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## **GEOGRAPHICAL INDICATION FOR TERRITORIAL DEVELOPMENT: CRITICS AND DIMENSIONS IN THE CASE OF SERRO INDICATION OF PROVENANCE (BRAZIL)<sup>1</sup>**

## **INDICAÇÃO GEOGRÁFICA PARA O DESENVOLVIMENTO TERRITORIAL: CRÍTICAS E DIMENSÕES NO CASO DA INDICAÇÃO DE PROCEDÊNCIA SERRO (BRASIL)**

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### **Abstract**

Geographical indications (GI) are part of the existent Intellectual Property instruments. It is a sign used on services or products that have a specific geographical origin and possess qualities or reputation that are due to that origin. It reflects a unique combination of natural resources, cultural assets and history in a given territory. In Brazil, the GI policy is part of the rural development policies. While functioning as product differentiators on the market, GIs also serve to territorial development due to the link with the territory and the collective process needed to its recognition. Thus, this work aimed to analyze which aspects of development are achieved short-term after the recognition of a geographical indication. The indication of provenance of Serro was chosen due to the period of recognition as well as the importance of the product (artisanal cheese) in Minas Gerais. The exploratory-descriptive research was performed by the case study method with in-depth interviews and documental analysis. In the case studied, the territorial development has not been fully achieved. Impacts related to physical-economic, human and social capital were listed. Nevertheless, the analysis showed that the effectiveness of geographical indications is based on management, commercial, political and social activities.

**Keywords:** Public Policies. Territorial Development. Geographical Indications. Serro.

### **Resumo**

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As indicações geográficas (IG) fazem parte dos instrumentos da Propriedade Intelectual. É um signo usado em produtos ou serviços que têm uma origem geográfica específica e possuem qualidades ou reputação que são devidas a essa origem. Reflete uma combinação única de recursos naturais, ativos culturais e história em um determinado território. No Brasil, a política de IG faz parte das políticas de desenvolvimento rural. Embora funcionem como diferenciadores de produto no mercado, as IGs também servem para o desenvolvimento territorial, devido à ligação com o território e o processo coletivo necessário ao seu reconhecimento. Assim, este trabalho teve como objetivo analisar que aspectos do desenvolvimento são alcançados curto prazo após o reconhecimento de uma indicação geográfica. A indicação da procedência do Serro foi escolhida devido ao período de reconhecimento e à importância do produto (queijo artesanal) em Minas Gerais. A pesquisa exploratório-descritiva foi realizada pelo método de estudo de caso, com entrevistas em profundidade e análise documental. No caso estudado, o desenvolvimento territorial não foi plenamente alcançado. Os impactos relacionados ao capital físico-econômico, humano e social foram listados. No entanto, a análise mostrou que a eficácia das indicações geográficas é baseada em atividades administrativas, comerciais, políticas e sociais.

**Palavras-chave:** Políticas Públicas. Desenvolvimento Territorial. Indicações Geográficas. Serro.

## Introduction

The geographical indication (GI) policy can be considered part of the rural development policies in Brazil. In this country, the purpose of recognizing the GIs supported by the Ministry of Agriculture, Livestock and Food Supply is “sustainable development by adding value to agricultural commodities, emphasizing differences and cultural identities of their own, organizing production chains and ensuring the safety and quality of agricultural commodities” (CIG/DEPTA/SDC/MAPA, [s.d.], p.4).

This kind of record is conferred to products or services that are characteristic of their place of origin, which attributes their reputation, intrinsic value and own identity, as well as distinguish them from their similar ones available in the market (CIG/DEPTA/SDC/MAPA, 2007). It is a private exclusive right of collective use, restricted to producers or service providers established on the demarked geographical area and who comply with the rules established in the Regulation of Use (SILVEIRA, 2011; MAPA, 2017). At the Brazilian law the genre geographical indication has two species: indication of provenance and denomination of origin (BRASIL, 1996).

Although the protection given by the recognition is of a declaratory nature (attesting a preexistent reality, such as reputation or environmental influence on the product), the consequences of this kind of distinctive sign might be much larger (ZUIN; ZUIN, 2009; CERDAN; BRUCH; SILVA, 2010; FERNÁNDEZ, 2012). According to a systematic review of the literature by Medeiros, Passador, & Passador (2016), GIs can act as system of protection (to the consumer and the farmer); marketing tool (emphasizing the difference from a product or service); rural development mechanism (since it can influence on the generation and maintenance of employment, income distribution, local identity, etc.); and means of preservation (of culture, *savoir-faire*, and even ingredients).

