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Agri-food system between global and territorial vision – Short communication

The territorial basket of goods and services and the social construction of markets: contributions from cooperatives and family-farmers' agrifood processing enterprises in Santa Catarina (Brazil)

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Abstract. This article analyses the centrality of cooperativism in promoting sustainable territorial development, focusing on valorising territory-specific resources and promoting food and nutritional security through family-farmers' agrifood-processing enterprises. In theoretical terms, it combines the Territorial Basket of Goods and Services approach and the concept of social construction of territorialized markets. The reference territory is the operating region of a financial cooperative in western Santa Catarina state, southern Brazil. For almost three decades this cooperative focuses its operations on six rural municipalities, with approximately 38,000 inhabitants. Various other forms of cooperation undertaken by farming families are promoted, highlighted by a forum of family farming social organizations. This is a sphere of territorial governance that demands various kinds of support from public bodies. The main methodological resources mobilized were an inventory of existing family-farmer enterprises in the territory, drawn from secondary sources, and interviews with territorial leaders and managers of a sample of these enterprises. Most of the processed products are sold through short routes, creating a dense and complex territorial market for quality agrifood products. We conclude that the process of building this territory reveals the collective creation of a complex and dense network of other social organizations, which work to create marketing channels that shape the territorial market.

Keywords: territorial governance, territory-specific resources, healthy foods.

JEL codes: P25, Q12, Q13.

HIGHLIGHTS:

- The high density of family agri-enterprises represents the result of collective actions conducted by sociopolitical organizations competing for access to territorial resources and shared marketing channels.

- Cooperativism plays a central role in development of this territorial market.
- The forum of family farming entities coordinated by Crediseara is an initiative to establish a system of territorial governance. The basket of territorialized goods and services is proof of that.

1. INTRODUCTION

The discussion about the relationship between farmers and markets has been changing in recent years. Criticisms of the various asymmetries involved in relations between family farmers and value chains, as well as the obstacles to reaching local market outlets such as farmers markets and public procurement purchase schemes, gave rise to debates on the conditions, opportunities and scope of territorial markets. Transport and logistics improvements and better access to means of communication (internet and social networks) mean that physical distances are no longer severe obstacles, as they were in the past. This turns medium-size cities and even some regions into convenient destinations for selling food products. Therefore, whether in Europe or even in countries like Brazil, the development of marketing strategies that consider the territory as a place for commerce is becoming increasingly frequent and noticeable.

Territories are physical spaces shaped by the interaction of various types of actors operating in different economic sectors such as agriculture, manufacturing, commerce and services, with a strong participation of public agents from municipalities, private agents from companies, and those from civil-society organizations. Territories encompass both rural and urban areas, creating new interactional dynamics between these spaces. Some territories are characterized by a more urban demographic concentration, while others still have most of their population living in rural areas.

The power relations and social processes of production and appropriation of space that occur at a territorial level underscore the centrality of issues such as mechanisms of governance and domination. This makes territories spaces of dispute and struggles and this dimension becomes particularly relevant when territory is considered as an analytical tool for understanding commercial interactions, economic exchanges and competition among agents. Thus, territorial markets are spaces where processes of (re)territorialization of relations of exchange of goods between actors occur (Haesbaert, 2004). Territorial markets are concrete spaces that become the stage on which power struggles are disputed and shares of economic surpluses are appropriated.

The empirical analysis that grounds this article is based on the western region of the state of Santa Catarina, located in the South of Brazil. In this region we found a complex cooperation network connecting family farming organizations, which develop strategies dedicated to marketing and establishing access to markets, especially for products processed by family agri-enterprises¹. We aim to demonstrate the role played by this cooperation network, the leading organization of which is the Seara Rural Credit Cooperative (Crediseara), in promoting food and nutritional security and valorising territory-specific resources, through different formal and informal marketing channels. Most of the products processed are sold through short routes, creating a dense and complex territorial market for quality agri-food products. These strategies draw on inter-knowledge and relationships of proximity, which cross over rural and urban boundaries and are based on their own governance mechanisms. This allows them to reduce logistical costs and improve the value of their products. Our broad intention is to reveal the hidden resources present in the territory that are used and activated as assets by collective actors, in this case, a network of cooperatives and other social agents.

This article analyses the centrality of cooperativism in promoting sustainable territorial development, focusing on efforts to increase the value of territory-specific resources and promote food and nutritional security through family farmers' agrifood processing enterprises. In theoretical terms, it combines the territorial basket of goods and services approach and the concept of social construction of territorialized markets.

