

The 5th phase of the co-operative development and fair-trade research series

Executive Summary

The 5th phase of the co-operative development and fair-trade research series intends to utilize the Value Network and Fair-Trade Platform (VN&F Platform) in developing the value business models. From 12 projects under inside the research series, there are 6 projects that include the development of business models, for instance; the Farmer Shop model, the value business network of Sampran group, the moral rice network, the value network of Thai Hom Mali rice co-operatives, the fruits value network and the value network of rubber farming.

The participatory action research (PAR) which employs the supply-chain management in the business administration and advances the business capacity and resource management in cooperative manner that eventually maximize the benefits of all parties has created not only socioeconomic benefit but also environmental gains. The research findings show 5 main characteristics of success business model as following. 1) The business model that operate on mutual alliance under economic social and environmental foundations 2) The alliance has clear and systematic framework to achieve the mutual goals 3) Utilizing supply-chain management in business model 4) Operating under market mechanism for economic and social objectives 5) Do not accept funding for intervening the market mechanism that will obstruct fair-trading which is the key quality of the Social Economy Enterprises: SEE

From the analysis business model' supply chain management, it is obvious that the up-stream business process by and large aims at advancing farmers' capacity for good agricultural practices whereas the mid-stream process targets at increasing the business capability of entrepreneurs in controlling risks related to the procurement of raw materials, the development of high quality products and fair market channels to customers. On the other hand, the down-stream operation intends to create the alternative business model under Farmer Shop brand which distribute products from producers' network to customers. This model represents the vision of "Retail shop that producers and consumers are mutual owners. The Farmer Shop model has received good supports from regular customers.

This Social Economy Enterprises movement highlights 3 essential contexts to the success of business models as follow; the economic and social developments and environmental

sustainability where civic participation is central. As this approach aligns with the direction of the 11th National Economics and Social Development plan, the research team proposes policy recommendations to promote the Social Economy Enterprise (SEE) which offers a unique platform for people–center development mechanism. The SWOT analysis of SEE business model shows 9 strategic points for the strategic master plan for the advancement of SEE for the vision of country’s development entitled “Harmonious society under equality and fairness with strong immunity for changes”

The implications for future research should be divided into two research groups; the research and development for the supporting system of SEE and the research and development for the promotion of the VN&F Platform movement. These two research groups should be studied by the participatory action research platform to endorse the self–consciousness, stimulate paradigm shift and develop the effective partnership process. This process needs the utilization of knowledge capital, economic capital and social capital of alliance under the research series which will extend the research and development of SEE further. Eventually, this movement will lead to more economic and social equities in the future as well as the progress toward fair–trade system not only at the domestic level but also at the international level. This will be the alternative choice for citizens en route for the better living standard.