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# ***Institutionalizing short food supply chains for sustainable resource management: challenging issues***

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**Abstract:** The paper will discuss the conditions under which proximity food chains contribute to territorial sustainable development. From existing lessons on products with geographical indication protection schemes, it will propose an analytical framework to query the relevance and limitations of labeling short circuits with a view to strengthening their link to strategies of territorial sustainable development. Built on an institutionalist framework for analyzing the issues of valorizing territorial resources, we want to test the assumption that labeling can contribute to create and manage in a sustainable way resources related to proximity food chains. Is this certification required? What should be its shape and methods of implementation to support the efforts of proximity food chains and make them a part of territorial development projects with a view to sustainability?

The demonstration is carried out in three stages. In the first part, the diversity of the SSP is categorized into 3 political approaches based on the nature of the territorial immaterial resources mobilized. In the second part, an analytical framework of the management process of common territorial resources is proposed. Building on lessons on products with geographical indication protection schemes, the issues of SSP labeling are discussed. Finally, in the third part, we question paths for structuring collective action to organize proximity food chains without labeling.

**Keywords:** Short supply chains, quality standards, institutions, territorial resources, sustainable development

## **Introduction**

Since the end of the 1990s, producers and consumers have expressed renewed interest in short-chain marketing (Maréchal, 2008; Chiffolleau, 2008; Chiffolleau and Gauche, 2013). Alongside traditional farm and market direct sales that still make up 80% of volumes traded (RGA, 2010; Aubert, 2013), a diversity of initiatives has emerged: collective sales outlets, AMAPs (associations supporting small-scale farming), direct supply to local communities, supermarkets, etc. (Chiffolleau, 2008; Deverre and Lamine, 2010).

Building on these successes, the public actor at various scales (regional, national, European) and through various devices (LEADER, CAP, regional brand) is aiming at an institutionalization of the SSP. The stated objective<sup>209</sup> is three fold: i) to support farmers and ii) sustainable territorial development as well as iii) to satisfy consumers demand. The SSP institutionalization process, including the possibility to develop a label, have met with resistance from the original founders of

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<sup>209</sup> As put forward in several reports by European and national authorities: [http://enrd.ec.europa.eu/themes/local-food-and-short-supply-chains/en/local-food-and-short-supply-chains\\_en.cfm](http://enrd.ec.europa.eu/themes/local-food-and-short-supply-chains/en/local-food-and-short-supply-chains_en.cfm); [green-paper/com2011-436](http://green-paper/com2011-436) ; <http://agriculture.gouv.fr/IMG/pdf/100809-lettreCircuitsCourts.pdf>

these approaches who consider it as a threat to the freedom of action and as source of additional financial and non-financial constraints (health standards)<sup>210</sup>.

Nevertheless, the consumers' demand for SSC corresponds to the recognition of a certain form of specific quality associated with products marketed in this form and producers' practices already testify linkages with labeling strategies. This specific quality is indeed based on the relational trust between producers and consumers, but may also bear on other aspects. On the one hand, the fact that the share of organic farmers among producers using SSP to market their products is higher (10% against 2% for farmers using other marketing channel) may be interpreted as a way to reinforce the reputation of SSP products<sup>211</sup>. On the other hand, the expansion of SSP approaches has led to an hybridization with conventional marketing channels, particularly through the establishment of partnerships with conventional operators in the distribution sector.

The fact that the content of SSP specificity remains unclear and varies with the location and the type of SSP runs the risk of a decline in SSP reputation and questions benefit distribution process. Tensions between competition and cooperation are indeed at stake in market differentiating processes, and institutional devices may play a key role in the establishment and stabilization of a market segment (e.g., Dervillé, 2012; Lajarge and Pequeur, 2011; Chiffolleau and Gauche, 2013).

In this context, an institutionalization process lead by the founders of these approaches may preserve the identity of these approaches and reinforce their sustainability. The hypothesis that we put forth in this article using an institutionnalist framework is that of the institutionalization of the SSC as a vector of creation and sustainable management of resources. Is this institutionalization necessary? What form should it take and what means of implementation should be used to integrate SSC into territorial development projects within a perspective of sustainability?