The article has four sections. In the first one we briefly present the formation and current characteristics of family farming in western Santa Catarina, which is the territory studied, as well as the methodological procedures that were adopted in collecting the data used. The second section presents the theoretical approach to the basket of territorial goods and services and the territorial markets approach. In the third section we discuss the central role of the Crediseara Cooperative as a critical actor that has shaped and enhanced territorial development in the region by fostering social organization and strengthening family-run agro-industries in the territory. In the final considerations we identify the role of the Crediseara cooperative in organizing a territorial governance mechanism. We conclude the study by showing that this collective actor played a central role that directly contributed to the construction of a territorial market.

¹ In this article, the terms "family farms", "agri-food processing enterprises" and "family agro-enterprises" are used synonymously and refer to small-scale family agro-companies in which family farmers work.

2. METHODOLOGY

The geographic scope of the study included the six municipalities in the territory covered by Crediseara, the Seara Rural Credit Cooperative. The empirical research was carried out between February and August 2023 and comprised data collection from secondary databases of local organizations, as well as field research and participant observation. The first stage of data collection conducted an inventory of family agri-enterprises in the territory, retrieved from the databases of the Union of Family Farm Cooperatives of Western Santa Catarina (União das Cooperativas da Agricultura Familiar do Oeste de Santa Catarina – UCAF) and the Association of Smallholder Farmers of Western Santa Catarina (Associação dos Pequenos Agricultores do Oeste Catarinense – APA-CO). In the second stage, sixteen territorial actors were interviewed, including five professionals from the state rural extension and research company (EPAGRI) and five from Crediseara, as well as two family-farming union leaders, two municipal administrators, one UCAF director and one Apaco director. The interviews complemented the inventory of family agri-enterprises, either those that are already formalized or those that are eligible for registration according to health and environmental standards, and described the main features and commercial strategies that they have adopted. In total, 108 family agri-enterprises were identified (50 formal and 58 informal) and 22 of their administrators were interviewed to better characterize their organizational strategies, particularly those focused on gaining access to markets. Six of these enterprises operate entirely informally.

From a theoretical perspective, the study draws from the Territorial Basket of Goods and Services (TBGS) approach, originally formulated by Pecqueur (2001), and on the concept of the social construction of territorial markets and their main governance mechanisms. The purpose of the study is to analyse institutional initiatives that bring together territorial actors to provide a heterogeneous supply – in the case studied, of foods processed by the agri-enterprises of family farmers – operating in territorial markets and supported by the specification of territorial resources (Colletis, Pecqueur, 1993; Campagne, Pecqueur, 2014).

3. HISTORICAL BACKGROUND OF FAMILY AGRICULTURAL ENTERPRISES IN THE TERRITORY OF WESTERN SANTA CATARINA, IN SOUTHERN BRAZIL

According to the 2017 Brazilian Agricultural Census, family farmers comprise 3,897,408 rural households, accounting for 76.82% of all rural households in the

country (Brazilian Institute of Geography and Statistics [IBGE], 2019). Brazilian law defines a family farmer as one who practices activities in rural areas on small portions of land and predominantly uses the labour of family members.

In Santa Catarina, the importance of family farming in the agrarian structure is even more relevant than in the country as a whole. According to data from the IBGE agricultural census, in 2017 there were around 183 thousand rural properties in Brazil, of which 78% (i.e. 142,740) are family farmers. This model also occupies 72.5% of the state's agricultural workforce.

The settlement of western Santa Catarina is deeply related to family farming, which expanded in the early twentieth century, urged by the state-led colonization process, comprised largely by descendants of Italian and German immigrants. The presence of this category of farmers guaranteed a productive base that enabled the creation, from the 1960s onwards, of agrifood enterprises that process poultry, swine and, more recently milk, and which came to compose large private and cooperative economic conglomerates that operate in the national and international markets (Giombelli *et al.*, 2022b).

In the 1990s, sociopolitical mobilizations emerged in Brazil's rural areas that led to projects that have diverged from the hegemonic conventional and conservative agrarian modernization pattern. This resonates with what Gasselín *et al.* (2021) understood as the coexistence of distinct and sometimes antagonistic models of agricultural development in a single geographic space. Many small farmers continue with practices reminiscent of a peasant way of life, dedicated to polyculture, with production for self-consumption and sales of surpluses in the region. The authors highlight that this does not always deter the valorisation of territorial resources and local markets.

