

# Grupo Xaxeni

MEXICO



Grupo Xaxeni promotes the ecological and economic value of native Mexican plants by creating a market for their use in landscaping, biotechnology, and as an active ingredient for consumer goods. Through their work, they are able to preserve Mexican biodiversity and to provide sustainable livelihood to their network of mostly indigenous smallholder farmers who grow native Mexican plants.

Based in Tepotztlán, the group operates three entities in a profitable, vertically integrated business model:

Name	Business
Cosechando Natural	<ul style="list-style-type: none"> <li>Provides agricultural consulting to civil associations, research centers, and universities in development projects that use native plants</li> <li>Sells seeds, urban garden kits, and organic fertilizers</li> </ul>
Endémika	<ul style="list-style-type: none"> <li>Provides ongoing technical support to farmers and monitoring of farming processes to ensure high-quality production of plants</li> <li>Delivers and exports native plants produced by Cosechando Natural farmers to end customers</li> </ul>
Xaxeni	Extracts beneficial components from native plants and sells them as active ingredients to other businesses, or transforms them further to produce consumer goods

## IMPACT OVERVIEW

Empowerment of indigenous farmers and preservation of Mexican biodiversity through promotion of native plant use

No. of beneficiaries	1,005
No. of communities benefitted	17 communities

## COMMUNITY

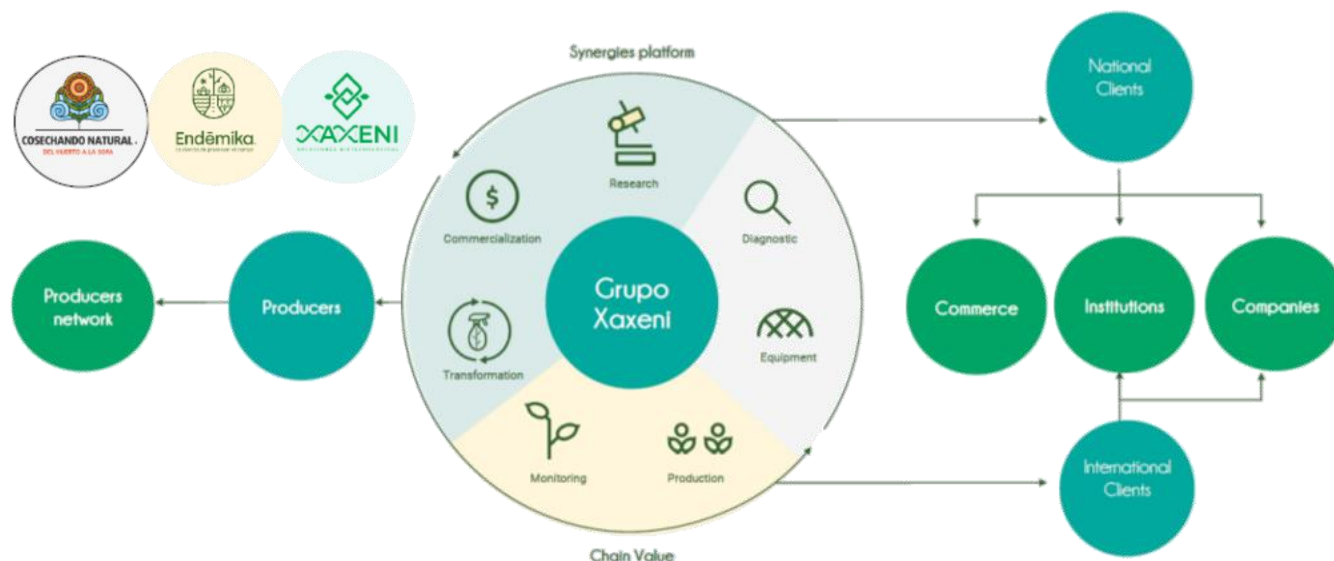


**Country**  
Mexico

**States**  
CDMX, Chiapas, Coahuila, Estado de México, Guanajuato, Hidalgo, Michoacán, Nayarit, Oaxaca, Querétaro

**Indigenous communities**  
Mazahua, Purepechas, Wirarika

Through synergies across their entities, Grupo Xaxeni is able to efficiently identify economic uses for native plants, train farming communities on their sustainable production, and promote and produce organic products utilizing their extracts as key ingredients. Grupo Xaxeni also promotes environmental preservation while capitalizing on the growing global preference towards sustainable and responsible consumption.



