace whatever terms and practices emerged from the co-design process, including the concepts of a zero-interest policy, non-financial returns, and investors shouldering the majority of risk. Among the founding investors, 'the common denominator is that people have been really thoughtful and had been iterating their model [for grantmaking and/or investment] and thinking about what works'.¹⁸ Many of the Founding Circle

¹⁸ J. Levitt Cea, Buen Vivir Fund Director, personal communication, 19 February 2019.



Lingelihle Safe Park is lifted into position: a project of the Ubunye Foundation, a beneficiary of the Buen Vivir Fund.

Photo credit: © Ubunye Foundation.

investors were associated with institutions, mostly foundations, which were committed as institutions to experimental and values-aligned applications of their investment resources. The Founding Circle members also included grass-roots partners who were willing to enter into new kinds of agreements with investors who might traditionally have been viewed with suspicion, given historically exploitative approaches of the financial and development sector. Grass-roots partners were more amenable to entering into an investment deal because Thousand Currents challenged investors to absorb more risk than in more traditional investment relationships. Additionally, grass-roots partners were afforded the choice in the amount of the solidarity contribution (*aportes*) committed to benefit the continuation of the Fund instead of a set rate interest payment returned to investors.

Reciprocal trust and authentic relationships between these two primary groups of actors was key. Trust was established in large part due to the 'hidden collateral' found in both actors' long-term relationships with Thousand Currents. With the investees, these relationships span upwards of ten years of grantmaking meant to support their innovative and established lending practices at the grass-roots level. In other words, the investees are not expected to invent approaches in order to suit investor mandates but are instead further building out existing approaches and sharing them with investors as well as other grass-roots partners. Investors trusted in this hidden collateral because either they or someone in their network had a positive experience previously working with Thousand Currents, which afforded a greater willingness to assume risk.

Other enabling factors for the success of the embeddedness of participation with the Buen Vivir Fund are discernible in direct feedback from the Founding Circle members. For example, some investors felt that a lot of attention and focus was devoted to building the governance processes, but that in the initial round of investment there was not sufficient attention dedicated to robust due diligence and strengthening of the business plans at the centre of each grass-roots investment. The Fund Management Team sought out feedback after the disbursement of the first series of loans and is continuing to iterate and enhance the due diligence process accordingly. Some but not all funders were willing to extend this timeline, leading one investor to call for greater flexibility: 'If we're going to be truly transformative as a foundation and we want to work on transformative projects like this, we need to find money that is not that tied so that you can have the least restrictions associated with it'.¹⁹ Similarly, the desire for more time was echoed by the grass-roots partners,

¹⁹ J. Astone, The Swift Foundation Executive Director, interview, 16 November 2018.

who valued the co-creation of the Fund's governance but felt that due diligence was, at times, rushed. This was felt most acutely on conference calls with many Members. Yet, all Members were struck by how committed the Thousand Currents team was to ensuring that every voice was provided with the space to be heard.

5 Future outlook and lessons learned

The Buen Vivir Fund will release its second tranche of loans in mid-2019. In late 2019, the Members will convene for the first Learning Exchange to evaluate the impact of and lessons learned from the first two-year Cycle of Investment and Learning. At this time, the membership will also determine how expansion of the Fund will occur. Currently, Thousand Currents has a growing list of both financial investors and grass-roots groups who are awaiting the opportunity to join the Fund, having heard about the unique model at impact investment conferences or through grass-roots networks. The current Members Assembly will determine a path for expansion that will retain the relational and participatory nature of the Fund, while ensuring that governance is effective and not unwieldy.

While the Founding Circle was intentionally chosen using 'hidden collateral' from those already in Thousand Currents orbit in order to *build* the Fund, moving forward new applicants will be able to utilise relationships and recommendations from groups, peers, and community members who are not directly associated with Thousand Currents: 'We will still draw upon the power of relationships and community, to build a strong membership, but we are making an effort to share about the fund in many channels that will enable us to broadcast the upcoming opportunity to apply to join among people far outside our current relationships'.²⁰

The Buen Vivir Finance Fellowship programme, seeded by NoVo Foundation, has brought important in-house capacity to the Buen Vivir Fund Management Team. The current Fellows are leading efforts to strengthen internal systems and procedures, such that the Buen Vivir Fund is able to withstand audit, grow effectively, and also stay true to its guiding principles and founding goals.