In the western region of Santa Catarina shown in Figure 1 where this study was conducted there has been a significant revitalization of the rural union movement in recent decades. A key role for strengthening the social organization of family farmers was played by the Association of Smallholder Farmers of Western Santa Catarina (Associação dos Pequenos Agricultores do Oeste Catarinense – APACO), a technical-political advisory organization focused on family farming, created in 1989 (Búrigo, Rover, Ferreira, 2021). In partnership with other rural organizations, APACO encouraged the creation of financial cooperatives and networks of family agri-food enterprises (Estevam, Mior, 2014). APACO created the Central Unit of Family Agri-enterprises of Western Santa Catarina (UCAF), the collective brand Sabor Colonial (to differentiate in the market products processed

by family farming agri-enterprises) and the Cooperativa Central Sabor Colonial

The Seara Rural Credit Cooperative, in turn, was founded in 1994 and, since its inception has promoted access, especially for farming families, to financial resources and services. It operates mostly in six rural municipalities which have a total of some 38,000 inhabitants. Seara has 49% of this amount (18,620 inhabitants). This rural territory is located between two hub municipalities (Chapecó and Concórdia) with populations of 254,781 and 81,696 inhabitants, respectively, which expands the possibilities for building territorialized marketing channels (IBGE, 2023). The Cooperative encourages other forms of cooperation that coexist with conventional agricultural systems present in most family farming units in the territory. For the inventory of family agri-enterprises that we considered as the sample for this research, only those operating in a proper physical space to process raw materials were considered. The territory where the study was conducted is an important dairy region the production base of which consists of family farms that sell milk to medium and large dairies and produce cheeses from raw milk for the farm families own consumption and the sale of surpluses.

The 2017 Agricultural Census showed that approximately 58% (2,350 farm units) of the four thousand agricultural establishments in the six municipalities studied practice dairy farming. Most of these family farmers produce the so-called “colonial” cheese made from raw-milk in their home kitchens for the family’s own consumption, but also to sell the surplus. Although these cases were disregarded in this analysis, we recognize that they fulfil an important role in food security in the territory and help maintain traditional food production techniques.

4. TERRITORIAL BASKET OF GOODS AND SERVICES AND TERRITORIAL MARKETS

To emphasize the relevance of territory in rural development dynamics Colletis and Pecqueur (1993) pioneered the integration of the issue of resource specification into the examination of territorial development in rural areas. Their analysis triggered several studies on initiatives by social actors who strive to give value to territorial-specific resources. This concept has become fundamental to the Territorial basket of goods and services approach, which considers commercial and organizational actions by territorial actors dedicated to building a supply of goods and services imbued with specificities of the local ecosystem, know-how, and culture. The creativity shared by multi-territorial actors and the histori-

