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GOVERNANCE STRUCTURE, UPGRADING AND THE ROLE OF INSTITUTIONS IN THE VALUE CHAIN OF RUBBERWOOD INDUSTRY IN KERALA

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ABSTRACT

Value chain describes the full range of activities which are required to bring a product or service from conception through different phases of production, delivery to final consumers, and final disposition after use. The value chain concept has several dimensions like the input-output structure, the geographical spread, the chain governanc, the role of institutions and upgrading in value chains. The present study analyses the governance structure, upgrading and the role of institutions in the rubber wood industry in Kerala based on the primary data that was collected through a systematic sample survey on the plywood industry (30 units) and a census survey of SPRWP units in Kerala. Rubber wood industry is a 'sunrise industry' as far as Kerala is concerned. The analysis about the aspects of governance leads to the conclusion that the value chain is producer driven .The upgrading in the rubber wood industry is not hierarchical or captive network but a balanced network where enterprises cooperate and have complementary competencies but no control over each other. The buyers and institutions have a limited role in upgrading .Both process upgrading and product upgrading is found.

KEYWORDS: 1. SPRWP- Secondary Processed Rubber Wood Products, 2.EGP- Edge Glued Panel(Finger jointed Boards),3. RSKD-Rough Sawn Kiln Dried,4. S4S- Surface Four Sides planed.