INDIGENOUS COMMUNITY
OF NUEVO SAN JUAN
PARANGARICUTIRO
Mexico

Equator Initiative Case Studies
Local sustainable development solutions for people, nature, and resilient communities
Local and indigenous communities across the world are advancing innovative sustainable development solutions that work for people and for nature. Few publications or case studies tell the full story of how such initiatives evolve, the breadth of their impacts, or how they change over time. Fewer still have undertaken to tell these stories with community practitioners themselves guiding the narrative.

To mark its 10-year anniversary, the Equator Initiative aims to fill this gap. The following case study is one in a growing series that details the work of Equator Prize winners – vetted and peer-reviewed best practices in community-based environmental conservation and sustainable livelihoods. These cases are intended to inspire the policy dialogue needed to take local success to scale, to improve the global knowledge base on local environment and development solutions, and to serve as models for replication. Case studies are best viewed and understood with reference to 'The Power of Local Action: Lessons from 10 Years of the Equator Prize', a compendium of lessons learned and policy guidance that draws from the case material.

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Editors
Editor-in-Chief: Joseph Corcoran
Managing Editor: Oliver Hughes
Contributing Editors: Dearbhla Keegan, Matthew Konsa, Erin Lewis, Whitney Wilding

Contributing Writers
Edayatu Abieodun Lamptey, Erin Atwell, Toni Blackman, Jonathan Clay, Joseph Corcoran, Larissa Currado, Sarah Gordon, Oliver Hughes, Wen-Juan Jiang, Sonal Kanabar, Dearbhla Keegan, Matthew Konsa, Rachael Lader, Patrick Lee, Erin Lewis, Jona Liebl, Mengning Ma, Mary McGraw, Gabriele Orlandi, Juliana Quaresma, Peter Schecter, Martin Sommerschuh, Whitney Wilding, Luna Wu

Design
Oliver Hughes, Dearbhla Keegan, Matthew Konsa, Kimberly Koserowski, Erin Lewis

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PROJECT SUMMARY

The town of Nuevo San Juan Parangaricutiro is located in the western part of the Mexican state of Michoacán; its name refers to the destruction of the original San Juan Parangaricutiro during the eruption of the Paricutin volcano in 1943. Since 1982, local indigenous Purépecha community members have been engaged in sustainable timber and non-timber forest extraction and processing from the town’s local pine forests. In 1991, a landmark national resolution led to the legal transfer of ownership of 18,138 hectares of communal land to the 1,254 comuneros engaged in the project; in 1999, the project gained FSC certification for its forest extraction practices.

To date, training has been offered to more than 450 local people in technical aspects of sustainable forestry; the enterprise is currently active in more than twenty areas of production, the majority of which involve non-timber forest products, and generates an average of 900 permanent and 300 temporary jobs each year.

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KEY FACTS

EQUATOR PRIZE WINNER: 2004
FOUNDED: 1982
LOCATION: Michoacán State, Mexico
BENEFICIARIES: 7500 indigenous community members
BIODIVERSITY: sustainable forest management
The Indigenous Community of Nuevo San Juan Parangaricutiro is located in the western part of the Mexican state of Michoacán. The town is called "nuevo" (Spanish for "new") because the original San Juan Parangaricutiro was destroyed during the formation of the Paricutin volcano in 1943. Nuevo San Juan Parangaricutiro is located eight kilometers west of Uruapan, one of the oldest cities in Mexico.

The local climate is characterized as temperate-humid with abundant rains in the summer. The principle ecosystem is pine-oak forest, a vegetation type that is typical of Mexico’s mountainous areas (ranging in altitude between 1,000 and 2,800 meters). The forest cover is composed of a number of tree, shrub, and herbaceous species including pine (P. pseudostrobus, P. Montezumae, and P. Leiophyla), oak (Q. Candicans, Q. Rugosa, and Q. Laurina), and other leafy trees (Alnus jorullensis).

A forest-dependent economy

The indigenous Purépecha community owns nearly two thirds of the municipal territory, what amounts to over 18,000 hectares of land, of which 11,000 hectares are forested. The indigenous group is made up of 7,500 community members (comuneros), which accounts for half the residents of Nuevo San Juan Parangaricutiro. The other half are private property owners and members of surrounding ejidos (San Juan, Arandin, and La Quinta) and agrarian communities. These two designations - ejidos and agrarian communities – are the two constitutionally established types of communal land tenure that emerged in Mexico in the 20th century: while ejidos can be constituted by peoples without previous cultural or other connection, agrarian communities are constituted by pre-existent groups of peoples.