While the Buen Vivir Fund is positioned to grow in both membership and volume of capital shared, this is not the primary means by which it aims to scale its impact. As one of the Fund ally-advisers stated, 'Don't try to be a billion-dollar fund; be a billionaire of influence'. The Buen Vivir Fund seeks to strategically share its practices to broaden the sense of what is possible and legitimate in impact investment – and to remind the field that Wall Street and Silicon Valley are not the only sources of effective investment models. The Buen Vivir Fund shares its practices via presentations at relevant conferences; through virtual and in-person events convening professionals that are part of the Buen Vivir Finance Learning community; through publication of written and multimedia materials; and making all of the practices of the Fund open source on its website.

This aim to shift practice in the field of impact investing comes back to the concept that guides the Fund: *buen vivir*. This concept recognises that the wellbeing of one is tied to the wellbeing of all; that the wellbeing of a system is linked to that of the actors composing the system. The Buen Vivir Fund's long-term aim is to model how investment can contribute to the wellbeing of grass-roots groups receiving capital as well as to the financial investors

²⁰ J. Levitt Cea, Buen Vivir Fund Director, interview, 8 February 2019.

sharing that capital, offering them opportunities to bring back into balance financial practices emanating from an economic system that is unjust. In this way, the Buen Vivir Fund hopes to plant seeds that can help all its members – from indigenous organisations in rural Guatemala to private foundations in New York – be agents of change towards an economy of greater balance and wellbeing.

6 Methodology

A research consultant from the Institute of Development Studies (IDS) was commissioned to conduct this case study. The case study began with a document review, which included both external communications and internal operational and strategic material produced by Thousand Currents staff. These data provided insight into the trajectory of the Buen Vivir Fund since its inception, activities conducted, and procedures and frameworks put in place.

The consultant gathered the perspectives of ten individuals with an existing relationship to the Buen Vivir Fund. Interviews were conducted with three representatives of grass-roots partners, two donors, two Thousand Currents staff and three advisers. These interviews explored different perspectives and experiences of involvement with the Buen Vivir Fund. Interviews placed a particular focus on how participatory processes were conducted, incorporated and evolved over the course of the Fund's construction; the key challenges members of the Fund faced with respect to participation; and the drivers of the Fund's success. A translator was retained during interviews with grass-roots partners.

The case study methodology was designed to bring attention to the experience of building opportunities for participation in impact investment as well as to hear directly from those whose participation was enabled. Interviewees were jointly selected by the consultant and the Buen Vivir Fund Director, with the main criteria being depth of involvement in the Fund, type of relationship with Thousand Currents, and availability. With the Fund in its early stages, the research focus was on understanding the key enablers of participation and how the Fund works in practice. The case study reflects a collaboration with the Buen Vivir Fund which, while limiting impartiality, also brings an in-depth knowledge of how the Buen Vivir Fund operates. In the future, it would be desirable to examine the results the Fund has achieved.

Annexe 1 Buen Vivir Fund Founding Circle members

Table A1 Buen Vivir Fund Founding Circle members and capital received

Grass-roots organisations	Country	Capital received (US\$)
AFEDES: Women's Association for the Development of Sacatepéquez	Guatemala	Loan: \$75,000 Grant: \$15,000 Repayment period: 15 years Intended <i>aporte</i> contribution: 5%
ISMUGUA: Institute for Overcoming Urban Poverty	Guatemala	Loan: None requested Grant: \$15,000
GRAVIS: Center of People's Science for Rural Development	India	Loan: \$90,000 (to be disbursed in mid-2019) Grant: \$15,000
CIELO: Federación Indígena Empresarial y Comunidades Locales de México	Mexico	Loan: \$90,000 Grant: \$15,000 Repayment period: 1 year 10 months Intended <i>aporte</i> contribution: 1.7%
DESMI: Social and Economic Development for Indigenous Mexicans	Mexico	To be determined
EduPaz	Mexico	Loan: \$90,000 Grant: \$15,000 Repayment period: 3 years Intended <i>aporte</i> contribution: 15%
Ñepi Behña	Mexico	Loan: \$30,000 Grant: \$15,000 Repayment period: 2 years Intended <i>aporte</i> contribution: 4%
Women's Awareness Center Nepal	Nepal	To be determined
Ubunye Foundation	South Africa	Loan: None requested Grant: \$10,000
Whole World Women Association	South Africa	Loan: \$90,000 Grant: \$15,000 Repayment period: 15 years Intended <i>aporte</i> contribution: 4%

Source: The author.

