



Thimar Rewards Program for Incentivizing Farmers

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Objectives

Thimar Rewards Program for Incentivizing Farmers is a creative initiative to support farmers who supply products from their farms to Silal Food & Technology and increase returns on local agricultural production.

The program is based on guaranteed fixed prices for the purchase of agricultural products throughout the year, in addition to incentive bonuses that are accumulated with every kilogram of fruits or vegetables supplied, provided that the conditions of the program are met.

The program aims to help farmers to maximize the value of their production and is based on fixing purchase prices for their products throughout the year.

It includes a reward system where farmers are awarded bonus points per kilogram of products they supply as shown in the Cumulative Points Table.

These bonus points are accumulated and converted to additional value for farmers at the end of the agricultural season based on the fixed prices, provided that farmers have met the conditions of the program.

Bonus point
conversion:
Every
1,000 bonus
points = 1 dirham



Conditions for benefiting from the program:

- Commitment to implement the agricultural plan in terms of varieties, quantities, and quality standards.
- Commitment to supply the agreed quantities throughout the agricultural season.
- Commitment to supply at least 70% of Class 1 products in order to benefit from the fixed price.
- Any quantities that Silal does not take, the farmer has the right to sell them directly to the market.
- A farmer that abides by his contract, to supply the quantity and quality of product he's agreed to, will be entitled to a bonus. If the farmer is unable to honor the contract, due to a "force majeure" (extreme climate conditions, crisis, etc.), the farmer will still be entitled to the annual bonus based on what he's supplied throughout the season.



List of products, price and bonus



| # | Product | Price (AED/kg) | | Bonus points/kg | |
|----|------------------------------|----------------|---------|-----------------|---------|
| | | Class 1 | Class 2 | Class 1 | Class 2 |
| 1 | Cucumber | 2.2 | 1.3 | 7 | 1 |
| 2 | Cucumber Snack | 4.0 | 2.0 | 116 | 28 |
| 3 | Cucumber - Organic | 4.0 | 2.4 | 75 | 8 |
| 4 | Tomato Table Round | 3.0 | 1.7 | 40 | 4 |
| 5 | Tomato Table Round - Organic | 6.0 | 4.4 | 112 | 15 |
| 6 | Tomato Cherry Red | 8.0 | 4.9 | 116 | 28 |
| 7 | Tomato Cherry - Organic | 12.0 | 6.7 | 116 | 28 |
| 8 | Tomato Beef | 4.0 | 2.8 | 309 | 47 |
| 9 | Tomato Beef - Organic | 8.4 | 6.2 | 630 | 86 |
| 10 | Marrow/Koosa | 4.1 | 2.2 | 754 | 91 |
| 11 | Marrow/Koosa - Organic | 6.6 | 3.9 | 2,849 | 313 |
| 12 | Capsicum Green Bell | 3.8 | 2.2 | 224 | 29 |
| 13 | Capsicum Green - Organic | 5.6 | 3.5 | 1,109 | 129 |
| 14 | Capsicum Red | 6.0 | 3.2 | 116 | 28 |
| 15 | Capsicum Yellow | 6.0 | 3.3 | 116 | 28 |
| 16 | Eggplant | 4.0 | 2.2 | 253 | 31 |
| 17 | Eggplant - Organic | 5.7 | 2.6 | 1,230 | 103 |
| 18 | Beetroot | 2.0 | 1.3 | 116 | 28 |

