

## Products and Services on offer for dairy farmers in 2026

Representatives of the IFA dairy committee recently met with the main financial institutions regarding what financial assistance they are willing to provide dairy farmers in light of the recent downturn in farm gate milk prices.

IFA met Bank of Ireland, AIB, PTSB and Finance Ireland. All encouraged farmers to engage early if experiencing financial difficulties. For those that invested from cashflow in the last 12-18 months all were willing to provide finance retrospectively for these investments.

In general, banks have noted that dairy farmer current accounts are in a strong position facing into 2026 with low utilisation of overdrafts and low per cow levels of debt. The average loan amount drawn down in 2025 was €40,000 - €60,000. Extending the overdraft during tough times is the most expensive form of credit (7-9% interest rate range) especially when there are other options available. See below a description of the variety of financial products currently offered by financial institutions. General credit terms and conditions apply. Finance for the purchase of land is not included. SCBI funding may become available in Q1/Q2 of 2026 which may enhance lending options offered.

### Short term finance

Product	Term	Loan amount	Interest rate (as of 23/02/2026)	Additional Notes
AIB Overdraft	Annual facility	Pre-agreed limit	7.85%	
AIB Prompt pay	11 months	>€5000	Negotiated pricing	Suitable for financing a large bill over an 11-month term – e.g. income tax, insurance
AIB Farmer Credit Line	Annual facility	Pre-agreed limit	6.2% Variable	Account must maintain a nil balance for 30 days in a year.
Bank Of Ireland Overdraft		Pre-agreed limit	8.05%	Working Capital
Bank Of Ireland Stocking facility	Up to 24 months	<€120,000	6.51% Unsecured	Working Capital/Stock purchase
		>€120,000	5.06% Secured	
PTSB overdraft		>€1,000	8.0% Var	Security may be necessary
PTSB Stocking Facility	12 months	>€5,000	7.5% Var	Bullet repayment at expiry

### Long term finance

Product	Loan Amount	Term	Interest Rate (as of 23/02/2026)	Security	Additional notes
AIB Agri-sustainability loan	€2,000-€100,000	Up to 7 years	4.95% Variable	Security may be required	Can be used for an environmentally friendly investment – e.g. slurry storage  Farm must be in a sustainability programme – e.g. Bord Bia SDAS, ACRES etc.
AIB SME Business loan	Up to €60,000	Up to 7 years for stock Up to 15 years for farm buildings Up to 20 years for land purchase	7.45% Fixed	Security may be required	
AIB SME Business loan	€60,000 - €300,000	Up to 7 years for breeding stock Up to 15 years for farm infrastructure Up to 20 years for land purchase	5.95% Variable	Security may be required	
AIB SME Business loan	>€300,000	Up to 7 years for stock Up to 15 years for farm infrastructure Up to 20 years for land purchase	Negotiated pricing	Secured	
Bank of Ireland Term loan	Up to €120,000	Up to 7 years	6.51%	Unsecured	All purposes
	€120,000 - €500,000	Up to 15 years	5.06%	Secured	
	€500,000 - €1,000,000	Up to 15 years	4.71%	Secured	
Bank of Ireland Enviroflex	€10,000 - €500,000	Up to 7 years	4.49%	Unsecured up to €120,000; Secured thereafter	Farms must be participating in a Co-op sustainability programme.  Suitable for all investments including retrospective investments & Refinance of non BOI debt except land purchase.
PTSB Term loan	€5,000 -€100,000	Up to 10 years	7.5% Variable	Security may be required	No requirement to transfer the current account.
Finance Ireland Milk Flex loan	€25,000 - €1,000,000	8-year and 12-year options	Variable Rate of 6.4%  (4.5% plus one-month Euribor – currently c. 1.9%)	Unsecured (except land purchase which is secured)	Available through all major milk processors (except Kerry). Repayments collected from milk cheques (April to November)  Current product, automatic 50% reduction in repayments if base milk price falls below 38cpl for 3 consecutive months, 100% reduction if base milk price falls below 34 cpl for 3 consecutive months.  Increased repayments (25%) if base milk price is more than 60cpl for 3 consecutive months.