



TERRA PAGESA

5 Employees

Overview

Terra Pagesa is an initiative for the commercialization and consumption of proximity, local, and seasonal products in Barcelona. It connects small and medium-sized farmers and ranchers in Catalonia with clients such as shops, market stalls, schools, and enterprises, promoting short supply chains without intermediaries. The project focuses on supporting local agriculture, including ecological (organic) and conventional production, to ensure fair prices for producers while fostering food sovereignty, social justice, and sustainability. It operates from a central warehouse in Mercabarna, Barcelona's main wholesale market, and emphasizes reducing food miles, minimizing emissions, and countering competition from large-scale imports. As of late 2024, it includes 53 affiliated producers serving 43 shops and 3 catering companies, with ongoing growth.

History and Inspiration

The project was promoted by Unió de Pagesos, Catalonia's majority farmers' union with over 6,000 affiliates, to address challenges faced by small and medium-sized producers in a market dominated by large companies and low-priced imports. It emerged around 2021 as part of efforts to change the food model, inspired by the need for social justice, local food relocation amid impending resource constraints (e.g., petroleum breakdown), and direct producer-client relationships to bypass intermediaries. Initial support came from the Barcelona Metropolitan Area (AMB) with €50,000 in funding in 2022, alongside the Municipality of Barcelona and regional government. The warehouse in Mercabarna opened in January 2024, with a formal inauguration in November 2024, aiming to consolidate as a key hub for proximity sales. It draws inspiration from broader movements for agroecological transitions and municipal food policies, such as Barcelona's role as a signatory to the Milan Urban Food Policy Pact.

How it Operates

Terra Pagesa functions as a logistics and distribution platform with an online marketplace (terrapagesa.cat) where registered clients (e.g., shops, schools, enterprises) select and order products directly from producers. Producers prepare orders, which are collected and consolidated at the Mercabarna warehouse for efficient delivery, minimizing handling and losses. The project is evolving to manage some stock (e.g., 50% of batches) for quicker sales and to offer additional services like product preparation for bulk clients. Prices for organic products are stabilized to ensure fair farmer compensation, while conventional prices follow market conditions; direct negotiations with clients promote transparency. It is open to all Catalan farmers, with a focus on ecological ones, and promotes community through events and social media.

Costs

The project involves costs related to logistics, such as transportation and handling of food products, packaging (plastic foil, paper boxes, plastic boxes etc etc). There are other operations such as utility bills (water, internet, electricity), insurance, maintenance services (pest control, cleaning, periodic reviews and repair of machinery)

There are economic costs associated with maintaining a central warehouse and managing stock including food loses in the process of transporting and sorting. The project also incurs expenses for developing and maintaining a robust online platform to facilitate producer-client interactions, including server hosting and cybersecurity measures.

Additional costs include investments in innovative traceability technologies such as thermal printers and QR codes for product labeling, enhancing transparency and consumer trust.

Marketing efforts to promote local products and expand the client base involve costs for community engagement events and digital campaigns.

The project faces competition from large companies that can offer lower prices due to their scale of production and ability to fix prices. Furthermore, the initiative faces financial pressures from fluctuating energy prices affecting warehouse operations and the need for periodic upgrades to logistics equipment to maintain efficiency.

Funding Sources

The project is funded by a combination of sources, including the farmers' union, the municipality of Barcelona, the regional government and subsidies

Beyond the initial €50,000 from the Barcelona Metropolitan Area in 2022, additional funding includes contributions from the European Union's Next Generation funds channeled through Spain's Recovery, Transformation, and Resilience Plan, supporting sustainable agriculture initiatives.

Private grants from environmental organisations focused on food sovereignty have also been secured, complementing public investments.

The project benefits from in-kind support, such as discounted warehouse space and logistics services from Mercabarna, reducing operational overheads.

Plans are underway to explore crowdfunding campaigns to engage local consumers and businesses in supporting the initiative's growth beyond 2026.

Revenue Generation

The marketplace facilitates direct sales from farmers to clients, including schools, shops, and enterprises. The revenue is mostly generated from the logistic service and commission for the use of the platform.

Prices for organic products are stabilised to ensure fair compensation for farmers, while conventional products' prices are updated regularly based on market conditions.

The project aims to negotiate prices directly with clients to ensure fair pricing for farmers.

In addition to logistics services and platform commissions, Terra Pagesa generates revenue through value-added services like customised product packaging and delivery scheduling tailored to client needs, particularly for schools and hospitals.

The project is piloting subscription models for regular clients, offering discounted rates for bulk or recurring orders to ensure steady income. Partnerships with eco-conscious brands provide sponsorship opportunities, with funds allocated to expand the producer network.

Seasonal promotional sales, leveraging peak demand for local produce, also contribute to revenue, with profits reinvested to enhance platform features and farmer support programs.

Cost categories

Assets	Operational costs	Personnel costs	Administration and management
Rent of storage space Around 34 000 EUR per year	Utilities Supplies/consumables Repair and renovations Insurance & legal compliance Staff salaries	Staff salaries	Maintenance of the IT infrastructure related to hosting Maintenance and external support of the online platform