The demonstration is carried out in three steps. In the first step, on the basis of a review of the literature on short chains, territorial resources capable of being mobilized to sustainably manage this segment of the market are identified and ranked according to their political dimension. Multi-scale and multi-stakeholder issues involved in the structuring of collective action that would result from an eventual institutionalization labeling of the SSC are then detailed. In part 2, assets and limits of different labeling strategies are evaluated. Finally, in the third step, ways of institutionalization of short chains outside of the labeling process are investigated. Using the concept of territorial resources and an analysis grid of shared economic resources management, already used in the case of GI, this framework is developed and extended to the case of the SSCs.

## **Value creation based on territorial resources: prospects for short chains**

### **Territorial resources, identification processes and non-price competitiveness**

Value creation processes result both from the action of individual firms and meso-economic processes of resources mobilization and co-production (DuTertre, 2008). For the most part, they are linked to the ability of stakeholders to develop, organize and reveal resources by making them production factors that are integrated into their strategies (Kebir, 2010). Resources activated by productive processes can be material (raw materials, investment capacity, logistics network) or immaterial (identity, values, culture, know-how, coordination mechanisms). Resources can be generic or specific as their value or potential value is weakly or strongly respectively dependent on their participation in a productive process. Specific resources can be sectorial or territorial. In the latter case, they are the result of a localized activation process of a combination of production

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<sup>210</sup> As demonstrated, the discussions at the occasion of the launch of the CASDAR INTERVAL project, aiming at analysing the relations between farmers and economic players in SSP.

<sup>211</sup> [http://www.agreste.agriculture.gouv.fr/IMG/pdf\\_primeur275.pdf](http://www.agreste.agriculture.gouv.fr/IMG/pdf_primeur275.pdf)

factors. Relying on learning processes and coordination between local stakeholders, they are not very standardized, their dissemination is limited.

Since the qualitative shift of markets in recent years and the changes in quality policies, immaterial (identity-based) quality has become a key market institution. The unique identity-based quality includes the production system that made its development possible and the means of consumption associated with it. When they are effective, these identity-based segmentation strategies create a specific demand that leads to both scarcity and a market premium. Therefore, the activation of specific territorial resources responsible for product differentiation can lead to value creation and reinforce non-price competitiveness.

Within this framework, commercial exchanges can be seen as the result of a double movement of cooperation in the development of resources (in particular, coordination mechanisms that constitute the framework of market, quality especially) and of competition in the acquisition of resources (mainly property rights) (Dervillé, 2012). Non-price competitiveness as common economic resources

The sustainability of non-price competitiveness depends on the renewal of consumer confidence. However, in the case of identity goods, the renewal over time of the reputation of a product is linked to an identification process derived from a more or less detailed narrative of an identity (doctrine or rhetoric) (White et al., 2008; Allaire, 2010) associated to a set of assessment criteria implemented within a set of regulations (compliance with a public decision) or specifications (voluntary standardization) (Allaire, 2002; Dervillé, 2012). Doctrines and assessment devices are resources that stakeholders in quality networks manage over time to establish a reputation and preserve non-price competitiveness. Contrary to White (2008), we do not consider that the identity of a market segment is of an economic nature alone (repetition of behaviors), it is also of a political nature (Dervillé, 2012; Dervillé et al. 2014).

In the case of SSC, this political dimension questions the methods of defining the product specification. Indeed, if the relational trust seems central to the SSC, the place and the sustainability of this form of products marketing is necessarily linked to a collective dimension over time and space, in the sense that it assumes an ability to meet consumers' expectations and to differentiate from dominant market organization. These differentiation and market stabilization processes can be analyzed as common pool resources, as they result from collective action rules (regional innovation strategies, business models and governance devices) that were developed by market stakeholders and that they abide by in order to benefit from a stabilized environment (Dervillé, 2012 ; Dervillé et al. 2014). In this perspective, building on the work of Ostrom (Ostrom and Schlager, 1992; Hess and Ostrom, 2007), the property regime associated to the resources system supporting the market differentiation and stabilisation processes can be characterised: by legitimizing different actions related to the resources in question, the collective action rules<sup>212</sup> determine the rights and responsibilities of the community members<sup>213</sup>.