The GIs' public policies are connected with the public policies of agriculture, of trade competitiveness, of consumer rights and of rural development, among others (BARJOLLE; SYLVANDER; THÉVENOD-MOTTET, 2011). To the ends of this article, the development approach is particularly interesting. However, although the development is the explicit aim of the recognition of GIs, the meaning of development is not clear in the public spheres so one can evaluate if it is or is not being achieved. Therefore, we discuss this concept as theoretical framework for policy analysis.

Thus, the present work aimed to analyze which aspects of development are achieved short-term after the recognition of a geographical indication. We chose the case of the indication of provenance of Serro, which was recognized three whole years before the study's interviews. In order to analyze the development resulting from a GI, we used Nalle Jr. and Passador (2007) proposal of components that collaborate for development described in the following section.

## Theoretical Framework

### Geographical Indication as instruments for Rural Development

The recognition of geographical indications is applicable to services or products that have origin-linked characteristics or notoriety (OMPI, s/d; BRASIL, 1996). It reflects a unique combination of local natural resources (climate, soil, local animal breeds and plant species, traditional equipment etc.), cultural assets (traditions, know-how and skills, often handed down from generation to generation) and history in a given territory (EL BENNI; REVIRON, 2009; FAO, 2010; BARJOLLE; SYLVANDER; THÉVENOD-MOTTET, 2011). In Brazil, the gender “Geographic Indication” has two species: Denomination of Origin and Indication of Provenance (BRASIL, 1996).

“The GI is an instrument that allows product protection and appreciation as well as access to new markets by associating a product’s specific characteristics to the region of production” (Juk & Fuck, 2015, p.118). Although the commercial aspect is one of the main reasons for seeking GIs recognition, other positive consequences are commented on the specific literature (MEDEIROS; PASSADOR; PASSADOR, 2016). The Food and Agriculture Organization of the United Nations (FAO, 2010) separate this aspects in three: (a) consumer’s protection, correcting information asymmetries that exists between consumer and producer, along with proving guarantees of a minimum quality pattern; (b) producer’s protection, preventing that others may take advantage of their known reputation and notoriety and by that ensuring exclusivity for the production origin; and (c) rural development, as a consequence of the process of product valorization and the institutionalization of reputation.

FAO also proposes that GI may act as a central link of a virtuous circle for rural development (FAO, 2010) (represented on Figure 1).

**Figure 1:** The origin-linked quality virtuous circle



Source: FAO (2010).

The proposed circle has 5 stages: (1) Identification: growing local awareness and appreciation of the potential of the product; (2) Product qualification: establishment of rules for value creation and the preservation of local resources; (3) Product remuneration linked to its marketing and to management of the local system; (4) Reproduction of local resources, boosting the sustainability of the system; and (5) Public policies providing an institutional framework and possible support for the various stages in the circle (FAO, 2010, p.03). The model suggested by FAO is a proposal of methodology for development. The steps is not always followed and we should also note that each product has a unique set of characteristics and stakeholders involved and, therefore, “require a different institutional arrangement adapted to their characteristics” (JUK; FUCK, 2015, p.124). Furthermore “Public actors can play a major role all the way around the circle by providing an adequate institutional framework and encouraging the potential positive effects of origin-linked products on rural development” (FAO, 2010, p.XX).

That sad, studying specific realities and verifying the existence of this circle as well as the desired consequence (development) is necessary. The following section contains a discussion about the definition of development and the development inducers that can be verified.

### **Territorial Development: Concepts and Components**

The concepts of economic growth and development have been continuously overlapping or confusing over the last two centuries. Since the advent of the industrial revolution in the second half of the eighteenth century in England, framed by the superstructure of the State, men have been constructing concepts and tools on the assumption that he could finally overcome his long history of hunger, misery and subservience to the whims of nature. To such assumptions was supposedly added the idea that the resources of this domesticated nature would be inexhaustible, or that it would have unlimited capacity for renewal and recompose its stocks.

It did not take many years, within the broad perspective of the civilizing process, to realize, by evidence of difficult contestation, that these assumptions were severely mistaken. The exponential use and evidence of finitude of natural resources have sounded alarmed voices about the eminent risks to the perpetuation of life on planet Earth. The collapse is a certain destination if changes in consumption habits and production technologies do not undergo significant changes (SCOTTO; CARVALHO; GUIMARÃES, 2007; TERRA; PASSADOR, 2016).

