

Para Rubber Value Network Project: phase III

Abstract

The objectives of this research were to (1) study approaches to promote the para-rubber plantation for the cooperative members to achieve security occupation, and (2) develop cooperative's para-rubber business model with risk management under the supply-chain. The research's results have improved the business plan of para-rubber network of Yantakhao cooperative's value supply-chain by analyzing situation that consider 4 business environments, the opportunities, threats, strengths and weaknesses. This has led to the proposed 49 strategies for para-rubber business network's value supply-chain. It also included marketing plan and product development plan in the business plan. The product, promotion and price strategies were defined in the marketing plan. In terms of product development and marketing plans, operational plans were determined with 6 aspects. Especially focusing on learning and development by Yantakhao para-rubber network's value supply-chain. It also introduced role model para-rubber plantation with lower cost of production. The encouraging learning society and provide members with an understanding of sustainable para-rubber plantation were included as well.

As for the risk management plan in the para-rubber business in the year 2555-57 being conducted through 6 processes of the risk management, it founded that the businesses of selling para-rubber and processing of smoked rubber sheet of the cooperative's plant was likely to be most at risk. As for the selling para-rubber business, it can be divided the risk management into 2 groups of administration with 7 program/projects. It also can be divided the risk management into 4 groups of administration with 11 program/projects for processing of smoked rubber sheet of the cooperative's plant business.

Another part of the research was to assess the farmers' opinion and the impact on the economic and the behavior change at the level of members, cooperative, and network. Data from interviewing 356 sample members shown that about half of the para-rubber farmers obtained income from conducting solely para-rubber plantation. Therefore these farmers were high-risk to be affected by the decline of para-rubber prices. The samples assessed that the economic impact due to the decline of para-rubber prices would lead to a severe drop in revenues. In addition, it found that only 23.93 percent of the members have adopted philosophy of sufficient economy approach to practice.

The results of operational research on virtual learning center to serve members and driven learning center and plans to promote para-rubber plantation to members. There are role model farmers acting as mentors and distribute the technology/innovation in the para-rubber plantation. A role model was selected base on the member complying the sufficiency economy approach in para-rubber plantation to act as a learning hub to expand these practices. As for the plan to promote para-rubber plantation to members to build platform for promoting the stable and sustainable para-rubber plantation, the principle of sufficiency economy has to be emphasized. Based on the analysis of the underlying plantations with farm management under the price risk and income uncertainty in para-rubber plantation career, the para-rubber plantation that holded a moderation, rationality and especially, a great invulnerability in the occupation. These would lead to a better life on economic, social and environment. It also would bring balanced progress, stable and sustainable para-rubber plantation.

Study to obtain a model of cooperative business in para-rubber supply chain management, from the research and a lesson learn found that enhance the capacity of Yantakhao Agricultural Cooperative and utilizing the mechanisms of introducing the business plan, risk management, learning center and plans to promote the para-rubber plantation in accordance with sufficiency economy guidelines. These would be the solution of para-rubber price volatility and declining trend. Moreover, the model has been developed to manage supply-chain of cooperative para-rubber business with risk management at the upstream, midstream and downstream levels. In addition, the model should focus on linking both public and private sectors and educational institutions to create networks of associated parties and partnership.

The results suggested 7 major policy recommendations for driving the business plan with risk management for agricultural cooperatives: the case of para-rubber business. For example, (1) the government should consider to take Yantakhao Agricultural Cooperative's pattern of para-rubber business network to resolve the claim on para-rubber price declining problem. The public sector must considered to assist and support other agricultural institutions with high potential for their strengthened and self-reliance. Their sharing would empower them to work like a virtual locomotive engine in driven to resolve this problem. (2) in the initial phase, agricultural institutions have to seek the technical cooperation from various educational institutions to provide academic help as mentors and consultant, as well as research and development. (3) the risk management on personnel with the knowledge and para-rubber business vision must be considered to support personnel of the cooperatives and network. Including their children must receive scholarships for

the further study. (4) to develop potential of cooperatives in the para-rubber business, it should be conducted in a three phase process that began with the preparation of the member database. Next, it should be defined a framework of direction as well as strategic and business plans. Finally, it needed to create and reproduce a para-rubber business model from upstream middlestream and downstream with risk management, etc.