



Case Study I Kitchakood Model



19

Case Study I: Kitchakood Model



The Kitchakood Model is a business model of the Kitchakood Agricultural Co-operatives Ltd. in Chanthaburi province. It adopted the Value Chain Development platform in search of a solution to the highly volatile fruit markets, the challenges faced by the co-operative members. The strategic framework for creating the Fruit Value Network and its economic and social implications for the communities

20

Background:



- Since its registration in 1994, The Khao Kitchakood Co-ops has experienced several crises as well built long standing synergies.
- Now, it represents 1404 farmers, 15 board members 10 officers and 5 part-time employees.
- In 2005-2007, As production costs increase and retail prices of fruit decrease, the Co-ops struggles. Farmers become indebted. Around the same time the government encourages farmers to cultivate the Para rubber tree and Oil palm tree. Many farmers begin to grow Para rubber trees. Some of them come together to improve the quality of fruit production
- After the workshop among Coops-CAI. The Participatory Action Research (PAR) started in order to find the solution.
- The business model based on the value chain development approach was created through the PAR during 2007-2014 supported by CAI, TRF and a related agency.

13 กรกฎาคม 55



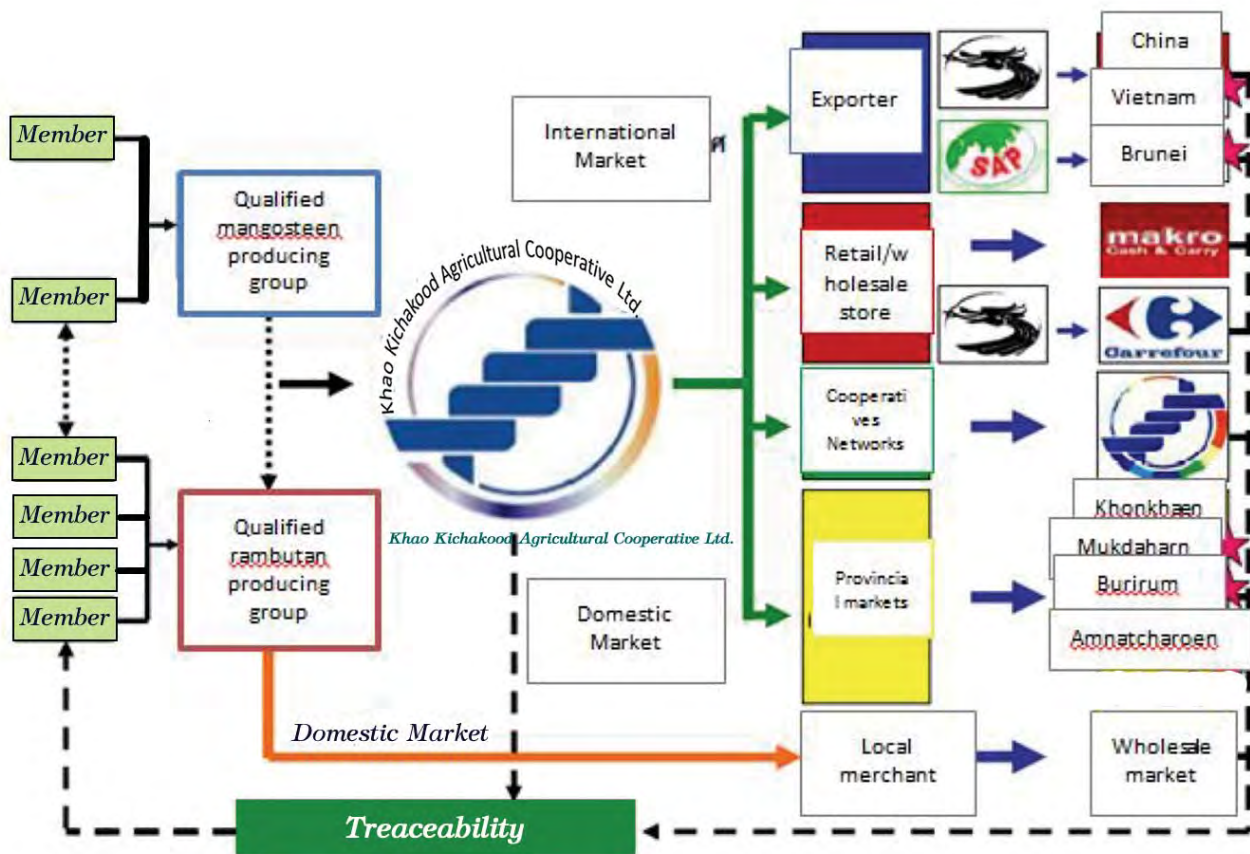
Background:



- Chanthaburi Province is situated on the east coast of Thailand.
- The province covers 6,388 sq.km.
- The majority of the pop. Is made up of farmers and fishermen.
- Chanthaburi Province produces the largest share of produce at the national fruit market.
- The most common tropical fruit tree species are the Mangosteen, Durian Sala and Rambutan.