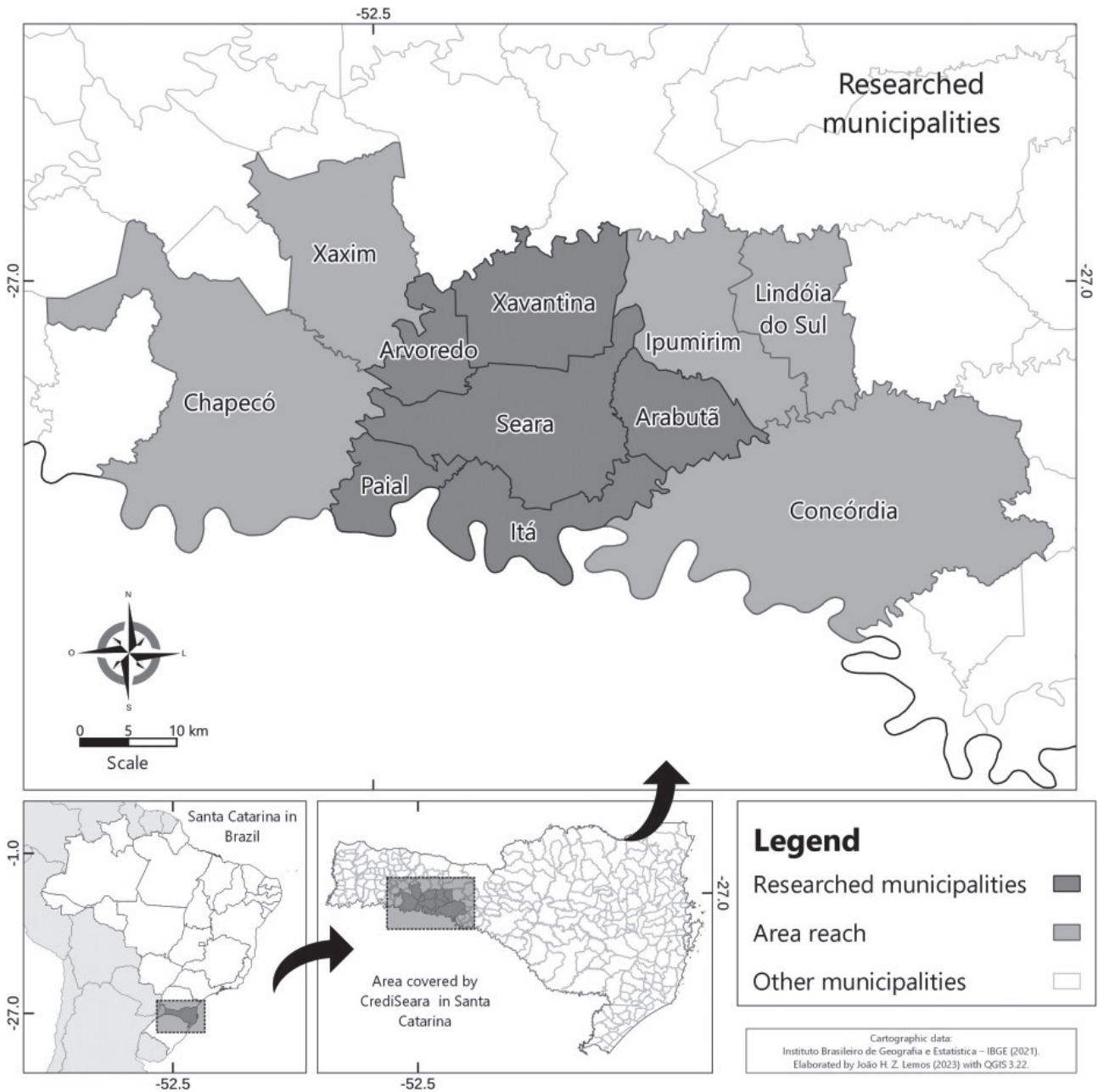
cal trajectory of cooperation explain a greater or lesser capacity to do what actors in other territories cannot or do not know how to do, but, primarily, to do it differently and better than what in other territories (Pecqueur, 2001; Pecqueur, 2005; Glon, Pecqueur, 2016).

An in-depth analysis of this issue highlighted three main components of the TBGS approach: quality products and services characteristic of the territory; an environment comprising particular natural, historical and sociocultural attributes; and a territorial governance system engendered by multi-actors (Hirczak *et al.*, 2008; Campagne, Pecqueur, 2014; Cazella *et al.*, 2019, 2020a; Medeiros, Sablayrolles, Cazella, 2021). The TBGS approach involves mobilizing environmental, landscape, historical and cultural attributes associated with localized agri-food systems and correlated territorial services. To this end, several marketing channels are developed by different social actors, giving structure to what Schneider (2016) called territorial markets. The territorial governance system represents an opportunity to foster an environment of social innovation capable of generating income based on qualities of the territory. This type of income is appropriated by the different productive segments or service providers, which is reasonably distributed among the different actors, although not equally.

The weakest element in most of the cases studied is the territorial governance system, which explains the recurrence of juxtaposed or disjointed initiatives in the territories (Hirczak *et al.*, 2008). A heterogeneous supply of quality products and services is present, but no social organization has taken the initiative to formulate and propose a cooperative action that allows shared supply and provides collective benefits. The dispersion of actions aimed at valorising territorial quality products and services weakens the ability to generate collective benefits, derived from the sale of similar types of goods associated with the natural environment and traditional know-how. A sustainable territorial development dynamics based on territorial markets involves the creation or reinforcement of existing cooperation networks, which implies rethinking the synergies between three categories of actors (public, private and collective).

The mechanisms mobilized to supply a basket of territorial goods and services and highlight them as distinct from outside ones and interconnect them with each other, are structured around two basic principles: i) the constitution of a specific “image” that characterizes a territory’s products, by incorporating and connecting symbolic and material features; ii) the prioritization of territorial markets to “drive” in situ consumption, and the recognition of the basket’s products and services by

Figure 1. Geographic location of Santa Catarina in Brazil, the territory within the state and the municipalities researched within the territory.



consumers – tourists, local residents and second home owners (Mollard, 2001).