The term development became widespread in contemporary social sciences after II World War (ABRAMOVAY, 2003). However, the notion of development was never consensual and was used for a long period as a synonym for growth, confining itself to economic aspects. According to Saes and Trentini (2009), until the end of the 1980s the environmental issue was peripheral to society, and the concept of development linked to economic growth. Firstly, there is a connection with industrialization and the ability of consumers to increase their consumption. Then institutions (property rights) are focused on. However, since the 1970s, questionings about the limits of the economic growth begun to arise “outside the mainstream”, taking into account the finitude of resources.

To Veiga (2005), the cloudiness of the term “development” creates confusion. For this reason, he suggests three answers to the question “What is development?” in the contemporary context. The first is to name development as synonymous with economic growth. The second is to treat the expression as an illusion, belief, myth or ideological manipulation. The last and most complex answer is the challenge of thinkers of this century to find an intermediary path, which could not be restricted to per capita income, and should cover cultural, social, and other issues (VEIGA, 2005). It is therefore necessary to verify the meaning conferred by the one who chooses to use such term.

The third understanding is close to the discussions on sustainable development that emerged after the 1970 as commented by Saes e Trentini (2009). This concept arises from the criticism about the use of the concept of development previously preponderant and requires, according to Sachs (2004), a paradigm shift. The “Brundtland Report”, document “Our Common Future”, can be considered the great mark of this transition (VEIGA, 2005). In that document, sustainable development is presented as the one that meets the needs of the present without compromising the possibility of future generations to meet their own needs (COMISSÃO MUNDIAL SOBRE MEIO AMBIENTE E DESENVOLVIMENTO, 1991).

This conceptual framework was derived from previous concepts, among which ecodevelopment, which had been defended since the 1970s, continued to be discussed and complexed, including adjectives such as economic, social, political, cultural, sustainable, etc. (SACHS, 2004; SAES; TRENTINI, 2009; VEIGA, 2005). For Sachs (2004), the current pillars of sustainable development are: simultaneously meet the criteria of social relevance, ecological prudence and economic viability.

According to Sachs (2000) sustainability has eight dimensions, or criteria that should be observed in order to ensure the desired conditions in a country over time: 1) Social: reach a certain social homogeneity; fair income distribution; employment; quality of life; and equal access to social resources or services; 2) Cultural: balance between respect for tradition and innovation; autonomy and adaptation of the models "imported" to the national reality; self-confidence combined with openness to the world; 3) Ecological: preservation of natural potential; 4) Environmental: respect and enhance the capacity of self-purification of ecosystems; 5) Territorial: balanced urban and rural configurations; improving the environment; overcoming disparities; etc.; 6) Economic: balanced intersectoral economic development; modernization capacity; insertion in the international

economy; 7) Politics (National): democracy; social cohesion and capacity to implement projects; 8) Politics (International): effectiveness of prevention of wars; control of financial and commercial systems; systems of scientific and technological cooperation; etc.

Thus, the concept of development took off and became relatively autonomous to that of growth. Net gains on constant technological and managerial bases mean simply growing. Developing presupposes a rupture and evolution of these bases that will produce well-being and sustainability for the communities of interest, linked to the economic enterprises of all branches (SAES; TRENTINI, 2009). To simplify the difference between the economic conception and the most currently accepted, it should be emphasized that “development is not a collection of things, but a process that produces things” (VEIGA, 2006, p.122).

According to Abramovay (2003) there are two contemporary trends in development. One of these emphasizes the territorial dimension and the other the social capital. Both approaches extrapolate the economic argument and focus on the human and social. Although most of the work (on rural development) gives greater weight to one of the issues (ABRAMOVAY, 2003), it should be noted that these two views are not necessarily separate. It is noted that in some discussions the territorial question complements that of social capital and vice versa as in Nalle Jr. e Passador (2007).

With regard to social capital, Putnam (1996) conceptualize it as a set of characteristics of social organization, which include mutual trust, norms and systems that contribute to the solution of problems of society insofar as they facilitate their coordinated action, the participation of the community. Perhaps it is the proposal of Amartya Sen (2008), winner of the Nobel Prize in Economics, one of the simplest and most direct explanations of the link between social capital and development. According to the author, development refers to the process of enhancing individuals' ability to make their choices. In this sense Abramovay (2003) comments that there are no advantages or obstacles of localization, but rather the assembly of networks, convergences and joint actions, which include the conquest of public goods such as education, health and information, but are not restricted to them. Material factors become means and not ends; the desired growth is that of man and of the environment in which he lives, the society (ABRAMOVAY, 2003; NALLE JR; PASSADOR, 2007).