| # | Product | Price (AED/kg) | | Bonus points/kg | |
|----|-------------------------|----------------|---------|-----------------|---------|
| | | Class 1 | Class 2 | Class 1 | Class 2 |
| 19 | Beetroot - Organic | 7.2 | n.a. | 116 | 28 |
| 20 | Coriander - Organic | 10.2 | n.a. | 116 | 28 |
| 21 | Parsley - Organic | 10.2 | n.a. | 116 | 28 |
| 22 | Sweet Corn | 3.5 | 2.0 | 116 | 28 |
| 23 | Sweet Corn - Organic | 8.4 | 6.1 | 116 | 28 |
| 24 | Cabbage Red | 1.5 | 1.0 | 116 | 28 |
| 25 | Cabbage Flat | 1.5 | 1.0 | 116 | 28 |
| 26 | Cabbage White Round | 1.5 | 1.0 | 116 | 28 |
| 27 | Cabbage White - Organic | 3.6 | n.a. | 116 | 28 |
| 28 | Beans Green | 6.0 | 4.0 | 116 | 28 |
| 29 | Beans - Organic | 7.0 | 5.0 | 116 | 28 |
| 30 | Chili Green Long | 4.0 | 2.5 | 116 | 28 |
| 31 | Chili Green Short | 3.0 | 2.0 | 116 | 28 |
| 32 | Chili Green - Organic | 5.0 | 3.0 | 116 | 28 |
| 33 | Chili Red Long | 7.0 | 4.5 | 116 | 28 |
| 34 | Okra | 6.0 | 4.0 | 116 | 28 |
| 35 | Okra - Organic | 7.0 | 5.0 | 116 | 28 |
| 36 | Lettuce Iceberg | 3.8 | 1.9 | 116 | 28 |
| 37 | Lettuce Romaine | 3.0 | 1.9 | 116 | 28 |
| 38 | Lettuce Lollo Biando | 13.5 | n.a. | 116 | 28 |





| # | Product | Price (AED/kg) | | Bonus points/kg | |
|----|------------------------|----------------|---------|-----------------|---------|
| | | Class 1 | Class 2 | Class 1 | Class 2 |
| 39 | Lettuce Lollo Roso | 13.5 | 4.9 | 116 | 28 |
| 40 | Onion Brown | 3.8 | 1.9 | 116 | 28 |
| 41 | Onion Red | 3.8 | 1.9 | 116 | 28 |
| 42 | Onion White | 2.5 | 1.4 | 116 | 28 |
| 43 | Potato | 2.3 | 1.4 | 116 | 28 |
| 44 | Pumpkin White | 2.0 | 1.1 | 116 | 28 |
| 45 | Turnip | 1.5 | 1.0 | 116 | 28 |
| 46 | Sweet Potato | 3.8 | 2.1 | 116 | 28 |
| 47 | Sweet Potato - Organic | 4.0 | 2.5 | 116 | 28 |
| 48 | Carrots | 1.5 | n.a. | 116 | 28 |
| 49 | Sweet Melon | 3.8 | 2.3 | 116 | 28 |
| 50 | Rock Melon | 4.5 | n.a. | 116 | 28 |
| 51 | Honeydew Melon | 3.8 | 2.3 | 116 | 28 |
| 52 | Watermelon | 3.4 | 2.0 | 116 | 28 |
| 53 | Fig | 36.2 | n.a. | 116 | 28 |
| 54 | Ber | 4.36 | 2.35 | 116 | 28 |
| 55 | Lime | 2.5 | 1.25 | 116 | 28 |
| 56 | Passion Fruit | 12.0 | n.a. | 116 | 28 |
| 57 | Papaya | 7.0 | n.a. | 116 | 28 |
| 58 | Strawberry | 9.0 | n.a. | 116 | 28 |

Frequently asked questions:

01 I have a farm and would like to apply to supply agricultural products.

Farmers can apply to supply agricultural products through sending their request to farmerssupport@silal.ae

02 How do I apply to supply agricultural products?

Apply by filling in the application form including the products that you wish to supply along with details of your farm such as acreage and growing weeks. The application will be reviewed and a plan will be issued for the farm.

03 What are the services provided by Silal in the supply contract?

Farm owners will benefit from a variety of services when signing a supply contract. These include:

- Agricultural engineers will visit farms and provide technical advice and guidance on best practices for farming the required products.
- Products will be quality tested once they arrive at receiving centers and quality certificates issued for them.
- Loading containers will be provided for certain products.
- The agreed price for the products will be paid within 30 days.
- Product samples will be taken for lab testing for quality assurance and consumer safety.