Reflections on the pertinence of this approach for studying Brazilian rural territories have pointed to the need for adaptations, given the country’s deep social inequalities. The “club effect”, which benefits a select group of consumers, producers and service providers of territorial quality goods and services, is contrary to the

precepts of sustainable territorial development. Findings of ongoing research indicate the need to prioritize, in the analytical model, the role played by local consumers, therefore by territorial markets, thus relativizing the centrality of tourists in generating quality territorial income (Cazella *et al.*, 2020a). This means rethinking the strategies for obtaining this type of income merely by increasing prices of quality products and services, since

this would exclude a significant portion of the population from consuming these goods and services.

Territorial markets can be understood as resources that are supported by formal rules and practices (laws, contracts, standards) and those that are informal/tacit (values, habits, customs) with a spatial basis (Schneider *et al.*, 2022). Territorial markets are not isolated or disconnected from global markets; on the contrary, the former exist and reproduce themselves in relation to the latter, using strategies of resistance, reaction and even coupling to maintain their relative autonomy (van der Ploeg *et al.*, 2022; van der Ploeg, Schneider, 2022; Schneider, Cassol, 2023). Both depend on the interconnection of social actors who seek to solve common problems by valorising territorial resources and generating new ways of working and acting from the grassroots.

In this article we intend to use the analytical references of the TBGS approach to understand the dynamics of building access to markets by a cooperative of family farmers, Crediseara. In fact, our main goal is to analyse the role played by a cooperation network, whose leading organization is the Seara Rural Credit Cooperative (Crediseara), in promoting food and nutritional security and valuing territory-specific resources, through different formal and informal marketing channels. The territory becomes an important space for understanding this dynamic because it creates the conditions of social cohesion that works as an amalgam to bring together farmers around an enterprise such as the cooperative. It is not just a territory given or established as a physical unit of action by some external agent and/or a portion of space that is the object of observation. On the contrary, to recall Pecquer's (2005) definition, it is a constructed territory, which is a process that results from the interaction of actors in a given space.

5. THE ROLE OF THE CREDISEARA COOPERATIVE IN THE CONSTRUCTION OF TERRITORIAL MARKETS

Crediseara operates in a particularly rural territory, where family farming units predominate, and most of its more than 6,700 members are family farmers. The cooperative has 60 employees, eight of whom are professionals responsible for providing financial and technical assistance to farming families. To strengthen ties with its social base, its leaders encourage the adoption of systems to produce healthy foods and the construction of territorial marketing channels for these foods.

The territorial governance set up under the initiative of Crediseara resulted in the creation, in 2008, of a forum of family farming entities that includes 19 organi-

zations, with noteworthy participation of women farmers, small cooperatives, unions, family agri-enterprises, a direct-to-consumer sales association, a participatory organic farming assessment body, a "Casa Colonial" [a space for sale of family farm products] and groups with different vocations (Slow Food, raw-milk cheese production, herbal medicine, crafts and agritourism) (Tecchio *et al.*, 2022; Giombelli *et al.*, 2022a).

The 108 family agri-enterprises identified in this study were classified by using the analysis method developed by Lauer mann (2023), who adopted five categories of processed products: i) products of animal origin: dairy, meat and processed meat, honey, fish and eggs; ii) products of plant origin: minimally processed derivatives of sugar cane, jams and jellies, preserves and flour iii) baked goods: breads, biscuits,ucas (German-style cakes) and pasta; iv) beverages and pulps; and v) diversified: processed products from more than one category. Table 1 presents the number of family agri-enterprises by category and subcategories, and indicates whether the activities follow legal standards.

Of the total family agri-enterprises identified, 50 are formalized and 58 operate informally. Most informal agri-enterprises process food products with stricter health standards and higher inspection costs, such as products of animal origin and beverages. The processing of food products in home kitchens or in places unable to be formalized for this purpose, which were not considered in this study, indicates that there are many small informal units that process agri-food products traded mostly on the basis of inter-knowledge and trusting relationships.