The surrounding forests are the cornerstone of the local economy. Income-generating activities in the forest are carried out communally. More than 35% of the local population is engaged in logging and timber transport, resin collection and fruit cultivation. A smaller number of residents are involved in agriculture such as avocado and maize farming, and the majority of crop outputs are used for community consumption needs rather than commercial sale. Other economic activities include tourism, animal husbandry, handicrafts and trade.

Historical roots of communal ownership

The roots of the indigenous Purépecha community date back to 1715 when, by order of the Spanish Crown, they were granted ownership of the land that they continue to occupy today. In the early 20th century, they formally constituted themselves as a communal enterprise.

This shift was motivated by a number of factors. The first was that two centuries of intensive logging and timber extraction by private companies were returning few benefits to the community. It became necessary then to organize the community as a single interest with one voice that would be capable of articulating and advancing local needs and priorities.

A second motivating factor was environmental degradation, resulting in no small measure to the uncontrolled exploitation of local forests. By the late 1970s, the forests surrounding the community were heavily deforested and degraded. The community resolved to advance a new model of management and stewardship that would restrict access and use to community members and prioritize sustainable resource extraction for job creation and poverty reduction.

The third factor was a legal and political one. The Purépecha indigenous group was one of the few rural communities in Mexico that held official documents dating back to 1715 which carried with them secure tenure rights. The eruption of the Paricutin volcano in 1943, however, destroyed the community and roughly 1,500 hectares of surrounding forest, forcing residents to move outside the boundaries of their communal land. As a result, when the comuneros began collectively extracting and selling forest resources in 1982, the com-
munity did not have legally recognized property rights.

A breakthrough came in the 1980s when the state of Michoacán began authorizing ejidos and communities — some of whom lacked official documentation of their property rights — to use and manage their resources. In 1991, community land rights were recognized at the national level when a landmark presidential resolution legally transferred ownership of 18,138 hectares of communal land to the 1,254 comuneros and their families.

Early years of community forestry

The initiative began in 1982. After a number of unsuccessful attempts to join forces with neighboring ejidos and communities, the community began to independently extract and sell wood from local forests on a small scale. The initial experiment proved so successful, both in terms of profitability and the level of commitment and investment by the local community, that in 1983 the community was able to acquire an industrial sawmill. This development allowed the community to manage timber and other extractive activities on a larger scale while still allowed for regeneration and healthy forests.

The following year in 1984, the community received the National Forestry Merit Prize for its exemplary efforts in community organization, and participation in the sustainable management of its forests. In 1986, the Convention on the Coordination, Consultation and Shared Stewardship of Forest Technical Services was signed. This allowed the community to develop and adopt the organizational framework that guides its operation to this day.

In 1999, the community received certification from the Forest Stewardship Council (FSC), an independent organization devoted to encouraging the sustainable management of forests. FSC certification follows carries with it strict standards on forest management that ensure environmental and social responsible. Certification requires that the community’s forest management practices are audited on annual basis.

Today, the communal enterprise is active in more than twenty areas of production, the majority of which involve non-timber forest products. It is the only communally owned enterprise in the State of Michoacán that has its own Department of Technical Forest Services, which ensures the enterprise is able to develop forest use and management plans that are aligned and harmonized with the Mexican Forest Law. The community generates an average of 900 permanent and 300 temporary jobs each year. Since its inception, the community enterprise has offered training to more than 450 local indigenous people in the technical management of forests, agriculture, organizational management, operation of machinery, wood harvesting and processing, forest certification and sustainable non-timber forest product extraction.

Governance and institutional structure

The institutional framework that governs the Indigenous Community of Nuevo San Juan Parangaricutiro is based on requirements established by the Mexican Agrarian Law, which is in turn derived from Article 27 of the Constitution. The law regulates matters such as land use and ownership, local institutions, and rural development in general. The main consultative body of the community organization is the General Assembly, which is composed of a supervisory council and a general manager who coordinate the implementation of the various activities. Among its main functions are electing members of all the other communal institutions; drafting internal rules, land distribution, legal agreements and contracts; and evaluating financial reports. Members of the General Assembly are elected by the comuneros.