## Impact Background

With a population of almost 130 million, rich biodiversity, and abundant natural resources, Mexico is among the 15 largest economies in the world and the second largest economy in Latin America. Despite being a large, upper-middle-income country, Mexico continues to have high rural poverty levels and wide social and economic disparities. Poverty rates have not varied significantly in the last decade. Poverty and extreme poverty affected 41.9% (52.4 million) and 7.4% (9.3 million) of the population in 2018, respectively<sup>1</sup>.

Mexico's agriculture sector is facing increasing vulnerabilities and degradation of its natural resource base. The agricultural sector lags overall in terms of productivity, limiting social and economic mobility of the rural population. More than 75% of producers are smallholder farmers with less than five hectares. They are characterized as semi-subsistence producers employing traditional practices that depend on seasonal rainfall patterns. These producers do not generally have access to improved seeds, irrigation, credit, insurance, technology, or infrastructure for commercialization. The value chains most associated with smallholder producers are basic grains, coffee, cacao, small-scale livestock, forestry, and fishing.

Mexico also has the largest number of species and endemism of cacti in the world. Mexico is home to many native succulent species. Some common succulent genus from Mexico are Echeverias, Graptopetalums, Sedums, Agave. Millions of Mexican cacti have been extracted from their lands to adorn collections. Threatened by illegal trafficking, these species fight to survive imminent extinction.

Diversifying towards propagation and cultivation of native plants in nurseries provides an opportunity for farmers to protect themselves from some of the risk of volatile rainfall patterns brought about by climate change. It also provides incentive to protect native Mexican plant species from destruction.

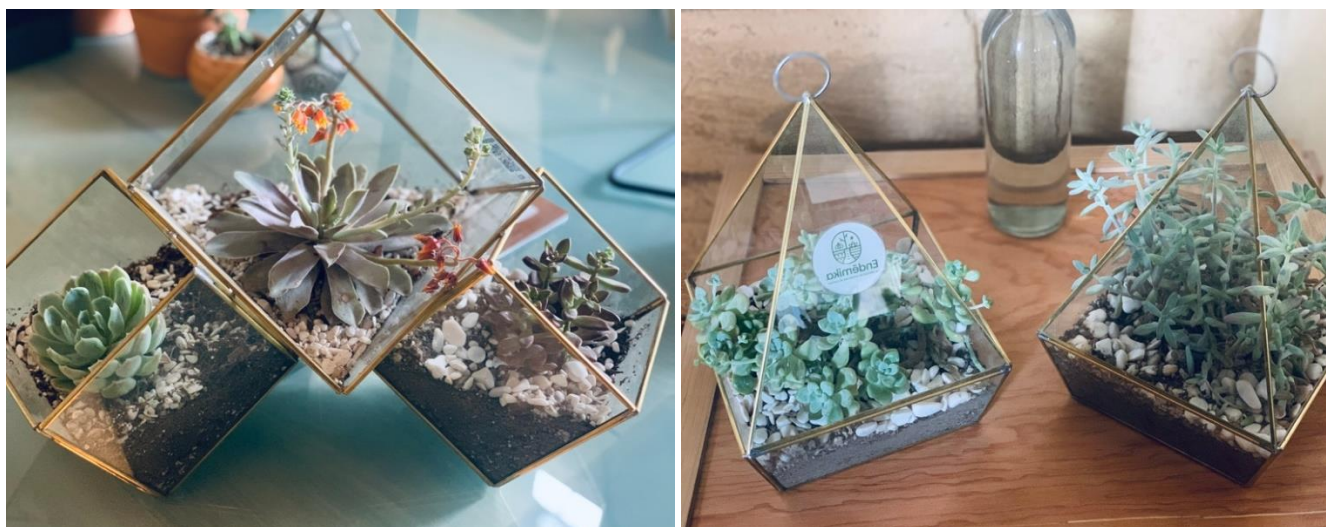
<sup>1</sup>[United Mexican States Country Strategic Opportunities Programme 2020–2025](#)