The development of these rules brings with it the emergence of a community of beneficiaries, users and managers. The stakeholders system and the resources system are built together. In the case of quality networks, the stakeholders system consists of four major types: (i) economic operators (farms, private or cooperative agro-food companies) that invest in vertical differentiation strategies; (ii) collective stakeholders, of professional (sectorial) or territorial type, that co-build market stabilization or innovation policies; (iii) public stakeholders that co-build with sectorial

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<sup>212</sup> The rules selected on the basis of the experience correspond to the selection of reasonable values according to Commons.

<sup>213</sup> E. Ostrom distinguishes five types of resource rights: access, use, management, exclusion and alienation. Possession of these different types of rights makes it possible to define different statuses within the community. Possession of management or exclusion rights, i.e., the possibility of participating in the development of constitutive rules of resource management or the exclusion of community members constitutes a sufficient incentive to invest in the preservation of resources.

stakeholders the framework of commercial exchanges; and (iv) consumers or consumer collectives whose purchasing behaviors respond to a trade-off logic where enforced budget constraints and attention to a diversity of product quality criteria, are increasingly mixed together and not necessarily in a stable way.

From this point of view, SSC corresponds market segmentation strategies. Nevertheless, the resources at the core of this specificity remains unclear and varies, as can be seen from the variety of SSC forms and their political representations. Diversity of systems of stakeholders and resources of SSC approaches

SSC approaches aim at renewing the ways food products are marketed. Two main levers are activated: (i) the shortening of supply chains (a maximum of one intermediary over short distances), making it possible to guarantee the freshness of products and, to some extent, their safety; (ii) the upgrading of the role of producers (creation of value through the diversification of activities and a reinvestment of the marketing function) and consumers (defense of values and co-construction of the potential quality). For producers, the tendency to be part of this type of market is the result of both structural and human factors (Aubert, 2013). It is due to younger farmers with relatively small farms and an abundant source of labor. These alternative marketing methods often go hand-in-hand with changes in production systems, especially products diversification (Chiffolleau and Gauche, 2013) and adoption of more environmentally friendly practices (Maréchal and Spanu, 2010). These specificities and the skills that are associated with them could contribute to establishing a core of resources shared by the SSC.

Nevertheless, their activation, which varies depending on the approach, and their eventual combination with other values and services (co-construction of a relational quality, pooling of products through collective sales outlets or AMAP baskets, home delivery, payment solidarity or market price, contribution to the development of the territory, etc.) did not allow the stabilization of an identity of SSC approaches at this stage. Systems of resources and systems of stakeholders responsible for SSC approaches are unique to each initiative. They are localized and rarely part of the coordination devices designed at a higher scale.

Some types of SSC have nevertheless begun to unify their practices. Collective sales outlets and AMAPs now have a charter and a representative association (Bernard et al., 2008), which aims at providing a common orientation to different local projects. However, these associations struggle to collect membership fees and to finance joint projects (Bernard et al., 2008) (box 1).

#### Box 1: Progress and limits in the AMAP institutionalization process

AMAP is a kind of Community Supported Agriculture, created in France in the early 2000. With its development the need for institutionalization emerged, with a dual purpose. In the first step, it is necessary to ensure and build legitimacy in relation to the outside through the formalization of communicable shared reference frameworks. In the second step, however, the focus is on operations for the purpose of acquiring operating rules specific to structuring and regulating the behavioral interactions of the actors that make up the community (Huault and Leca, 2009). From the phase involving charter definition and registration of the trademark to ensure the institutional and symbolic recognition of AMAPs, to the management of deviations from the norm (differences in exchange practices between AMAPs, erosion of certain principles of implication and solidarity included in the charter) due to the extension of the system and competition from new forms of SSC, it is then necessary to strengthen the cohesion and the identity of the movement and to increase its visibility by structuring a national network. Nevertheless, this step requires financial means and a legitimate representative association. It could be supported by the establishment of a control system, at the demand of the public authorities, designed to ensure the application of the charter through the strengthening of exchanges within a community framework: between producers and consumers of an AMAP and with other AMAPs to avoid having to choose a specification system (Lanciano and Saleilles, 2011). It is not the path followed by the AMAP stakeholders so far. It is however true that in a context where deviations from the norm are observed and where the increase of new initiatives leads to strengthened competition between the AMAP system and the other forms of SSC, the reflection on the necessity of tightening criteria to participate in the AMAPs as well as more coercive management tools such as certification raises questions about the ability of the movement to maintain its founding principles and its code of ethics over time.