The Commissariat – constituted by a president, secretary and treasurer – is responsible for implementation of General Assembly decisions, the enforcement of local regulations, and coordination of administrative procedures. The Monitoring Council is made up of a president and two secretaries who are responsible for monitoring the actions of the Commissariat, reporting findings to the General Assembly, and conducting field monitoring of the communal forest. The Communal Council, which is formed by elected representatives of the different neighborhoods of Nuevo San Juan, was created as an initiative of the comuneros in order to make the consultation and decision-making processes more responsive and efficient. The Communal Council filters all information coming from the enterprise, the Commissariat, and the Monitoring Council to the General Assembly. Additionally, the coordinators of each of the productive areas report to the executive manager of the enterprise.

Community governance has played a central role in the success of its various eco-enterprises. The local population is provided with consistent, clear, accurate and timely information. The institutional framework is designed to be responsive to local needs and the ambitions of its members. If a comunero has an idea for a new business venture, they may present it to the Community Council and General Assembly. If approved, a process begins for identifying appropriate partners and personnel to implement the activity.

“Humanity, as part of biodiversity, is responsible for knowing how natural systems work and how our choices impact those systems. Every person has a responsibility to be aware of how their behavior has consequences.”

Héctor Anguiano, Indigenous Community of Nuevo San Juan Parangaricutiro
The Indigenous Community of Nuevo San Juan Parangaricutiro seeks to preserve and defend its territory through community forestry and sustainable natural resource management. The community collectively owns 11,000 hectares of forest and has established a multifaceted social enterprise that sustainably produces timber, resin, furniture and other non-timber forest products. Its vision is to operate competitive businesses that offer security, confidence, and trust to both community members and customers. A primary goal is to improve the living standards of the local community, while also ensuring environmental sustainability. Moving beyond an initial focus on timber, the community enterprise has expanded into resin collection, wildlife management, ecotourism, water management and agro-forestry.

The forest beyond the trees

The management of community forests is the responsibility of community forest technicians. These technicians implement the Forest Management Program which provides a framework for forest resource extraction, including the collection of resin, seeds, and medicinal and ornamental plants; the cultivation of seedlings for reforestation; ecotourism; wildlife management; and agroforestry. All raw materials extracted from the forests are processed in a facility owned and operated by the community. This generates income that is reinvested into the enterprise or other community works projects authorized by the General Assembly.

Communal land is zoned for different purposes. Over 10,880 hectares are allocated for forestry, 1,200 hectares for forest plantations and nurseries, 1,931 hectares for agriculture, 2,122 hectares for fruit orchards, and 35 hectares for livestock pasture. A further 1,685 hectares are categorized as ‘rocky ground’ and 152 hectares as bush and shrub land.

Two leading objectives of the community are: to increase economic benefits through sustainable natural resource management (and to distribute benefits fairly); and to create jobs for the local population (in part, to prevent out-migration). The community works through partnerships to meet these goals. Partners are enlisted to provide farmers with alternative livelihood options and to offer technical support in agriculture, ranching, fruit tree cultivation, fruit packaging, and communal marketing and sales. Individual producers are trained in sustainable forestry and resource management techniques that empower them to increase farm productivity and improve service delivery. A community ‘laboratory’ is used for training purposes as well as for soil analysis, as a distribution center for fertilizers, and for packaging peaches, avocados and other crops.

On account of its exceptional work and efforts to ensure standards of sustainability, the community has also received certification by the Forest Stewardship Council. In the agricultural sector, the community has achieved certification for good agricultural practice in land use, food safety and quality control, and (in some orchards) the Mexico ‘supreme quality certificate’ (also known as Mexico GAP).

Forest management plans

The communal forest management system in Nuevo San Juan has received national and international recognition for its vertical integration of forest production (use of product and byproducts), its scale of operations, and its innovative management approach. As part of its land use strategy, and in partnership with researchers based out of the Autonomous University of Mexico (UNAM), the comuneros have been able to classify their communal land according to landscape type and vegetation features. This information has been used to develop science-based forest management plans which systematically regulate timber extraction and diversify productive activities to ensure long-term resource sustainability. This data is complemented by the wealth of traditional knowledge on forest management that comuneros have acquired over generations of interacting with surrounding forests.
Biodiversity Impacts

The main objective of the Nuevo San Juan community is the preservation of the forest as a common good whose sustainable management can provide reliable sources of income for the comuneros and their families. As such, land management plans have prioritized approaches that allow for natural rejuvenation of the forests and are complemented by more targeted programming in reforestation, the protection of hydrological resources, and wildlife management.