The main explanations for the informality of a significant number of family agri-enterprises, according to technical advisors, union leaders and members of farming families interviewed are as follows, in order of importance: i) strict legislation regarding health standards for agri-enterprises that process animal products and beverages; ii) the existence of marketing channels whose consumers do not require legalization; iii) high costs for keeping the enterprise legalized, notably related to laboratory analyses and administrative expenses; iv) the small-scale production makes a formal enterprise economically unviable when considering the operational costs of formalization; v) the lack of family succession leads older couples to maintain informal food processing without having to commit to regular deliveries on predetermined days and times; vi) families have changed to other more important economic activities and stopped processing food; and vii) legalization is underway. Of the 58 informal family agri-enterprises, only three are in this latter condition and two others are considering the

Table 1. Number of agri-enterprises in Crediseara's territory by category and subcategory of processed foods.

Category	Subcategory	Number of family agri-enterprises	
		Formal	Informal
Products of animal origin	Dairy products (cheese and other dairy products)	2	6
	Meat and processed meats (pork, poultry and beef)	5	2
	Honey	3	12
	Fish	-	2
	Eggs	4	-
	Subtotal		36
Products of plant origin	Sugarcane derivatives (brown sugar, molasses)	4	3
	Jams and jellies/preserves	6	-
	Flour	3	1
	Yerba mate	1	1
	Subtotal		19
Baked goods	Breads, biscuits, <i>cucas</i> (cakes), pasta and frozen snacks	18	6
	Subtotal		24
Beverages	Beverages (juices, wine, <i>cachaça</i>)	1	21
	Subtotal		22
Diversified (more than one product category)	Diversified (animal, plant, and beverage)	3	4
	Subtotal		7
Family agri-enterprises in the territory	Total	50	58
			108

Source: Field research (2023).

pros and cons of formalization. In the group of informal family agri-enterprises, five cases had once operated formally, but gave this up either because they had a guaranteed market or because they were managed by elderly couples with no one to pass the operation on to, and who have reduced production.

Regarding the categories of products processed by family agri-enterprises, Table 1 shows 36 processed products of animal origin, 19 of plant origin, 24 bakery products, 22 beverages and seven under diversified production including different categories in a single physical space, such as baked goods and fruit jams (*chimias*²). The category of processed animal products comprises 22 informal family agri-enterprises, with honey being the main product. Most informal family honey agri-enterprises sell the product in barrels to specialized companies in the region, which package and sell it under their own brands.

The processing of plant origin products is mostly formalized and diversified, with emphasis on fruit jams, preserves, brown sugar and corn flour. The production of baked goods frequently draws on traditional recipes

linked to the cultures of descendants of Italian and German immigrants, especially various types of biscuits, *cucas* (cakes), and pasta. These family agri-enterprises have outstanding participation of women farmers in production and marketing, although women farmers also have a prominent role in most other family agri-enterprises (Boni, 2006; Tecchio *et al.*, 2021). Regarding beverages, except for one family agri-enterprise that formalized its production of what are known as "colonial" [rustic] wines, all of the others are informal and focus on production of traditional wines and *cachaças*³.

Among the formal family agri-enterprises, 17 adopt three legal forms of micro-enterprises and 31 are part of six decentralized cooperatives of family agri-enterprises present in the territory. In other words, 62% of formalized processing units are part of a cooperative of this nature. This complex network of cooperatives, which in the territory studied also has oversight by a solid credit cooperative, constitutes what van der Ploeg (2008) characterizes as a territorialized cooperative movement, distinct from conventional corporate cooperativism.

² Term of German origin used in the southern region of Brazil to refer to jams with a smooth homogenous texture made with juice, fruit pulp and even vegetables, and which are usually consumed with bread.

³ Brown sugar and *cachaça* are produced from sugar cane juice. Brown sugar does not go through any refinement or bleaching with chemical additives and is richer in minerals than other sugars. *Cachaça* is the most popular distilled alcoholic drink in Brazil.

In the territory studied, most of these cooperatives were created in the decade of 2000 under the initiative of unions and technical advisory organizations, especially Crediseara, APACO and state and municipal rural extension agencies. Only one municipality in the territory does not have this type of cooperative. Their main objectives are to sell food products in the so-called institutional markets, especially public procurement for supplying public school cafeterias and social assistance institutions. In addition to farm families who own agri-enterprises, these cooperatives include farmers who sell fresh food products to public procurement programmes.

Indeed, it is necessary to recognize that Crediseara created this territorial dynamic in the local economy that has been enhancing the functioning and role of agro-industries and the products they produce. The cooperative played a crucial role in creating a brand, whose recognition can be seen in the products that receive the Sabor Colonial label. This recognition also occurs through the creation of a regional identity, since external agents, from other locations, recognize products from the territory. This allows it to be affirmed that the cooperative fosters a system of territorial governance around food products and markets. It arises from the organization of groups and begins to work on maintaining this form of organization and creating others that currently comprise a Forum of Entities. This Forum, in practice, has become an institution that carries out territorial governance. It is within the scope of this organizational logic that commercialization models and the construction of territorial markets are promoted.