Contrary to quality label institutions (GI, in particular), the SSP representative associations do not have a real power of management and control over the systems of resources and stakeholders mobilized by these approaches. As a result, the unification process has been able so far to stabilize the identity of these market segments. The preference was left to individual initiatives and competition. In the fourth sub-section, we attempt to explain the impediments to the institutionalization of SSC approaches through a presentation of the diversity of representations and reasonable values of the SSC. The three SSC identities

Different studies suggest that SSC encompass three main systems of values and practices (Winter, 2006; Jouen and Lorenzi, 2012; Chiffolleau and Gauche, 2013). We focus our demonstration on the three political representations of SSC identified by Jouen and Lorenzi (2012) at the European scale, by linking them with the two above mentioned other studies.

The *neoliberal representation* is based on the scalar readjustment of a sectorial approach. For private operators, this means giving priority to the new expectations of consumers in order to extend their product range. Farmers motivated by this type of approach belong to the "ideal type" known as "technical producers" that aim at diversifying their outlets and distributing risks without questioning the agro-food system's dominant industrial model (Chiffolleau et al., 2013). The territorial component of this type of SSC is of the "rescaling" type, corresponding to an attempt to upgrade links of proximity and to return to the local market model (Winter, 2006). This segmentation strategy mainly mobilizes sectorial resources and is compatible with the other global criteria that dominate the industrial sector. Quality is addressed in terms of health and hygiene and is based on the establishment of standards and labeling systems adapted through enhanced traceability. This model can especially be found in the development initiatives of SSC that have sprung up only quite recently in the supermarket sector. For these approaches, SSC are used as a differentiation tool to deal with competition, without, however, radically breaking with the operating rationales of the long-chain supply networks. It can in fact be considered as a modular form of innovation within a sectorial logic (Nieddu et al., 2010), allowing a slight redesign of the supply chain. Territorial resources are activated in the establishment of partnership with producers that ensure the reputation of this type of market segment. This type of approach offers the possibility of benefiting from the logistics circuits of these big groups and of taking advantage of scale economies. In contrast, even if they are not systematic, the risks of the supermarket sector reaping the benefits of both the approach and the added value are real. This type of SSC questions the

possibilities of producers to control the territorial resources activated and, as a result, the actual contribution to the sustainable development of the territory.

The *traditional-ruralist model* is based on the strengthening and expansion of a regional and territorial approach to agriculture. In this case, the territorial component of the SSC is the indication of an attempt to restore a link for the consumer to the original product site (notion of respacing) (Winter, 2006), consistent with expectations for products that are recognized by geographical indications. This approach emphasizes the development of a territorial identity based on the differentiation of products that takes the specificity of the terroir into account. It is consistent with creation and diversification strategies of territorialized sectors.

Finally, the *alternative-ecologist model* is based on the desire to modify consumption patterns by making environmental questions a central issue of the SSC. More at odds with the rationales underlying standard production models, these promoters see the SSC as a means for addressing the issues of biodiversity and the reduction of the carbon footprint of farm products, as well as a means of integrating these productive processes more explicitly in the issue of fair distribution of value added along the supply chain, consistent with the principles of fair trade. Based on autonomous local approaches, these initiatives, which are often experimental, generally depend on militant collectives that attempt to innovate in the area of consumer-producer relationships according to the principles that led to the success of local action groups within the framework of LEADER programs, for example. For example, the initiative carried out on the Grabels market (Hérault department), based on the establishment of a tripartite governance between elected officials, producers and consumers, and the establishment of a labeling system that specifies the origin of products and the identity of the producer, is in keeping with local innovations that aim at experimenting with alternative forms of regulation of the supply chains and producer/consumer relationships (Chiffolleau et al., 2013).

