

May 2020

MILK INFORMATION

MILK SUPPLY

April 2020 Milk Supply: 15.41 million litres.
 April 2019 Milk Supply: 14.63 million litres
 This represents a 5.3% increase on 2019.
 Milk supply for May is up 4% to date.

Peak supply, which normally occurs in mid May, looks to have started in early May this year and is holding up well. Thankfully there has been no interruption to either milk collection or processing so far due to the Coronavirus issue.

We urge everybody to continue to observe the guidelines that have been circulated in previous newsletters and correspondence.

MILK PRICE

Milk price for April has been reduced by 1 cent per litre. This gives a base price of 32 cent per litre including SCC bonus and VAT. The price includes a contribution of 1.5 cent per litre from the Stability Fund.

The average prices paid for the month, based on the average constituents of 3.92% butterfat and 3.39% protein, are as follows –

Variable =	33.72
Fixed Milk 4 =	34.16
Fixed Milk 5 =	34.18
Fixed Milk 6 =	33.56
Average Price =	33.76

DAIRY MARKETS

The worldwide lockdown continues to effect dairy markets. Butter and skim have stabilized somewhat over the past two weeks but at very low levels – some 25 to 30 percent below their January prices.

Cheese price is now coming under pressure as the loss of food service business takes effect and more milk is diverted to cheese.

Global milk supply has grown by almost 1.5% this year with substantial increases in Europe and the US.

On the other side it is estimated that global dairy demand will take a hit of 10 to 15% in the current crisis. This supply/demand imbalance will need to see a substantial correction before markets return to normal.

YEAR END BONUS PAYMENTS

The Committee of Management have sanctioned the following bonus payments to our suppliers and customers based on 2019 trading.

These bonuses will be paid out with your April milk payment or credited to your account as appropriate.

- 2019 Milk Supply – 0.95 cent per litre
- Compound Beef & Calf Feeds - €10 per tonne
- Compound Dairy Feed - €5 per tonne
- Pig Feed - €5 per tonne
- Fertilizer - €7 per tonne
- Grain - €5 per tonne

The usual criteria will apply to qualify for our milk and grain bonuses for 2020.

ANNUAL GENERAL MEETING

The Coop normally holds it's AGM in late May. As you would expect, with the current crisis and ban on large gatherings, this has had to be postponed.

We would hope to hold the AGM sometime in the Autumn depending on the course of the pandemic.

We will in any case be posting the 2019 Annual Report to all shareholders within the next few weeks.

INTERNATIONAL DAY FOR BIOLOGICAL DIVERSITY - MAY 22ND

This year's theme for Bio-diversity Day is 'Our Solutions are in Nature'.

Just over 12 months ago Ireland declared a climate and bio-diversity emergency becoming only the 2nd country in the world to do so at the time.

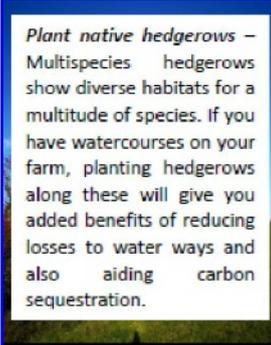
There are many benefits for farmers when it comes to maintaining and enhancing bio-diversity and many solutions for climate change can also be found in nature.

If you are farming with a nitrates derogation you must adopt one practice to enhance bio-diversity.

Protect What You Have

The most important thing is to evaluate what bio-diversity you have on your farm and understand how you can protect this before you plan to enhance it.

Here are 9 ways you can enhance bio-diversity on farm.



Plant native hedgerows – Multispecies hedgerows show diverse habitats for a multitude of species. If you have watercourses on your farm, planting hedgerows along these will give you added benefits of reducing losses to water ways and also aiding carbon sequestration.