## Impact Delivery

Grupo Xaxeni promotes the opportunity to develop and manage a greater array of native plants, which is critical to enhancing genetic diversity with potential for agricultural use. Native plants are likely to mitigate soil erosion and conserve plant-microbe-soil interactions.

Cosechando Natural provides farmers of native plants with supplies, infrastructure, and agricultural equipment to support production. Cosechando Natural also provides agricultural training that enables organized groups and civil society organizations to contribute to the social and economic development of vulnerable populations. To date, Cosechando Natural has worked in 7 states of the republic, benefiting 696 people directly and more than 1,500 indirectly. Aside from providing sustainable agricultural training, they also provide financial literacy training, the combination of which result to average additional income of ~MXN 110 k (~USD 5.4k) annually to beneficiary families.

Endémika is a project that arose to change the reality of farmers, whose unsustainable practices create irreparable environmental impact on soil, water, and biodiversity. Endémika seeks to rescue native plant species in Mexico, promote the ecological and economic value of these plants, and promote the benefits these can bring to smallholder farmers and the environment. Through Endémika, Grupo Xaxeni works with a total of 201 farmers (directly with 157, and indirectly with 44) from 17 indigenous and vulnerable communities in 10 states of Mexico. Most of the farmers were growing corn and tomatoes, and now are also propagating native ornamental plants and selling these to Endémika to diversify their income.



Grupo Xaxeni identifies its beneficiaries through a questionnaire, an interview, and a field visit. The questionnaire and interview help Xaxeni identify agents of change: local farmers that seeks to innovate their farming techniques to benefit themselves and their greater communities. In the field visit, Xaxeni verifies that the farming area for the crop is appropriate, the location is in a rural area of high or medium marginalization, and the native farmer has the necessary agricultural means and knowledge for production.



Once identified, beneficiary farmers are provided comprehensive support by Xaxeni:

Technical assistance

Xaxeni provides technological packages that allow farmers to acquire, at cost, specialized irrigation systems for the development of native plants. They then conduct a series of trainings on the use of these systems and other techniques to better inform the farmers in native plant production:

- First training: theoretical-practical guide on plant care
- Second training: inventory management
- Ongoing: review of monthly production logs, monitoring, and recommendation for effective production

Administrative support

Xaxeni provides farmers with financing options to acquire their technological packages. It also provides systems that allow for internal control, financial administration, and cost management to the farmers' operations.





## Site Visit

Beneficial Returns performed a site visit to the Xaxeni office and collection center in Atlacomulco, northwest of the State of Mexico, and to the farm of one of Xaxeni's beneficiaries, Saúl Hernández.



Some of the observations from the visit:

- Grupo Xaxeni's office, laboratory, production facility, and storage facility are all in the same place. At this facility, Xaxeni extracts natural ingredients from native Mexican plants purchased from local farmers to produce its cleaning products. Endémika plants are also prepared and packed at this facility.
- Grupo Xaxeni has clearly established processes and have taken pride on professionally setting up its operations with a team of 27 people.
- At the office, Grupo Xaxeni is constantly researching new potential uses of the extracted ingredients and its properties to develop new product ideas.
- Saul Hernandez is the manager at Xaxeni's greenhouse. He also started growing and selling succulents to Xaxeni since the company started. Saul and his family used to live at their greenhouse (see right picture below). Thanks to the support of Xaxeni and the additional income generated, he was able to expand his greenhouse and build a small house at his land next to his greenhouse (see left picture below).
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