Environmental as well as socioeconomic problems are often not restricted to geopolitical delimitations. Sometimes it is in the limit of municipalities that one has richness and potential delicate points, such as rivers or forests. These may actually serve more as a factor of union than of separation. Thus, some current studies do not have the political limitation of the place to think about the various issues, especially the management, planning and the search for development, in the territorial scope.

The territorial proposal is based on the idea that the country needs intermediary organizations, in addition to the municipal boundaries, but not to the states themselves, that allow the joint construction of strategic projects and the reach of the effective participation of the social groups in it (BEDUSCHI FILHO; ABRAMOVAY, 2004). Therefore, it is proposed a governance based on initiatives or actions that express the capacity of a territorially organized society to manage the issues from the joint and cooperative involvement of social, economic and institutional actors (DALLABRIDA, 2011). This proposal, besides considering a physical space, also involves characteristics of the society that is about this physical space, contemplating the very identity of individuals and social groups (NALLE JR; PASSADOR, 2007).

A territory consists of a network of relationships, meanings, and content lived by individuals that allows the construction of shared mental models underlying the feeling of belonging to a common place. Thinking in this way, planning and managing a territory does not refer only to deciding how resources will be allocated, but how they will be generated - by virtue of their organization, intelligence and learning that social exchanges stimulate - the resources on which the emergence of new activities (ABRAMOVAY, 2003). It is a complex multidimensional system whose interconnection between the various dimensions leads to the definition of multiple references to be used in the planning and management of development (NALLE JR; PASSADOR, 2007).

It is important to emphasize that for territorial governance to be effective, it is necessary to move away from a “counter” logic whereby each local manager makes the requests to the federal powers for a logic of “joint projects” on the basis of which the regions articulate and affirm their identities, ambitions and capacities (ABRAMOVAY, 2003). This requires a change in institutional

environments, culture and the bonds established in the vast majority of cases. Trust links and knowledge sharing become critical to a territory-based development proposal.

Taking into account the most current and broader proposal, it is necessary to evaluate whether it is the model that is actually taking place in the country and, more specifically, in the territory under study. For this purpose, it is necessary to make explicit the conception of development adopted in the present work, resulting from the aforementioned discussions, being the model proposed by Nalle Jr. e Passador (2007) the main reference.

The proposal of Nalle Jr. and Passador (2007) agglutinate many of the discussions pointed out in this section. They propose that some components within the region collaborate for the development. These are human capital, social capital, citizenship, territorial capabilities and conditions of sustainability. The more the region is endowed with these factors or is strategically looking forward them, the more chances to achieve a balanced growth, long lasting and collectively agreed, henceforth called development. This more comprehensive and complex understanding of sustainable territorial development, which involves cultural, social and other issues, is advocated. The development components and the elements inherent in each of these are detailed in Chart 01.

**Chart 1: Description of the Components for Sustainable Territorial Development**

Component	Definition	Intrinsic component variables
Human Capital (related to the individual)	“Refers to the ability of people to do new things, to expand their capacity to mobilize, to develop attitudes and acquire useful and necessary knowledge that allows the search for community development” (NALLE JR; PASSADOR, 2007, p.26)	Increased access to education; Increased opportunity for training and professional qualification (education for production); Capacity-building for the shared management of development: to foster an associative culture, which improves the collective's vision and creates behavior to create networks and partnerships in search of development; Improvement of basic conditions of health, food, housing, sanitation, transportation and security.
Social Capital (related to the social environment)	“Defined as a set of characteristics of social organization that encompasses networks of relationships among individuals, their norms of behavior, bonds of trust and mutual obligations [...], when they exist in a region, they enable collaborative actions for the benefit of the entire community” (NALLE JR; PASSADOR, 2007, p.28). It relates to the ability of the people of a society to privilege the interests of the group to the detriment of the individual.	To strengthen local identity / culture; To promote unity towards shared values and interests; To create norms, systems or agreements based on mutual trust; To encourage solidarity and volunteering; To create spaces to exchange knowledge and experiences; Participation of civil society; Social Inclusion
Citizenship (Related to qualitative participation)	Involves the qualitative and quantitative participation in the processes of formulation and decision of the local management (NALLE JR; PASSADOR, 2007)	Shared development of a public demand based on local protagonism; Establishment of decision-making spheres with direct participation of social actors (empowerment of populations); To encourage shared management and development of good governance; Creation of new multi-sectorial institutions responsible for enabling the development process; Adoption of new governance modalities (e.g.: regional chambers, sectoral chambers, regional development councils, municipal joint ventures, river basin committees, local productive arrangements and tourist routes, among others); Interaction of state and non-state supply of programs and actions with the local public demand; Egression of new powers and bonds