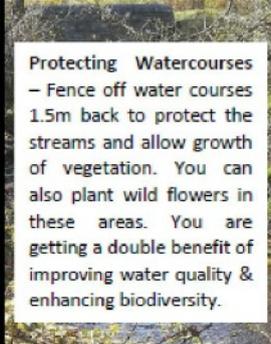
Field Margins and Roadways – Leaving field margins and grassy farm roadways to grow will provide essential covers for beetles, butterflies, shrews, hedgehogs, and many smaller birds. It is important to leave these unsprayed particularly during the summer



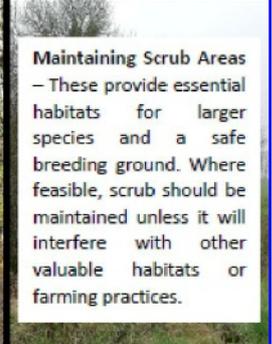
Hedgerow Maintenance – Leave one whitethorn tree grow tall. Birds will nest in hedgerows 1.5 meters or more. Flowering hedgerows such as blackthorn, willow or hawthorn provide essential food for bees. Hedgerows also benefit your herd by providing shelter in poor



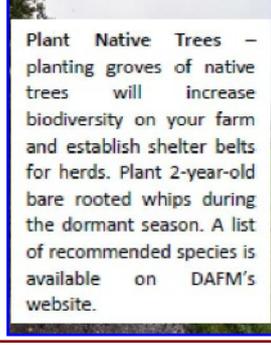
Wild Flowers – planting wild flowers can provide food for pollinators. You could plant wild flowers alongside hedgerows and fence them off to protect them from the herd. South facing areas will always work best for this.



Protecting Watercourses – Fence off water courses 1.5m back to protect the streams and allow growth of vegetation. You can also plant wild flowers in these areas. You are getting a double benefit of improving water quality & enhancing biodiversity.



Maintaining Scrub Areas – These provide essential habitats for larger species and a safe breeding ground. Where feasible, scrub should be maintained unless it will interfere with other valuable habitats or farming practices.



Plant Native Trees – planting groves of native trees will increase biodiversity on your farm and establish shelter belts for herds. Plant 2-year-old bare rooted whips during the dormant season. A list of recommended species is available on DAFM's website.



Maintain Wetlands – If you have wetlands on your farm it is important to protect them and maintain them. Avoid spreading fertiliser within a 5m margin of these. Plants will breakdown in them providing essential food for aquatic species.



Nutrient Management Planning – Stick to your NMP. Where possible reduce your synthetic fertiliser applications. Enhancing soil health improves biodiversity in the ground and also reduces emissions and costs at farm level.

SDAS BORD BIA AUDITS

During extraordinary events or circumstances, such as we find ourselves, Bord Bia, as an accredited Conformance Assessment Body (CAB) under ISO 17065, is required to ensure that compliance to the Standard is maintained. Certification extension is one action which can and has been taken during the Covid-19 pandemic, but this alone cannot be the only course of action.

In order to extend certifications for a longer period a CAB is required to establish short term methods of assessing the continued compliance of the certified farm. Remote auditing is an alternative assessment approach accepted by our Accreditation Body, INAB. Farms/Producers are subject to a remote audit once they are given a second extension of 2 months to their current certificate. An on-site audit will take place as soon as is practicably possible once the situation returns to normal.

What is a remote audit? A remote audit is conducted over the phone and will cover everything that is usually covered on site but uses technology to support

the auditor.

What do I need to do in advance of the remote audit? Your auditor will contact you a minimum of 2 weeks prior to your audit to explain the process and arrange a date for the remote audit phone call.

Pre-Audit Information will be required in advance of your arranged remote audit time. This information can be provided online by following the link that will be sent by the auditor.

What happens on the day of the remote audit? Your auditor will call at the pre-arranged remote audit time. The remote audit shall include:

- An assessment / discussion of the **pre-audit information** provided.
- Assessment of **key procedures / records** and
- Assessment of **specific aspects of concern** identified through review of the pre-audit information

If you have any questions please contact Eleanor Hayes 0872840052