This political analysis of the diversity of approaches provides the opportunity to shed light on the difficulties involved in reconciling SSC markets. The hierarchy of the reasonable values of each of these sets of SSC approaches is specific. In light of the historical precedents (concerning organic agriculture (OA) and geographical indications in particular) and reflections underway at this time at the level of European agriculture regulators, the question of a possible label for SSC does not seem irrelevant. Nevertheless, the diversity of political representations associated with these approaches suggests underlying difficulties in relation to any attempt to define a common framework. The convergence of the paths to the institutionalization of these SSC is a problem. The second part of this text is devoted to assessing the assets and limits of an institutionalization of these approaches through labeling, and the third part to assessing the assets and limits of an institutionalization of these approaches, but without labeling. Contrasted potentials of territorial resource development through labeling

The establishment of labeling and control systems, as well as their institutionalization via the public authorities appeared to be the best-adapted response for concerned stakeholders to the development of specific food and farm product markets. Geographical indications are included in this section as an example of a labeling strategy to differentiate markets on the basis of their seniority, their degree of institutionalization, as well as their contribution to the development of a territorial identity. But the relevance of this type of device to meet the specific challenges of SSC has not really been questioned so far and remains to be demonstrated.

## **Structuring collective action, resource regulation and value creation: lessons learned from GI**

### **Analysis framework for the economic management of common resources**

The GI specification and certification systems contribute to the consumer information by improving knowledge about product characteristics (Isla and Wallet, 2009). It makes it possible to guarantee that product characteristics are linked to the mobilization of specific resources (terroir, traditional skills) associated with the place of origin. It also allows producers to limit 'free-riding' and to have collective control over product quality, the level of market premium and how it is shared. These labels have been analyzed as a resources system that encompasses two common goods: (i) the innovation capacity at the origin of specific skills, and (ii) the collective reputation responsible for market premium and price stability (Dervillé, 2012 ; Dervillé et Allaire 2014). This system of common pooled resources is not appropriable and alienable in itself. It relies on collective devices (professional and trade organizations), and involves the public stakeholder (regulations on GI, CAP, Competition law) (Dervillé et Allaire, 2014). Exclusion rules are also designed collectively. They define the identity of market participants; i.e. the boundaries of a community of stakeholders that comply with a system of practices. Therefore, GI are social constructions whose ability to segment the market results from the multi-stakeholder and multi-level governance of a territorialized resource system.

### **Efficiency linked to the resource regulation system**

Even if institutional, national, European and international frameworks oversee and legitimize practices, the capacity of regional operators to structure collective action, to generate a market premium and to distribute it fairly varies (Perrier-Cornet and Sylvander, 2000; Vandecandelaere et al., 2009; Dervillé 2012 ; Dervillé et Allaire 2014). These contrasted successes can be explained by the diversity of resources systems, stakeholders systems and institutional measures involved in their management.

This can be illustrated by a comparison of the functioning of the Cantal and Comté PDO (Protected Designation of Origin) (Dervillé, 2012). These two labels, designed to protect these traditional, long-keeping cheeses, did not undergo the same economic success. On the contrary to the Cantal designation, the Comté designation has grown in both volume and value in recent years. Comté dairy farmers have benefited from milk prices 20% above the national average in the last 20 years, whereas those in the Cantal have had prices slightly below the national average. In other words, they have had no access to a territorial market premium. These contrasted successes can be explained by particular collective choices that led to the establishment of different institutional management devices.

In the Cantal PDO, specific resources have been hybridized with generic resources, when the development of the dairy sector extended beyond the traditional cheese production areas. Dairy farmers had no idea of the fate of their milk until 2007. With no responsibility towards the designation, they did not benefit from any right to the designation's common resources. The reputation and eventual market premium are appropriated downstream.

In contrast, in the Comté system, dairy farmers chose to base their development on the enhancement of local resources and remained involved in cheese processing. Diverse rules<sup>214</sup> have been collectively enforced to organize the production, adjust the supply to demand and manage the distribution of the added value. Under the guidance of the joint-trade organization, the operators of the supply chain (farmers, cheese makers and cheese ripeners) have worked together to inno-

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<sup>214</sup> Among these rules, we can mention grass-based feed for cows, the processing of raw milk-based products, and a limitation of the milk collection radius of 25 km, making it possible to limit the concentration of cheese processors. In addition, those involved in the PDO supply chain have developed legitimate and efficient territorial coordination devices. Means to control volumes (road map) and to monitor the market (Net Weighted Mean that serves as a reference to fix prices) were developed.



vate, reinforce the reputation of the PDO and ensure its sustainable management. Thus, they individually benefit from access rights to specific skills as well as the use of the name that provides them access to stable and lucrative prices.