The collective brand Sabor Colonial is another collective strategy aimed at market differentiation of agri-foods processed by family farming in western Santa Catarina. In the territory studied, the Sabor Colonial brand is used by sixteen family agri-enterprises that are affiliated to four decentralized cooperatives in addition to one that is separately established. A study by Boni (2006) shows that these cooperatives allowed associated family agri-enterprises to expand their portfolio of products and services over time and become references for the creation of new agri-processing enterprises.

According to Tecchio *et al.* (2023), Sabor Colonial incorporates specific intangible resources that are peculiar to descendants of European settlers, especially by referring consumers to products made on a small scale by family farmers who produce their own raw materials and, in most cases, use recipes and know-how that go back to their ancestors. In other words, most family agri-enterprises process local food and valorise territory-specific tangible and intangible resources, considered the basic precept of the TBGS approach. By invoking origin,

bonds of trust and proximity, as well as the recognition and valorisation of the territory's historical heritage, especially its traditions, this brand contributes to the promotion of sustainable territorial development.

When it comes to distinctive quality labels, only two family agri-enterprises use the organic farming seal. Both are certified by the Ecovida Agroecology Network, a participatory assessment entity established under Brazilian organic farming legislation, which draws political support from a large number of family farming organizations in the region studied (Cazella *et al.*, 2020b)⁴. According to most interviewees, selling products in territorial markets and, consequently, in short marketing circuits, reduces the importance attributed by consumers to this type of specification. Since everyone sells their products without major restrictions, adherence to organic agriculture would increase operating costs without adding significant economic differences.

Regarding the origin of the raw materials used, most of them are produced by the family farmers who own the agri-enterprises, and it is common to supplement them with purchases from neighbouring farmers. The exceptions are wheat flour used by family-owned bakery agri-enterprises, rice processed by two mills, some of the beef from a slaughterhouse, as well as onions, cucumbers, quail eggs and vinegar used in preserves, which are not produced in the region studied.

Formalized family agri-enterprises have access to more marketing channels, which range from four to seven, while informal ones have one to three channels. In general, those that are formalized sell at farmers' markets, fruit shops, supermarkets, institutional markets aimed at school cafeterias and specialized institutions, particularly two "colonial houses" [spaces for sale of family farm products] established in the territory. The so-called "supermarkets" supplied by the family agri-enterprises are small and medium-sized. A study by Lauermaann (2023), conducted in a territory close to that analysed in this article reveals that medium-sized supermarkets are the main sales channel in terms of economic value for family agri-enterprises. The "colonial houses" are, in turn, marketing channels that resulted from the mobilization and political achievements of segments of family farming that opted to promote territorial development projects in opposition to the productivist model associated with large corporate agri-manufacturers. The fact that these houses are located

⁴ This network, established in 1998, was a pioneer in this type of organic quality assessment and operates in the three states of southern Brazil. In late 2022, the organic farming registry system of the Ministry of Agriculture listed 24,500 producers, 36% of whom were certified by 28 participatory assessment bodies, with the Ecovida Agroecology Network accounting for 23% of this total. This network has served as a reference for other initiatives that use this type of certification.

in the urban area of the municipalities allows for greater interaction with consumers.

Regarding commercialization in institutional markets, the *Cooperativa Central Sabor Colonial* organizes food product collection and distribution, and performs the bureaucratic processes that allow its individual cooperatives to participate in public bidding processes. Around 90% of the amount sold is intended to supply food to public schools in western Santa Catarina. Another marketing channel that is on the rise and differs from others is direct-to-consumers sales through agritourism initiatives, in which fourteen family agri-enterprises are included in two tourist routes. In addition to selling products processed on farms, six of them provide meals typical of the region's cuisine: coffee with baked goods, traditional sausages and cheeses and traditional dishes from Italian and German culture. Practically everything produced is sold in municipalities in the territory or the neighbouring region. In the case of informal family agri-enterprises, the main marketing channel consists of sales directly to customers with whom they have long-standing commercial relationships.