Reforestation and conservation zoning

Productive activities are undertaken in a manner that guarantees the long-term sustainability of trees, soil, water, vegetation and wildlife. Ranching and agricultural activities are restricted to certain zones to ensure pressure is not exerted on standing forests. The comuneros have developed and implemented community-driven forest management plans which aim to protect the forest through natural regeneration and reforestation. Reforestation activities are undertaken in the rainy season and carried out in areas where timber extraction has taken place but where regeneration has not occurred naturally. Ongoing reforestation efforts are also undertaken in the area of land damaged by eruption of the Paricutín volcano in 1943. Riverbanks are off limits for the community’s annual timber harvest and are often the site of larger conservation efforts.

Biological monitoring evaluation

The community conducts field research and takes inventory of flora and fauna in the local forests every five years. This data is then cross-referenced with national inventory lists. The community has concluded that there are no species in the communal territory that are threatened, rare, in danger of extinction, or subject to wild fauna and flora protection. The community has enlisted the support of several educational institutions in the development of its monitoring and evaluation system, including: Universidad Nacional Autonoma de Mexico, Universidad Autónoma de Chihuahua, and Universidad Michoacana de San Nicholas de Hidalgo.

Hunting was a traditional activity of the comuneros of Nuevo San Juan. White-tailed deer in particular were hunted for celebrations of traditional holidays. This resulted in a steady decrease in populations of this species. In 1994, with the support of researchers, the community developed a plan to address the problem which evolved into a coherent strategy in 1996. Conservation measures now include breeding the species in semi-captivity, selling individual animals to neighboring communities to repopulate the region, and providing economic incentives for conservation such as ecotourism.

Forest fires have also been a consistent problem in the region and constitute a major environmental threat to forests in the communal territory. The community has built and mans a forest fire watch tower on the “Cerro de Pario”, a high point in the territory which is 1,910 meters above sea level. In addition, the community produces and distributes educational materials on preventing forests fires.
Socioeconomic Impacts

The community enterprise has done nothing short of transform the local economy and the wellbeing of the local population. Community-based forestry has not only improved local incomes and created jobs, it has had significant impacts on community infrastructure and service delivery. In this economically marginalized area which previously lacked basic services, the sustainable extraction and sale of forest products has financed investments in road infrastructure, primary and secondary schools, and water and sanitation systems.

Job creation, income-generation and service delivery

The organization has 20 different branches (or ‘productive areas’) with total annual sales of USD 11 million. It has created more than 1,400 jobs, of which a little less than half are full time and the rest are seasonal. Another 89 people are employed in the enterprises non-timber forest product ‘adjunct areas’. The 600 full time employees receive employment benefits including retirement plans, life insurance, vacation time and social security. The majority of seasonal or part-time employees belong to family-run enterprises and cooperatives in transportation, sawmills, and resin collection. Other activity areas include the distillation of resins and polymers, avocado orchards, fertilizer marketing, self-service shops, water purification and bottling, and ecotourism. Community members operate processing industries such as wood chippers, drying ovens, and furniture and molding factories. Cooperative members are also supported to connect into market supply-chains which link them with national and international markets. Average household incomes across the community now stand at USD $516 per month.

The community reports three clear signs of economic development. Perhaps the most striking, extreme poverty has been all but eradicated. All community members report an ability to meet basic needs. In addition, community members report substantial improvements in service provision, notably in the areas of potable water access, sewage and sanitation systems, and access to electricity. Lastly, a vast majority of families now have access to health services which did not exist previously. These improvements have been credited with reductions in out-migration. The community, in fact, has experienced an influx of people from neighboring areas looking for better economic opportunities.

On an as-needed basis the organization also serves as a guarantor for women’s groups, avocado and peach farmers, and other entrepreneurs applying for government subsidies and private loans. The organization has also provided a platform for the empowerment of women and greater integration of women into positions of authority and decision-making. Women are involved at both the operational and administrative levels of the organization. The community enterprise also provides a social safety net for widows, the elderly or those with physical handicaps which hinder their ability to work.

Education and training

Education is a priority for the community enterprise. The organization helps to finance local preschools, elementary schools and high schools. The community recently inaugurated a bilingual primary school that teaches children the indigenous Purépecha language and aims to foster a sense of cultural pride. The school employs the same curriculum recommended by the Ministry of Education, but provides both teaching materials and textbooks in the Purépecha language. From 2009 to 2010, the school went from 6 to 58 students. On occasion, comuneros have been supported by the community enterprise to pursue higher education. The community also provides facilities and classrooms for trainings, visiting researchers, and high school field trips.