04 What are the conditions and commitments stipulated in the supply contract?

The supply contract lists a number of conditions and commitments that must be adhered to. These include:

- Adherence to growing the agreed products at the agreed dates and in the agreed acreages.
- Adherence to the decisions and policies of Silal.
- Direct communication with the supply officer and contract manager for periodic follow-up and enquiries.
- Use of pesticides to conform to standards set by the Ministry of Climate Change and Environment.
- Provide a schedule by mid-day Wednesday for the following week's harvest and supply the agreed quantities accordingly.
- Supply products that meet the agreed and approved quality standards and not mix Class 1 and Class 2 products.

05 What are the required quality standards for agricultural products?

Quality standards for Class 1 and Class 2 agricultural products include but are not limited to:

- Colour, dimensions, weight & smell.
- Farmers will be issued with a copy of the approved standards upon signing the contract and the products will be tested and classified upon receipt accordingly.

06 How will the agreed products be delivered?

Farmers will deliver products at the receiving center agreed to in the contract and as per the timetable and quantities agreed to in the weekly harvest schedule which is to be issued on the Wednesday of the week preceding the delivery.

07 Does Silal provide packing containers for agricultural products?

Silal provides packing containers for certain types of agricultural products that may be damaged during handling and packing. These include: beef tomatoes, cherry tomatoes, marrows, potatoes, cabbages, and onions.

08 What is the required packaging method to ensure the delivery of quality agricultural products?

Farmers shall pack the products in plastic crates which will be returned within three working days from date of delivery.

09 What changes have been made to the agricultural plan for the 2020/2021 season?

In order to attract more farmers and attain food security and agricultural sustainability in the Emirate of Abu Dhabi, fixed seasonal prices have been guaranteed for farmers on condition that they deliver all the quantities of products agreed to in the agricultural plan which include the full production capacity of the farm and that farmers do not sell their products to dealers or on the open market.

10 What if the ratio of Class 2 products exceeds the ratio set in the fixed price agreement?

Farmers are required to supply at least 70% of Class 1 products to benefit from the fixed price. The maximum quantity of Class 2 products that will be paid in fixed price is 20%. Silal may accept an additional 10% of Class 2 at the weekly price, but any quantity of Class 2 products above the maximum of 30% will be rejected.

11

What if actual quantities exceed what has been agreed to in the fixed price agreement?

All quantities will be accepted even when they exceed the agreement on condition that the farmer has adhered to the above conditions; that is all products agreed to in the agricultural plan (which include the full production capacity of the farm) are delivered and that no products are sold directly to dealers or the open market.

12

What happens if market prices are higher than the fixed price and the farmers sells products to dealers?

If the products of the farm are sold directly to dealers or the open market, then the farmer will no longer have the right to benefit from the fixed price agreement and bonuses. The fixed price agreement will be switched to the fluctuating weekly price system and any accumulated bonus points will be annulled.

13

What if I do not want to participate in the fixed price agreement?

The fixed price agreement is available to those farmers who adhere to the above conditions which include:

- All products agreed to in the agricultural plan (which include the full production capacity of the farm) are delivered to Silal and that no products are sold directly to dealers or the open market.
- Farmers are also required to adhere to the quality standards of their products and supply at least 70% Class 1 products.

In the event that the farmer does not want to commit to the said conditions, then he may avail himself to the fluctuating weekly price system which is based on market prices.

Farmers select the price system by which they want to operate when applying to join the program.

14

Will the fixed prices change during the 2020/2021 season?

Fixed prices are not subject to change because they are set in order to attract more farmers, increase agricultural production, and attain food security and agricultural sustainability in the Emirate of Abu Dhabi with the adherence of program members to the conditions and quality standards.

15

What if I joined the fixed price agreement and after signing the contract and delivering the products I did not adhere to growing certain products as per the approved agricultural plan?

Farmers are required to grow the products approved in the agricultural plan based on available acreage and growing weeks and must fully adhere to delivering all their production to Silal as per the approved quality standards.

Failure to adhere to the above gives Silal the right to transfer the farm to the fluctuating weekly price system.

16

What are the penalties for violating conditions of the contract?

Silal reserves the right to cancel the contract immediately and annul all accumulated bonus points in the event that:

- The farmer does not adhere to the conditions of the contract.
- The farmer's conduct brings disrepute to Silal.
- Farming permits are withdrawn.
- The farmer or any of his employees act in any way that is unbecoming, unethical, or deceptive, whether intentionally or otherwise.
- The farmer neglects to meet his obligations to Silal.

