

Pornpan Torsampandee 2011: An Analysis of Sugar Cane Value: Case Study in Kaeng Sanam Nang District, Nakhon Ratchasima Province, 2009/2010 Crop Year. Master of Science (Agricultural Economics), Major Field: Agricultural Economics, Department of Agricultural and Resource Economics. Thesis Advisor: Mrs. Kulapa Kudilok, Ph.D. 142 pages.

Sugarcane plantation in Kaeng Sanam Nang District, Nakhon Ratchasima Province, still faces lack of fund, input procurement and labor problems. Therefore, the objectives of study are to analyze value chain and costs and returns of sugarcane production. Farmer samples were selected from the groups that have production plan with Aungwian company. Value chain and costs and returns frameworks have been employed to search what the problems really are.

The results found that farmers still do not know how to manage for sugarcane production value chain. For example, they face financial investment problems, fund shortage and high interest rate. They also hire labor with higher wage and low skills. For sugarcane production technology development, only some farmers have more improved technology to apply with input use. They also face ratoon selection problem, price determination, and input problems which affect costs and returns. Therefore, costs and returns were studied. The results showed that the highest cost was sugarcane ratoon selection. Technology development such as tractors was used for cost reduction. There were two farmer groups; using machine and only labor. For the first group, they can reduce cost for sugarcane production. Although they earned about 1,611.21 baht from the cutting, they can gain profit about 3,722.99 baht for production from the ratoon 1st and 3,439.91 baht for production from the ratoon 2nd. In contrast, farmer using only labor lose about 1,014.91 baht from the cutting, they gained profit about 2,313.07 baht for production from the ratoon 1st and 2,122.01 baht for production from the ratoon 2nd. The value chain will be improved, if farmers have improved planning for sugarcane plantation. Focusing on the costs for growing sugarcane, sugarcane yield and quality of sugarcane. Farmers should increase the knowledge of sugarcane, technology development, measuring intimate close (C.C.S) to select inputs. Sugarcane factory should be fair for farmers in terms of the loan interest rate and the net price of sugarcane. The government should address the knowledge of sugarcane, support loans and find the ways to reduce production costs, particular in wage, transportation and input factor which affect directly the most.

Student's signature

Thesis Advisor's signature