Policy Impacts

The community has been active in advocating for community land rights, and has taken advantage of the opportunities provided by the Government of Mexico to give inputs into the design of public policy. Some comuneros have moved on to hold positions in the public service which has helped to disseminate information on the benefits of community forestry to government officials.

Advocacy for communal tenure and forest conservation

An ongoing challenge for the Indigenous Community of Nuevo San Juan Parangaricutiro is acquiring the 4,354 hectares of land that was previously identified by the national government as communal property. The Presidential Resolution of 1991 that granted communal land rights to the comuneros also acknowledged the claim to private land ownership by several families who were opposed to communal ownership of their land. This has created a situation of legal pluralism. The comuneros have attempted to recover individual land parcels through bilateral agreements with private land owners and through other channels of legal recourse where needed. To date, the community has successfully recovered more than 1,000 hectares of their communal land.

The community also advocates on an ongoing basis for the conservation and responsible stewardship of forests across Mexico. The community is part of the Alianza de Ejidos y Comunidades Forestales Certificados de México, an alliance of FSC-certified cooperatives and communities. Through this alliance, the community was able to participate in the United Nations Summit on Climate Change held in Cancun, Quintana Roo in 2010. In the future, the community aims to expand its influence to international indigenous peoples’ forums.
SUSTAINABILITY

In its thirty-year history as a self-governing producer of sustainable forestry products, the organization has proven its ability to overcome obstacles and adapt to new market conditions. In its early stages, however, the organization faced several challenges and growing pains. Primary among them were a low level of education and organizational capacity across the community, a lack of experience interfacing with industry and international market supply-chains, and a lack of trained personnel to oversee quality control and operating standards.

Partnering to fill capacity gaps

Key to overcoming these organizational deficiencies were strategic partnerships. As one example, a private timber company, Servicio de Extracciones Forestales (SEF), provided comuneros with the basic training in logging and agro-forestry that allowed them to get off the ground. A number of government agencies – notably including the Forest Sub-secretariat and the Rural Development Department – were also instrumental in providing technical support and information on how to successfully apply for forest management permits. Land for construction of the community enterprise headquarters was donated by a neighboring ejido. Families already operating small-scale sawmills provided start-up equipment such as chainsaws. Trucks for transporting timber and other products were provided by families belonging to the community truck cooperative. All of these developments played a role in laying the groundwork for the long-term profitability and sustainability of the communal enterprise.

Social, institutional and financial sustainability

Several social factors have contributed to the enterprise's sustainability. One has been a strong sense of community identity and solidarity. This has enabled the community to adapt to changing needs and priorities and to be resilient in the face of unexpected challenges. The community has also retained a commitment to recording its march towards self-sufficiency. This diligence has perhaps reinforced the strong sense of community identity and common vision. Social capital and trust have also been maintained through the timely and transparent sharing of information on enterprise activities and project results. Access to information has empowered the community to make informed decisions on where to invest time and resources.

Institutionally, the organization owes its success and longevity to the popular acceptance of the General Assembly as the space for decision-making, creation of the Community Council as a supportive organization for community development planning, the community’s good standing and constructive relationships with government institutions (federal, state and municipal), and ongoing cooperation with fellow indigenous communities in Mexico.

Financial factors dictating the success of the communal enterprise include the transparent management of community resources, the reinvestment of resources into alternative livelihood activities, the efficient use of government funds where they have been provided, vertical integration of the community industry, and access to lucrative market supply-chains.

REPLICATION

One of the primary aims of the Indigenous Community of Nuevo San Juan Parangaricutiro is to shares its knowledge and experiences with other communities. In doing so, it hopes to replicate its forestry model and promote a culture of sustainable natural resource management across the state and country.

The community organized seminars, workshops, site visits and exchanges with the support of government agencies as well as organizations such as the Rigoberta Menchu Foundation. In
“We would like for decision-makers to know that indigenous communities can be the drivers of positive change. There is a lot of work to do. And there is much to be done in the fight against poverty. Governments and policymakers must understand that their participation is necessary — that they can help to facilitate the proliferation of successful sustainable development initiatives.”

Héctor Anguiano, Indigenous Community of Nuevo San Juan Parangaricutiro
FURTHER REFERENCE


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Equator Initiative
Environment and Energy Group
United Nations Development Programme (UNDP)
304 East 45th Street, 6th Floor
New York, NY 10017
Tel: +1 212 906-6691
Fax: +1 212 906-6642
www.equatorinitiative.org

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