Territorial Capacities	Characteristics required for the territory to operate as a catalyst for the other variables. It involves the combination of interests of society, State and Market in order to allow the territory to be the unit of planning and management development (NALLE JR; PASSADOR, 2007)	To combine interests of Society, State and Market; To spread corporate culture; To incorporate debate on sustainability; To foster potential endogenous development, boosting the use of latent and not yet exploited capacities, especially by means of territory-based productive arrangements; To assist small and mid-companies; Joint projects involving social, economic and institutional actors.
Sustainability Conditions	Satisfaction of the present generation without compromising the future generation.	Dissemination of green culture, Protection of limited or non-renewable natural resources; Sustainable management of natural resources, safeguarding the quality of life of future generations; Change in production and consumption patterns.
Physical and economical capital	Based on the income or added value per inhabitant.	Increased productivity; Increased income; Improved infrastructure; Increased technology; Access to inputs; Access to funding.

Source: Elaborated based on Abramovay et al. (2006); Bresser-Pereira (2006); Nalle Jr. & Passador (2007); Pires et al. (2011); Putnam (1996); and Sachs (2000).

Understanding the territory as a planning and development unit, it is considered the possibility of policies and strategies to unite economic, cultural and environmental resources for the integrity of the territory (NALLE JR; PASSADOR, 2007). The territory is built and rebuilt through skills and knowledges that are the result of the combined efforts of actors equipped with specific resources derived from a collective history and shared memory. The collective patrimony, which can be a food, can be the catalyst for dynamism, territorial construction and a restored territorial identity (BESSIÈRE, 1998). Thus, geographical indications could then function as such nodes.

In the case of geographical indications, both perspectives (of social and territorial capital) seem useful and particularly pertinent, since many of them involve more than one municipality or parts of municipalities in a specific area depending on the geographical characteristics that characterize it. In addition, the social articulation is considered inherent to the recognition process.

## Methodology

This exploratory-descriptive research was carried out using the case study method because, among the different applications of the case study, it is adequate "to explain supposed causal links in real-life interventions that are too complex for the experimental strategies or those used in surveys" (YIN, 2001, p.34).

As a case study, we chose the indication of provenance of Serro due to the social and economic importance of the product (artisanal raw milk cheese) in Minas Gerais state. As well as because it was the first registry of GI for cheese in Brazil and it's recognition was not too new nor too old. Therefore, we imagined that subjects could remember enough to comment on the past and present of the region narrating if they have noticed changes due to the GI recognition (or its process).

Data collection was performed by using in-depth interviews in loco (during two visits). A non-structured script with some guiding topics conducted the interviews for a broader comprehension. The topics were about the interviewee knowledge on geographical indications; how was the recognition process and its current use, as well as those involved and the type of involvement in this process; and the perceived influences due to the recognition of the indication of provenance on the region's reality. There were 15 subjects (Chart 2):

- 06 producers from artisanal Minas Serro cheese;
- 02 chairmen of representative entities of the producers (From APAQS and COOPERSEURO);

- 02 technicians of the Company of Technical Assistance and Rural Extension (EMATER);
- 01 representative of the public authority (secretary of Tourism);
- 01 representative of the academic sphere (professor of a federal university with projects in the region);
- 03 owners of stores specialized in Brazilian cheese (02 in São Paulo and 01 in Belo Horizonte);
- 01 tour operator who has worked in the region.

Chart 2: Research Subjects description

Documental analysis of the data archives of the diagnostic of the Serro cheese production reality and expectances (SEBRAE; APAQS, 2014) complemented the interviews results. The analysis was carried out through content analysis using NVivo software to support it and help data triangulation. The results are presented in the sections that follow.

## Results

The indication of provenance of Serro was recognized in the end of 2011 and it was the first Brazilian geographical indication of cheese. The recognition was given specifically to the artisanal raw milk cheese of the Serro region which comprises 10 municipalities: Alvorada de Minas, Conceição do Mato Dentro, Dom Joaquim, Materlândia, Paulistas, Rio Vermelho, Sabinópolis, Santo Antônio do Itambé, Serra Azul de Minas e Serro (ABREU et al., 2002).

The specific way of making artisanal cheese of the state of Minas Gerais is recognized as immaterial cultural heritage of the state and also of the nation (DPI/IPHAN, 2014). It was the first Brazilian registry of this kind in 2002 (ABREU et al., 2002). In the Minas Gerais food system, cheese can be considered an important element for the agro-pastoral economy and culture from colonial times to the present day (FRANÇA, 2012; PIRES, 2013). Although there are some similarities in the production process within the traditional cheese producing regions, each region has particular aspects inherent to the territory (IPHAN, 2008). Therefore GIs can act as a manner of distinguish them and add value to the product and to the region as well.