17 Is it possible for the price of cucumber to be increased?

Silal is keen to diversify the basket of agricultural products and the varieties of local products to meet the needs of the markets and contribute to increasing the income of farmers.

18 Why has the ratio for receiving Class 2 products not been increased?

Silal aims to increase the quality of local agricultural products and their competitiveness vis-a-vis imports.

Silal also aims to develop the capabilities of farmers and incentivize them to adopt good farming practices so as to ensure sustainability of the agricultural sector.

19 How and when will dues be paid to farmers?

Dues will be paid to farmers by bank transfer within 30 days of delivery.

20 Am I able to sell my products to the private sector outside the program or am I required to sell all my production to Silal?

By signing the contract the farmer commits to selling all his production to Silal.

In the event that farmer sells products to any other party, then Silal reserves the right to remove him from the program.

21 If I do not adhere to the conditions of the contract, will I still be able to benefit from previously accumulated bonus points?

In the event that the farmer fails to deliver the quantities agreed on throughout the year, then any previously accumulated bonus points will be annulled and he will be unable to benefit from them.

22 How and when will I benefit from the bonus points that I accumulate by adhering to the program?

The bonus points accumulated by the farmer will be counted at the end of the season and converted to a monetary equivalent as per the conversion schedule.

The monetary equivalent will be paid at the end of the agricultural season on condition that the farmer adhered to the standards of fixed prices and bonuses.

Contact Details

| Area | Engineer | Mobile |
|-----------|---------------------|------------|
| Abu Dhabi | Laith Awwad | 0567225254 |
| Al Ain | Omar Dayya | 0504103904 |
| Al Ain | Abdullah Al Khatib | 0551782792 |
| Al Ain | Hakam Al Rosan | 0558589795 |
| Al Ain | Saedullah Abdulwali | 0501322933 |
| Al Dhafra | Mostafa Hasan | 0505160992 |
| Al Dhafra | Abdalrahma Karamneh | 0554869946 |

Location of operations

| Location | Region | Functionality | | | Opening Hours | | Distribution Planning |
|-------------------------------|----------------------------|-------------------|-----------|---------------------|--------------------------------------|-----------------|-----------------------|
| | | Collection Center | PackHouse | Distribution Center | Days | Receiving Hours | 2nd Shift Working |
| Baniyas | Abu Dhabi | X | X | X | Saturday to Thursday | 07:00 - 15:00 | 15:00 - 23:00 |
| Al Khatem | Abu Dhabi | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Al Rahba | Abu Dhabi | X | | | Sunday to Thursday | 07:00 - 15:00 | N/A |
| Salamat | Al Ain | X | X | | Saturday to Thursday | 07:00 - 15:00 | 15:00 - 23:00 |
| Abu Samra | Al Ain | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Al Haier | Al Ain | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Abu Kraiya | Al Ain | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Al Oya | Al Ain | X | | | Sunday, Tuesday, Thursday & Saturday | 07:00 - 15:00 | N/A |
| Sweiha | Al Ain | X | | | Sunday, Tuesday, Thursday & Saturday | 07:00 - 15:00 | N/A |
| Madinat Zayed | Western Region (Al Dhafra) | X | X | | Saturday to Thursday | 07:00 - 15:00 | 15:00 - 23:00 |
| Mezeeraa | Western Region (Al Dhafra) | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Siah Al Khair | Western Region (Al Dhafra) | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Al Tharwaniya | Western Region (Al Dhafra) | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Hameem | Western Region (Al Dhafra) | X | | | Sunday, Tuesday, Thursday & Saturday | 07:00 - 15:00 | N/A |
| Ghiyathi | Western Region (Al Dhafra) | X | | | Saturday, Monday, Thursday | 07:00 - 15:00 | N/A |
| Umm Al Hosn | Western Region (Al Dhafra) | X | | | Saturday to Thursday | 07:00 - 15:00 | N/A |
| Al Sila | Western Region (Al Dhafra) | X | | | Seasonal, opens Feb & March | N/A | N/A |

For more information and details, please contact us at farmerssupport@silal.ae