The analysis in terms of common pool resources sheds lights on the conditions for collective action to successfully develop specific resources and create value over a territory. We think that they are comprehensive enough to be applied to an analysis of the SSC, whose conceptualization is still at an early stage. Among them could be retained: 1) the challenges involved in reconciling the different scales of governance in the technical and institutional innovation process; 2) the territorial capacities to compromise on the product identity definition and elaborate regulatory measures that ensures compliance with quality criteria; equitable rent-sharing schemes; management of sales volumes corresponding to the demand; 3) the access to collectively built resources conditioned by the participation of economic players (farmers especially) in drawing up collective action rules.

### **Contrasting labeling potentials for short food supply chains**

As revealed in the first part of this paper, SSC encompass a wide range of approaches. Like Chiffolleau et al. (2013), we think that dispersed strategies lead to a collective and interdependence strategy between producers within the SSC markets. Collective stakes concerning the stabilization of an identity or SSC market identities encompass and determine individual initiatives. The issue of stabilization of SSC markets is both economic and political. Establishing quality is not just a cognitive measure that facilitates the harmonization of supply and demand. It results from the establishment of rules by the stakeholders.

Taking the diversity of SSC models into account, on the one hand, and the diversity of quality approaches, on the other, the use of labeling to manage resources mobilized by short chains can take different forms, depending on the territorial objectives. For example, if the objective is to reinforce the added value created by the SSC, this could be done through the strengthening of the reputation of local approaches using a quality label. Taking cognitive model proximities into account, we can assume that the link between certain traditional-ruralist type SSC approaches and certain GI could turn out to be relevant. Similarly, as a result of the proximity of practices, stakeholders in the alternative-ecological model could find it beneficial to have an organic agriculture certification.

If the aim is to involve local actors to sustainably enhance the specificities of products associated with territorial specificities and to ensure a fair distribution of the added value, the creation of a territorial label may be a means of improvement. If these collective labels are associated with a charter or specifications, they may be particularly well-adapted to the neoliberal-type SSC. They can in fact provide producers with the opportunity to federate themselves and to strengthen their ability to innovate as well as to control the reputation of products and, as a result, to negotiate a part of the added value. Furthermore, the links between markets make it possible for producers to regulate the supply in short channels.

However, as can be seen by the different degrees of effectiveness of GI systems depending on the designations, the relevance of an association with a quality approach depends not only on local objectives but also on the effectiveness of its organization. A second limit of an association with an existing label is the fact that the collective action objectives are not specific to SSC. Would the establishment of a label specific to SSC make it possible to stabilize an SSC identity and to manage sustainably SSC resources via an institutionalization process?

### **Towards the establishment of a label specific to short food supply chains**

The GI case study revealed two major interrelated fields for structuring the collective action responsible for the sustainable management of territorial resources and the value creation process: the innovation capacity and the collective reputation (Dervillé, 2012). The collective rules to be developed concern material (sales structure, logistics network) and immaterial (skills, practices, assessment approach and control framework to certify quality) investments to be made to specify the offer and ensure its ability to meet the demand in terms of content and volume.

In our opinion, these two focal points can help structuring the development of collective rules in SSC approaches. We put forth the hypothesis that the innovation capacity and the construction of a collective reputation in the case of short food supply chains can be structured by organizing the proximity. The latter, whether it be geographic (dominant in traditional market and farm direct sales) or organized (e-trade, AMAP...), is in fact at the core of the renewal of producer-consumer relations proposed by the SSC (Praly et al., 2009).

Therefore, requirements in terms of freshness, sustainability, central role of producers and consumers, and contribution to territorial development would have to be specified, harmonized and guaranteed at the level of a territory. It can be based on the development of threshold qualities per product, information content, or specifications.

The adjustment issue of volumes to demand raises the question of the preferred means of organization to ensure the complementarity and the coordination between the different SSC approaches at the level of a territory. To compensate the limits of a local offers in terms of volume, variety and availability, producers may work together to expand their offer, distribute their production over time and possibly even carry out an initial transformation of the products (those intended for out-of-home food channels). Could the development of an SSC management body and, eventually, the investment in a processing capacity and the creation of a logistics structure or the use of one intermediary contribute to the adaptive capacity of the SSC?

Finally, legitimizing the SSC reputation outside of the local context raises the question of linking the different scales. The relevant management scale and the stakeholder system responsible for its management and control must be defined with the aim of upholding both the SSC philosophy and the specificities of territorial resources. Should the stakeholders (i) harmonize the rationales of territorial quality within a national framework, (ii) create a national charter for which the producers would be responsible, or (iii) create a national trade organization?