The institution responsible for the application in the Serro case was the Association of Craft Producers of Serro Cheese (APAQS - *Associação de Produtores Artesanais do Queijo do Serro*). Therefore, this entity as well as others involved in the production chain of the Serro cheese was considered able to report the recognition process and its consequents. Fifteen research subjects answered to in-depth interviews, which the results are presented below.

Only the representatives of EMATER and APAQS mention that they have noticed some changes related to obtaining the register of indication of provenance. These statements were grouped into the components of territorial development according to the broader view elaborated based on Abramovay et al. (2006), Bresser-Pereira (2006), Nalle Jr & Passador (2007), Pires et al. (2011), Putnam (1996) and Sachs (2000) shown in Table 1. In both interviews, however, there were statements that the changes were less than expected. It can be seen that the major question is related to the recognition of the intrinsic value of the product, although this value has not yet reflected commercial value. A statement from one of EMATER's technicians sums up this reality: "[...] The valuation that we expected did not happen, so I think it brought up little, because in addition to recognition, he [the producer] wants money in his pocket".

In what concerns physical-economic capital, based on income or added value, there was a mention of price increase after registration. Still, this increase was not immediately sufficient in the face of efforts to obtain the register, as the APAQS representative stated: "It [the price] did increase, but it was not compatible with the work in the domestic sector. The producer had to be paid at least R\$15.00, as if it was reasonable". This increase was not commented on by the producers interviewed, but they complained about the prices charged in the region and highlighted the need for mechanisms such as the effective use of GI and proper ripening to distinguish the product. Recent interactions of producers in this region with producers from other GI holding regions and new marketing initiatives focusing especially on non-regional audiences substantially improved this issue from mid-2016 onwards.

In terms of human capital, which is related to the individual, it was mentioned that when some press teams became interested in cheese making, some producers began to have more "responsiveness towards the public". There was also an increase in courses and guidance offered by



IMA and EMATER. Thus, the major variable impacted in this issue was the expansion of training opportunities. In addition, within the ambit of the Artisanal Minas Cheese Program, there was an effort for the dairies to make constructive adjustments for hygienic-sanitary improvement. Although such improvements have not occurred due to the registration of geographical indication, the movement that existed at that time, which included this register, may have contributed to this other aspect of human capital.

As for social capital, related to the group and its ability to privilege the interests of the collectivity over individual ones, contradictory statements are noticed. While the representative of APAQS mentions that “[...] the biggest result I saw was integration. A person who felt very small, felt how important he is in the scenario. People attend the meetings, give suggestions, speak properly...”, thus highlighting the strengthening of identity and participation within this component. Lack of cooperative culture and collective thinking was mentioned by others as one of the difficulties for the GI in question (as described in the previous section).

Regarding territorial capacities, the professor interviewed highlights the importance of creating/disseminating business culture in rural areas. This researcher and one of the producers also emphasized the concern with succession as a problem to be dealt with. This issue could be included in the component “sustainability conditions”, although it has not been listed by the authors to break down the intrinsic development variables.

In terms of sustainability conditions, the preservation of intangible resources, among which the major one is the name that became known, would be one of the assumptions of a register because it was the purpose it was created. However, it was mentioned that there is a lack of supervision and punishment for those who use it improperly, mistakenly or in a way that misleads the consumer to the geographical name “Serro”. The lack of a “seal” to identify cheese that complies with the IP standards was mentioned as a potential reason for this problem. The representative of APAQS (2014) mentioned that this will be one of the probable jobs of the new management.

When discussing geographical indications in a general way, one of the entrepreneurs (cheese storeowner) emphasized the need for marketing work that generates value for consumers so that they want to consume and, consequently, increase the income. According to him: “This protected certification is great, since it preserves the name, the method of production, the region, and the producers are also protected, but you add nothing more to the consumer. And the consumer is the reason why cheese is produced; without the consumers, there is no cheese [...]” (Store B, 2015).

An important fact in relation to the indication of provenance was the mention of the “unchanged” situation in what concerns the process to obtain the register. Two of three owners of specialized companies and the director of the cooperative mentioned not having noticed any changes. These interviewees, however, have different opinions regarding the reason for this absence. One of the entrepreneurs blames the lack of knowledge of consumers; the other believes that the region should have registered the indication of provenance, which, in addition to being better known by the consumer, would serve to protect it as to guarantee the maintenance of patterns that characterize the product. Finally, the director of the cooperative mentions that there was no impact because “this indication has not yet been explored at all. There is a register, but there is no brand”.