Table A2 Buen Vivir Fund Founding Circle members (investors)

Investors	Total investment (US\$)
Dietel & Partners	\$150,000
Libra Foundation with Pi Investments	\$137,500
NoVo Foundation	\$262,500
Regenerative Finance	\$262,500
The Swift Foundation	\$137,500
Tan Philanthropy	\$137,500
Wallace Global Fund	\$177,000
The Whitman Institute	\$37,500

Source: The author.

Annexe 2 Buen Vivir Fund guiding principles

GUIDING PRINCIPLES

While we recognize that *buen vivir* has unique meanings for many peoples and communities, we agree on five guiding principles for how all members of the Buen Vivir Fund will uphold and apply this concept in our work together. These principles guide our culture, decisions, and learning. They also guide us in how we influence economic practice beyond the Buen Vivir Fund, including through strategic sharing and communications as well as active solidarity and participation in broader movements for alternative economies.

1) DIVERSITY AS STRENGTH. We recognize diversity as power and wisdom; this is dignity.



Within the fund: Power and leadership come from everyone. We honor diverse contexts, experiences, and ways of knowing. We are rooted and open: We proudly share from our own practices and respectfully learn from one another's.

The projects we support: The Buen Vivir Fund offers diverse forms of support that are responsive to the unique context of each project, while always aligned with our values. We invest in projects that have been shaped by diverse people and groups in the communities they represent and that build collective power.

2) INTERCONNECTION AS RESPONSIBILITY. We recognize that we are intricately interconnected; solidarity and support flow from this.



Within the fund: We know that our individual well-being is interconnected to the well-being of the whole, and we practice support and solidarity in this context. In recognition of our collective responsibility, we work hard to uphold our commitments and give our best effort and integrity. When groups have abundance and success, this is shared in different forms with the Fund as a whole. When groups experience loss and challenges due to factors beyond their control, the Fund as a whole steps in to share this burden. Solidarity and support are learning processes; we grow from our collective experiences.

The projects we support: The Buen Vivir Fund serves as a community of support to the projects in which we invest, and we share the responsibility for their success. We invest in initiatives that strengthen solidarity and interconnection in the communities they represent.

3) ACTIVE HEALING. After centuries of a dominant economic system based on extraction, racism, and disconnection from one another and our earth, we need to actively heal and restore wholeness.



Within the fund: We try to learn and practice ways of connection with one another that recognize and help heal the wounds we carry. We recognize that there are many forms of investment, return, and risk. We broaden concepts that have been narrowed by capitalism and reground them in natural metaphors: an ecosystem composts many different things to provide fruits. We

restore flow.

The projects we support: We invest in initiatives that actively heal and give back to their communities and ecosystems.

4) COLLECTIVE WISDOM. We weave together our reflections and stories to surface wisdom.



Within the fund: We recognize that collective reflection tends to lead to decisions, insights, and proposals that are wiser than those made by individuals. We make time and effort to ensure that all our members can reflect, learn, and generate ideas together. We are brave in sharing our ideas, disagreements, and unique perspectives. We presence our contexts and histories.

Source: © Thousand Currents (2017: 3–5), reproduced with permission.

References

- Levitt Cea, J. (2018) 'Can We Remove the Fear from Our Global Economy? 5 Ways the Buen Vivir Fund Is Doing So and Changing "Business as Usual"', *Medium*, 16 March, <https://medium.com/@1000Currents/can-we-remove-the-fear-from-our-global-economy-973debb95969> (accessed 7 May 2019)
- Levitt Cea, J. (2016) 'Our Proposal for a New Approach to Investment: The IDEX Buen Vivir Fund', unpublished
- Thousand Currents (2017) *Guiding Framework for Cycle 1 of the Buen Vivir Fund (2018–2019)*, https://thousandcurrents.org/wp-content/uploads/2017/07/Guiding-Framework_Cycle-1-of-the-Buen-Vivir-Fund_approved-July-2017.pdf (accessed 7 May 2019)

ECONOMIC PARTICIPATION STUDY

Institute of Development Studies, Brighton BN1 9RE UK
T +44 (0) 1273 606261 **E** ids@ids.ac.uk **W** www.ids.ac.uk
W www.eldis.org/collection/participation-economic-advancement
T twitter.com/IDS_UK **f** facebook.com/idsuk