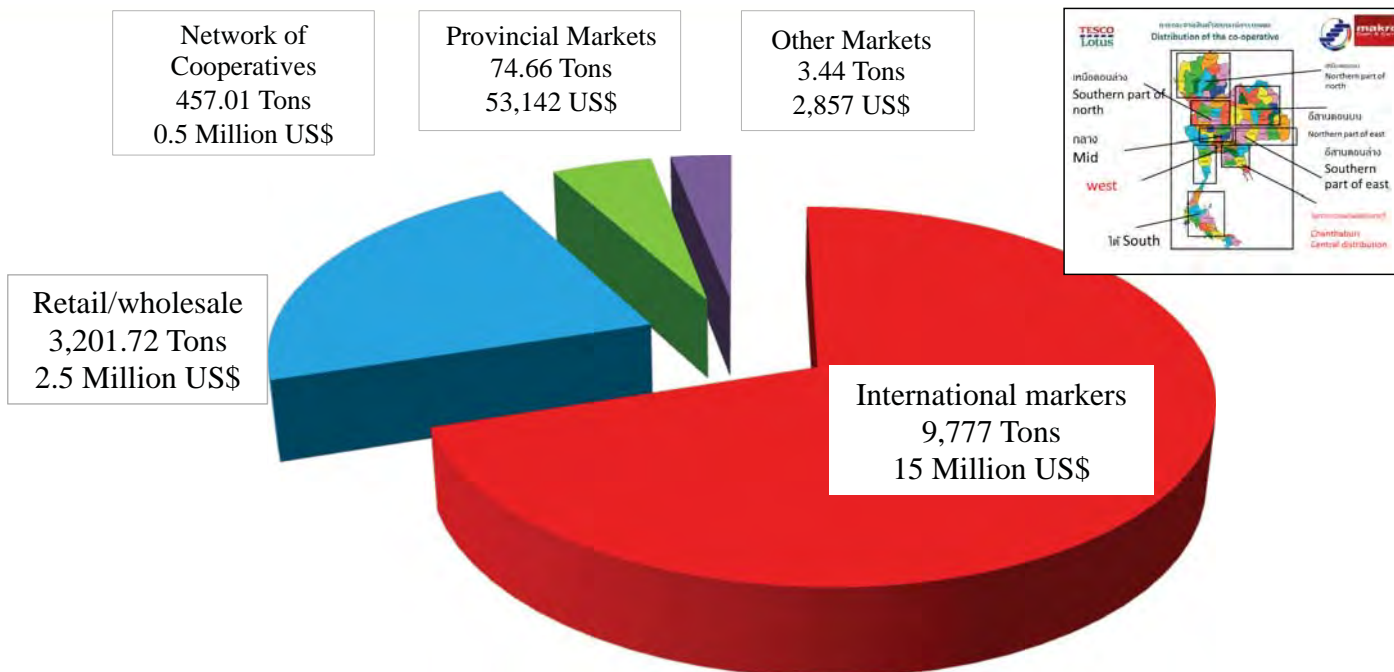
The Kitchkood Business Model



23



Target Market of Products



Source: The Department of Agriculture, July 2015

24



Kitchakood's best practices



- 1) Empowering the new generations with the wisdom of the members, and passing along the objectives, methodology and the Cooperative's values to the next generation. Members will then feel a sense of belonging and ownership for the Cooperative Union, so that the next generation inherits these values and passes them on. By promoting group participation activities, we can create good relations between farmers and members. Finally, an agenda will be set for an annual meeting so farmers and members can participate in Cooperative planning together and continue to operate towards the achievement of similar short-term goals.
- 2) Educate farmers and members by providing relevant information, like marketing trends, transportation systems, harvesting techniques, etc. The goal is to help them adapt to the current global context of rapid change. Encourage members to produce only the best quality fruits. be self-sufficient and exchange knowledge and experience with other farmers and members.

25



Kitchakood's best practices



- 3) Promote a food safety policy for farmers and members, in which they must be aware and can implement Good Agricultural Practices (GAP) standard at their farms. Encourage farmers and members to participate in GAP, and submit to farm audits (Q-Mark). Above all, assure that fruit production is traceable, to ensure quality for customers and help promote access to marketing channels.

26



Kitchakood's best practices

Managing the know-how in order to develop themselves, their communities and co-operative.



- 4) Encourage member to understand and realize the important of doing daily record-keeping, which would include historical production, production and trade levels, etc. This information will help farmers and the Cooperative Union make joint decisions for production and marketing plan for subsequent seasons.
- 5) Encourage member to meet with other groups or members of the Cooperatives Union so members can exchange experience and skills. The Cooperatives can follow up with their production activities, and help members come up with solutions during the process.
- 6) Promote “learning by doing” for farm groups managing fruit quality development process and marketing channels.

27



Kitchakood Agricultural Cooperative Ltd.



Vision: *To be the organizational center for agricultural production and business development working towards the stability and happiness of farmers and members.*

Goal:

1. Cooperative member participate in organization activities and promote Cooperative business.
2. The quality of agricultural products from members is guaranteed and generates a higher selling price at market.
3. Cooperative business is managed effectively and efficiently and shepherds the completion of organizational and community activities.
4. Cooperative management system contributes to efficient operations.
5. Cooperative members and their families live healthy, positive lives.

At present, the Khao Kitchakood Co-ops is honored as the valuable Agri. Co-ops. The Living Learning Center was establish in order to distribute knowledge sharing for public. The center provide training services as well to others, counting national and international visitors.

28