The cheese producers interviewed (06) also do not notice changes, two do not even know the term. Three of them know the term and have positive expectations regarding the register, but underline the absence of use, according to the following sections:

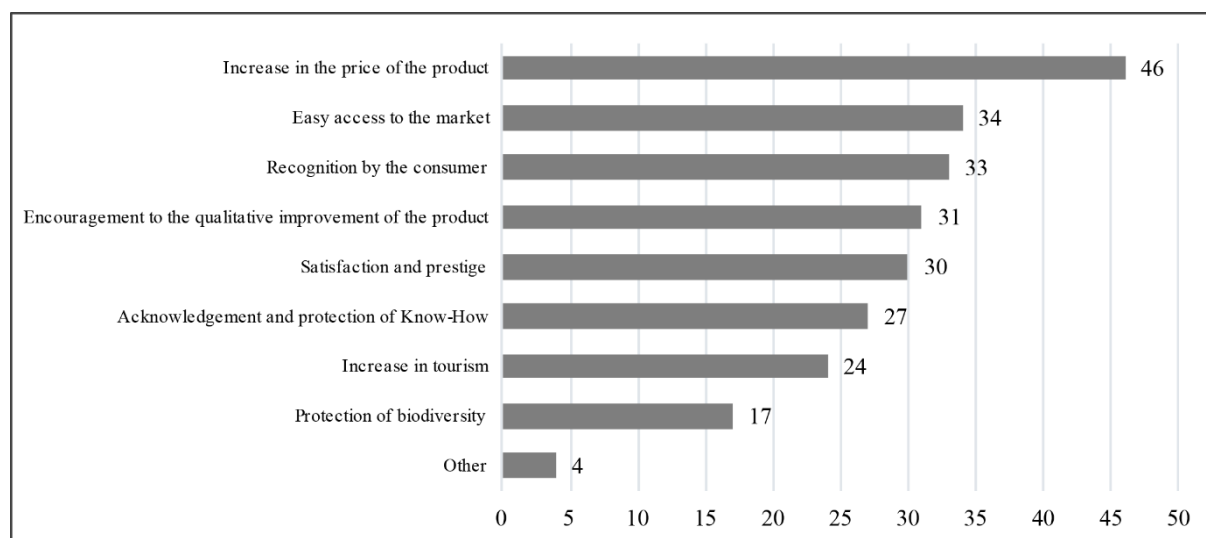
[...] In fact, we know little about the geographical indication, because here we have the seal approved by INPI, but we do not use it (Producer E, 2015).

The geographical indication is the 'it thing' to close the product. The stamp. This is the chance we have. The seal identifies the product all over the country. We are going to work on it, because there is actually indication of Serro, but it is not in progress, in use (Producer F, 2015).

In the matter of benefit, we have not yet benefited from the geographical indication, but from the moment the thing starts to happen, I don't think we'll simply get [the register], since cheese has its particularity and we have to be careful. Why? Because it is a product with a geographical indication, you have a reason to have it. So you have to think: “Shall we do it this way? No. Should we do it that way? [...]” (Producer A, 2015).

Expectations of positive changes related to the geographical indication of Serro cheese were emphasized to happen during the process of obtaining the record in the study of França (2012) and also after registration according to the work of Santos (2014). These expectations were also confirmed in the SEBRAE diagnosis in which the few cheese producers who claimed to know the term geographical indication (8%, 61 producers) mentioned some benefits that they expect from a geographical indication (Graph 1).

**Graph 01: IP Benefits expected by the cheese producers**



Source: SEBRAE; APAQS, 2014.

As observed, the three most mentioned questions refer to the market: increase in the price of the product, easy access to the market and consumer recognition. Questions related to product quality were mentioned: prestige and satisfaction with the product and preservation of itself and its preparation. Ranked seven in number of mentions, there is the increase of tourism.

In what concerns expectations, two of the interviewees makes some criticisms. One of the EMATER technicians said that "The geographical indication brought a lot of enthusiasm at the beginning, and we started articulating. But when it came to the question of the result and the marketing, there were demands... It is not easy, and then the government says no instead of encouraging us ...". This quote makes clear the question of the incongruity highlighted by Lima and Doula (2012) on public policies, while on the one hand the product (artisanal Minas cheese) is protected and valued by policies of patrimony and intellectual property, on the other hand legal framework makes it difficult to trade.