There are many questions that are the object of debate today and that should be addressed, reformulated and transformed into assessment criteria to establish a label that would make it possible to stabilize an SSC identity. The economic as well as the social (in particular, the risks of exclusion) consequences should be continually assessed throughout the process.

Thus, the strengths and limits of labeling short food chains (specific label or link to an existing quality approach) should be weighed in terms of local and global objectives. We hypothesize that the future of SSC will depend on the way in which tensions between the strengths and limits linked to the three models that encompass them are resolved.

### **Institutionalization of SSC approaches without labeling: some preliminary considerations**

Studies that address the question of the emergence of collective actions in SSC emphasize the importance of the institutional dimension in the structuring of these processes (Poisson and Saleilles, 2012). In each case, this institutional dimension aims at providing responses adapted to the problems encountered by the stakeholders of SSC approaches such as, for example, the differences in the degree of implication of partners, difficulties in dividing up responsibilities, too much work for employees, etc. Therefore, the diversity of territorial measures makes it possible

to highlight the capacity of local actors to develop original solutions to problems encountered (Chiffolleau et Prevost, 2012).

Although approaches have emerged to overcome the lack of technico-economic guidelines<sup>215</sup>, current reflections about the possibility of defining an SSC label have met with resistance from a large part of the actors concerned in that they see it as an attempt by institutions to take credit for alternative approaches that generally develop outside of the control of the public authorities and the traditional structures of the farming sector. This opposition is exacerbated by fears from a majority of stakeholders concerning the additional costs associated with the labeling of short chains (costs related to certification, control, management, changes in production and marketing tools, etc.). The question of establishing hygiene standards distinct from those that apply to standard products is therefore at the core of the debate in that these requirements could be insurmountable for a large number of small producers, thus constituting an exclusion factor.

Some authors go as far as considering the two approaches to be complementary and even mutually exclusive (Benezech, 2011). If the economics of the quality based on the labels revolves around collective negotiations concerning products and/or production processes, short chains would then be based on direct interpersonal relationships between individuals, producers and consumers. Therefore, whereas the label generates a form of institutional trust linked to the existence of a structure that guarantees actions and makes it possible to limit uncertainty and opportunistic behavior, short chains are based on interpersonal trust. Thus, the greater the geographic proximity, the more the adverse selection risks will decrease, reducing the relevance of official quality labels (Benkahla et al., 2004). However, analysis of the strengths and weaknesses of the different SSC models revealed that the lack of institutionalization of these approaches could limit their effectiveness, their sustainability and their future development.

In this context, we can then consider the forms of efficient institutional measures that could be developed outside of a labeling logic, taking account of the diversity of local situations, organizational forms taken by the SSC, and their underlying political representations. The three political models described above therefore refer to distinct social objectives assigned to the SSC. Consequently, we can hypothesize that the institutional measures designed to support them must necessarily focus on the different aspects and consider the institutional forms relevant to SSC as well.

To do this, and within the limit of this preliminary reflection that would require further field investigations, it seemed interesting to us to consider the notion of proximity, assuming that the diversity of SSC initiatives reflected a plurality of ideas about this notion and provided new ways to think about the means of structuring institutional measures that support alternative agro-food systems. Examination of the means for developing these collective action measures could be based on studies devoted to the dynamics of proximity (Gilly and Torre, 2000; Pecqueur and Zimmermann, 2004; Torre and Wallet, 2014) in that they provide insight into the way in which different forms of proximity are linked together to structure coordination. They highlight the role of social links in the different forms of economic coordination, hypothesizing that the structuring of more or less big communities around moral values, agreements, standards and representations, etc. is both an essential factor in favor of coordination, and has an impact on coordination forms. However, this cognitive proximity must not be considered as something that existed prior to coordination. On the contrary, it relies on a process that links representations supported by *"a political action that aligns interests that will be more or less satisfied by obtaining common objectives, trade-offs between irreconcilable interests, the imposition of choices that finally appear to be legitimate to the stakeholders, etc. In short, to coordinate themselves, the stakeholders must be in opposition as much as they are in agreement."* (Talbot, 2010: 129-130)

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<sup>215</sup> On this point, see the Casdar project, "Références Circuits Courts", for the French case.