Finally, it is worth noting that 15 out of the 22 family agri-enterprises visited have a family member willing to ensure its succession. Furthermore, most of them mention that if they had more raw materials or labour, they could increase production. This explains the lack of any marketing action for processed products, as the quantity produced is below demand, according to the owners and other territorial actors interviewed. In addition to the lack of labour and raw materials, the limiting factors most frequently mentioned are the costs and bureaucracy involved in maintaining legal enterprises, which is associated with legislation considered inappropriate for small-scale production.

6. FINAL CONSIDERATIONS

The western region of Santa Catarina can be understood as a territory with a high institutional density and a leading organization, *Crediseara*, which operates in the financial market and has assumed the objective of promoting sustainable territorial development. The analysis of the construction of this territory presented in this article reveals the collective creation of a complex and dense network of various social organizations, whose actions aim to establish marketing channels that shape the territorial market. Cooperativism plays a central role in the construction of this market, operating to facilitate access to diversified sales channels, to reduce production, processing and logistics infrastructure costs, and

establishing a governance system for this market, which is represented, for instance, in the management of a collective brand that benefits a group of small-holder family agri-enterprises.

In turn, the existence of this dynamic territorial market corroborates some of the key elements and contributions of the TBGS approach showing great potential as an analytical device for understanding economic realities marked by profound social inequalities, as found in Brazil. The issue goes beyond producing quality food aimed primarily at consumers with greater purchasing power in a certain territory. Rather, the case of *Crediseara* in the western region of Santa Catarina shows how a diversified supply scheme, distributed via different marketing channels, is able to reach a wider portion of the territory's population and benefit a greater variety of residents.

Another important aspect to highlight is the bonds of trust and solidarity that exist among the farmers who are members of *Crediseara* and other partner rural organizations and the urban consumers of agri-processed products they sell to. In this case, relationships between sellers and buyers are not based solely on discretionary criteria such as prices. It is worth recalling that people from the six municipalities in the territory share a common social origin. These ties are based on relationships of kinship, inter-knowledge, neighbourliness and reciprocity, which were the basis of social relations in rural communities during the period of land settling and territorial formation.

In recent decades the region has experienced significant social and economic changes, which have resulted in urbanization and physical distancing with the migration of many families from the countryside to the cities. However, this has not eliminated or destroyed the links formed by inter-knowledge and relationships among those who moved to live in cities and farming families. This aspect has been a decisive factor in the process of reconnecting consumers with products and goods that were part of their memory and previous food culture. The "products of colonial origin" marketed, more than commodities, have a symbolic appeal for many consumers seeking to regain contact with flavours, smells and recipes that were part of their way of life in the past or of that of their parents, when many lived in rural areas.

In this article we show that in the territory covered by the *Crediseara* cooperative, in the western region of Santa Catarina, Brazil, there is a dense network of cooperation that has played a critical role in forming a system of territorial governance, based on sharing information, logistics mechanisms, a brand and a marketing label, as well as a cultural identity. *Crediseara* plays a central

role in the territory by promoting and organizing a system that produces goods and commodities whose value derives from their territorial quality, which promotes food sovereignty and values specific territorial resources. In this sense, it is a case that expresses the characteristics of the TBGS. At the same time, Crediseara is a case that can be framed or analysed within the framework of territorial markets. In this paper we have shown that the cooperative's marketing strategy is based on short-chain marketing channels, whether formal or informal, which compose a dense and complex territorial market for quality agri-food products. In summary, although it is located in a region that exports products derived from chicken and pork-based proteins, the case studied in this article shows how the coexistence of small family farmers who create and maintain a group of small food businesses works and operates in practice through co-operation and access to media.

This high density of family agri-enterprises is not merely the result of individual entrepreneurship by farming families. It represents collective actions performed by sociopolitical organizations that dispute access to territorial resources and, particularly, to shared marketing channels, such as farmers' markets and colonial houses. Careful work of negotiation and conflict mediation is present, through which political leaders from different ideological currents simultaneously compete and cooperate with each other. In this sense, the existence of a forum of family farming entities coordinated by Crediseara can be deemed as an initiative to build a system of territorial governance, as advocated by the TBGS approach.

Finally, it is important to mention the lack of a broad public programme to support expanding the production of healthy foods and the number of family agri-enterprises. As we mentioned in this article, sustainable territorial development dynamics focused on territorial markets involve the creation or reinforcement of existing cooperation networks, which implies rethinking the synergies between three categories of actors (public, private and collective). An initiative like a broader programme should not be restricted to subsidized financing policies, since other issues must be addressed such as the severe impediments found in the legal tangle of health, environmental and fiscal rules that create an environment of insecurity.

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