It can be inferred that benefits attributed to geographical indications depend on the efforts before, during and after the registration and not on the register itself. Such thinking corroborates Valente, Perez, Ramos and Chaves (2012, p.557), where the process of recognition of GIs must be done "in an orderly, consistent and focused manner in future, not immediate, results, at the risk of frustration of the actors involved." In the case in question, there was no discouragement due to previous frustrations. On the contrary, the recent articulation of the association (APAQS) points to a potential greater use of the distinctive signs of Serro cheese.

This "late" articulation noticed in the case study is something that some institutions that promoted and still do the geographical indications have already perceived as mistaken and can serve as an example to future proponents. In the case of the indication of provenance of Serro cheese, participation in events related to geographical indications can contribute to the recognition of this fragility and search for changes, as can be seen in the speech of one of the EMATER technicians who is also active in the current management of APAQS:

Has the producer really taken this geographical indication title and now has knowledge and understanding of the importance of GI? That's the question! Then I have my position: GI was a way that influential people, who want the good of the product and of the region, found and saw as a possibility to protect the identity of this cheese, right? This is the GI. It is not so simple as we have

seen in these seminars; it is not simply picking up the title and putting it in the drawer because that's not the solution. (EMATER Representative, 2015).

The ideology of Network-State (COELHO, 2012) seems fundamental so that geographical indications can indeed achieve territorial development. Although the law (BRASIL, 1996) and the most recent normative instruction (BRASIL, 2013) do not require registration to be made by associations, there is an inter-institutional articulation that values the articulation of the community and also provides support to the registration of geographical indications.

When analyzing some existing geographical indications (including a Nicaraguan cheese), Mancini (2013) alerts public managers dealing with geographical indications in Latin American countries that when traditional production chains tend to be isolated and without independent mechanisms of governance, geographical indications can become marginalization factors unless they are supported by adequate rural policies and legislation as well as combined knowledge transfer. One of the traders interviewed (Fernando Oliveira) also states: "I am in favor of the geographical indication. I think it can bring a lot of good things. But it is very dangerous too, because it can turn into a power struggle". In this sense, it is restated that for territorial governance to be effective, it is necessary to move away from a "counter logic", where each actor makes his requests to the powers, and go for a logic of "joint projects" on the basis of which the regions articulate and affirm their vocations, ambitions, capacities and needs (ABRAMOVAY, 2003; NALLE JR; PASSADOR, 2007).

As described in the characterization, cheese is a common link among several municipalities in the region. This agglutinating factor can be used in the development of several projects directly related to their production, as well as related to other activities. Among the issues not directly related to the production and trade of cheese, tourism was one of those that is expected to develop from the IP of Serro cheese (according to SEBRAE diagnostic data mentioned above). It is worth remembering that, however many issues have been pointed out as elements of development, "development is not a collection of things, but a process that produces things" (VEIGA, 2006, p.122). Therefore, it is not enough to "have" one or another component, but it matters "how one arrives" and "what one does" with what is achieved.

## Final Consideration

The present work aimed to analyze which aspects of development are achieved short-term after the recognition of a geographical indication. We chose the case of the indication of provenance of Serro due to the period of recognition and the importance of the product in cultural and economic spheres of the Brazilian state of Minas Gerais. In the case studied, it can be seen that the territorial development, more comprehensively understood as proposed by Nalle Jr. and Passador (2007), has not yet been fully achieved. This fact can be due to the obtained IP has not been fully used. However, the process required to obtain the recognition may have some impacts related to the variables intrinsic to the components of territorial development. The research subjects interviewed mentioned only impacts related to physical-economic, human and social capital. That sad, there was a lack of references to the components of citizenship, conditions of sustainability and territorial capacities.

The case study also showed that the effectiveness of geographical indications is based on management, commercial, tourist, political and social activities. They can be a link between some of the aspirations of contemporary society and the need to safeguard some traditions and maintain the rural social and economic fabric. Other factors such as the engagement of the producer during the registration process, the modeling of the system taking into account the characteristics of its members and the environment in which they are inserted, the simultaneous use of other tools for the protection of intellectual property, and the tourism use of geographical indications can be crucial factors to increase the value perceived by the consumer and increase the chances of success of this type of system.

The results presented are intrinsic of the region studied. Therefore, similar studies could be done with other GIs in order to compare impacts within different regions and seek for factors that may further explain them (which can be very useful to public and private managers). Furthermore, the Serro region has still many study opportunities such as long-term impacts analysis; the perception and application of the 2018 new raw-milk cheese regulations; quantitative analysis; among others.

Although it has particularities, the case studied makes it clear that only the register does not guarantee territorial development. It can be inferred that the geographical indications applied to agricultural products must, in addition to an end, be considered as a mean to rural development.

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