In this way, political representations of the SSC revealed by Jouen and Lorenzi (2012), must be interpreted as the result of a specific political action linking representations on the basis of the nature of what constitutes these alternative agro-food systems, as well as attempts to impose (e.g., as the standard) one of these representations on the other two in the process of coordination between stakeholders, as well as in relation to consumers or in terms of public policy. We can then take a look at the values that political models of the SSC assign to geographic proximity. The neoliberal model, which places SSC type approaches associated with hygiene, health and product freshness at its core, endows geographic proximity with the capacity to satisfy consumer demands in terms of rapid supply, the guarantee of a reduction of the number of intermediaries, and the control of practices through identification of producers and product origin. In this model, this appears as a means to avoid fraudulent behavior and to commit to a strategy of differentiation and extension of the product line. The reduction of the number of kilometers covered by the products is therefore assimilated to a guarantee of freshness. However, in this model, the geographic dimension is only minimally mobilized compared to the knowledge of the actors in the sector, the number of intermediaries and the requirement to comply with strict specifications, i.e., an organized proximity. The traditional-ruralist model focuses more on the idea that geographic proximity is attached to values and customs, a shared identity and history within a territory. These shared elements create a representation of the stakeholders as members of the same specialized community, providing a framework for behavior in the sense that the actors have the feeling of a common destiny capable of limiting opportunistic behavior because it could potentially be repeated several times, and promoting territorialized solidarity models. The contribution of the SSC as a component of a sustainable territorial development strategy through the more effective development of resources and support for local producers is explicit here. Finally, the alternative-ecologist model emphasizes the negative effects of the physical distance in that the latter generates negative effects on the environment. It therefore promotes the positive role of geographic proximity in the attempt to reduce the environmental impact of production and especially distribution.

Our reflections are consistent with those of Lanciano and Saleilles (2011) devoted to the AMAP institutionalization process, where they attempt to analyze the processes through which institutional work (Lawrence and Suddaby, 2006) and the production of rules that structure AMAPs constitute a social sphere (box 1). They conclude on the necessity of tightening criteria to participate in the AMAPs as well as of developing coercive management tools to preserve the identity of the approach over time.

## Conclusion

The inscription of the mention of short chains in the second pillar of the CAP for the period 2014-2020 bears witness to the institutional recognition of this grass roots movement that has been making inroads in agriculture for several years now and tends to reconfigure producer-consumer relationships while raising the question of sectorial organization and productive practices. Nevertheless, this institutional success of SSC approaches also raises questions about the necessity of finding institutional measures that would make it possible to perpetuate and extend the movement, and about the relevance of a solution that includes the labeling of these products and marketing forms.

Two main issues arise from the analysis in terms of resources. The first concerns the system of actors that could contribute to the institutionalization of these approaches. At this stage, for a large number of SSC stakeholders, labeling appears to be contrary to the short-chain philosophy. The standardization that it implies is perceived as a factor of exclusion and disruption in relation to the code of ethics based on relationships of interpersonal trust. This fear is legitimate. These means for drawing up collective rules that underlie management and exclusion rights in terms of

shared resources determine the possibility for the stakeholders of these approaches to have control over the way in which their profession evolves. Nevertheless, this issue is already present in existing approaches, particularly in the case of the neoliberal model. The exploratory study carried out here tends, to the contrary, to show that the institutionalization of these approaches, provided that the SSC stakeholders are the driving force, can furnish the skills and measures necessary for the objectivation and the stabilization of their alternative views of food systems.

The second concerns the system of resources to be institutionalized. How can we reconcile the different political models and, as a result, the values inherent in the SSC? Technical-economic references to be integrated into the institutional measures (charters, specifications, etc.) to build a collective reputation are at stake. In order to build a territorial innovation capacity capable of managing an SSC offer (quality and quantity), issues of logistics and the organization of the production and supply networks will have to be addressed.

Beyond this, it will be necessary to address the need for reflections on the engineering forms required to accompany the drawing up of projects in SSC and to their sustainability over time. It will also be necessary to take a closer look at the question of economic models adapted to small structures, to means of collective organization of the supply, and to the link between different forms of networks and the coexistence between short chains and long chains to satisfy the expectations of consumers and to maintain activity within a territory.

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