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Irish Farmers' Association

Milk Price Analysis

Spring 2026

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Milk Price Analysis

Farmers will remember 2025 as a year that started with strong milk prices and favourable weather conditions. However, milk prices began to nose-dive from August as global milk supply surged.

This year, only 12 processors are analysed since Tipperary Co-Op merged with Arrabawn to form ArraTipp.

This analysis is completed independently of processors by farmers sharing milk statements with us. Critically, prices are verified with processors prior to publication to ensure its accuracy.

This results in a concise analysis of processor performance in terms of farm-gate milk price that farmers can trust and rely upon.

Martin McElearney, IFA Dairy Chair

Introduction

IFA has analysed milk price data from 12 of Ireland’s largest milk processors for 2025.

This analysis was completed using data from monthly milk statements which farmers kindly shared with IFA. We would like to specifically thank each of these farmers for their vital contribution to this body of work.

To make an effective comparison across processors, we have calculated the revenue a dairy farmer would receive each month if they supplied 500,000 litres of milk per year from a spring calving herd. We used the Teagasc Moorepark spring calving supply curve to apportion the annual milk supply across each month.

We assumed the farmer produced milk with average solids each month. The monthly butterfat and protein percentages used are those recorded by the CSO for each month in 2025. Details are described in Appendix 1.

All milk processors have adopted the A+B-C methodology for calculating milk value. In addition to this, applicable bonuses

and VAT were added to give the total milk value. Details of the bonuses applied are outlined in the Appendix 2. **Any bonuses which were related to trading activity with the processor have been excluded from calculations.** Also, no fixed or forward price contract milk has been included in the calculations. Sustainability bonuses and unconditional out of season milk bonuses directly linked to milk price have been included. Annual bonuses (13th payments) based on 2025 supply have also been included.

In 2024, the average yield per cow was 5,429L (National Farm Survey). Thus, for this example we have assumed that 92 cows produce 500,000L per year to determine the Revenue per cow figure.

Effectively, we have taken the average spring-calving dairy herd and, based on average solids, calculated what that herd would generate in milk sales depending on which processor the milk was supplied to.

Total Milk Receipts

The table below outlines the milk sales received from each milk processor, including VAT, in 2025 for the example of the dairy herd that we are using.

Processor	Total Revenue (€)	Revenue/cow (€)
Lisavaird	279,760	3,041
Drinagh	279,707	3,040
Bandon Co-Op	279,363	3,037
Barryroe	279,326	3,036
Kerry	276,035	3,000
Strathroy	272,970	2,967
Aurivo	271,675	2,953
ArraTipp	267,924	2,912
Lakeland Dairies	267,415	2,907
Tirlan	266,065	2,892
North Cork Co-Op	265,074	2,881
Dairygold	264,152	2,871

There is a difference of €15,608 between the milk processor that paid the most and the milk processor that paid the least.

IFA Milk Pricing Guidelines

- Milk prices should continue to be quoted at 3.3% Protein and 3.6% Fat. Alternatively, milk processors should quote the €/kg fat and protein to ensure greater transparency.
- All milk prices should be quoted excluding VAT.
- Milk prices and Bonuses should be agreed excluding VAT.
- Base price should be quoted strictly on an A+B-C basis. The inclusion of bonuses adds complexity and infers that all farmers receive this price when this is not the case.
- Bonuses should not discriminate against herd size.
- The milk price or any bonuses paid by a milk processor should not be conditional on trade with the processor’s agribusiness division.
- Sustainability bonuses should not form part of the milk price as they are conditional upon the farmer undertaking further actions on the farm. Incentives for the completion of such actions should be paid independent of milk price.

Appendix 1

Description of Assumptions used in the Analysis

The average SCC across the country in 2024 was 184,000 cells/ml. Accordingly, where bonuses conditional on SCC were paid, this was the figure used to deem whether the bonuses were included in the analysis.

It was assumed that all other criteria for milk quality bonuses (TBC, Lactose, thermoduric count etc.) were achieved in the analysis and bonuses relating to same were included.

Monthly milk solids and supply profile

2025	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
% supply	4.19	9.93	14.69	13.51	12.16	11.51	10.76	9.43	8.13	5.03	0.68
Litres	20,933	49,659	73,431	67,544	60,801	57,521	53,770	47,155	40,635	25,148	3,403
Fat %	4.47	4.34	4.08	3.98	4.06	4.21	4.23	4.69	4.87	5.12	4.93
Protein %	3.51	3.38	3.47	3.47	3.45	3.49	3.72	3.84	3.99	4.03	3.85

The average fat and protein for 2024 was 4.34% and 3.61%, respectively. At 5,461L/cow average yield this equates to an average production of 444kg milk solids per cow.

Appendix 2

Bonuses applied

All bonuses described below are quoted exclusive of VAT. The bonuses outlined below are only those that are applicable to the analysis. It is not a comprehensive list of all the bonuses that are paid by processors.

Tirlan

All bonuses paid by Tirlan are adjusted for solids. Thus, in this example relevant bonuses were adjusted accordingly for the applicable monthly solids.

A seasonality payment of 4.76c/L was paid on milk supplied in February and 4.78c/L in December.

A sustainability bonus of 0.48c/L was paid each month.

The peak retirement reduction scheme commenced in 2022 and ran until October 2025. For a 500,000L herd this deduction would be €375 per year. Since it finished ahead of schedule in October of 2025 the deduction was €315 for our example herd. This was deducted from the total revenue from Tirlan.

Kerry

Kerry paid a bonus of 0.1c/L to farmers that are Bord Bia SDAS approved and a 0.4 c/L bonus for supplying milk with a SCC below 200,000 cells/mL each month.

The Kerry Evolve programme incentivises farmers to undertake several sustainability measures on farm. The maximum value of this payment is 0.96c/L and was paid in January 2026 on all milk supplied in 2025.

A 13th payment of 4.78c/L was paid on all milk supplied in 2025. This payment was adjusted for solids and based on an annual protein average of 3.59% and fat average of 4.23%. For this example, the bonus was worth €2532 including VAT.

Lakeland Dairies

Lakeland Dairies paid a 1.9c/L early calving bonus for milk supplied in February.

An input support payment of 0.48c/L was paid on milk supplied in May and June.

A sustainability bonus of 0.48c/L (at 3.3% protein/3.6% fat) was paid across each month which was adjusted to reflect solids.

A 13th payment of 0.29c/L was paid in January 2026 on all milk supplied in 2025.

Aurivo

Aurivo paid an early calving bonus of 3.0c/L milk supplied in February.

A future milk sustainability bonus of 0.5c/L was paid across each month.

Though quoted in the base price by Aurivo, the protein bonus was not applicable in this analysis and was excluded.

Co-operatives supplying Carbery

Drinagh, Barryroe, Lisavaird and Bandon all paid a bonus of 0.5c/l on milk supplied with a SCC below 200,000 cells/ml from March to October. From November to February this bonus is increased to 0.88c/L.

A future proof sustainability payment of 1.25cpl was paid on all milk delivered in 2025.

ArraTipp

ArraTipp paid a bonus of 0.4c/L for milk supplied with a SCC below 200,000 cells/mL across each month.

A seasonality payment of 2.85c/L and 1.91c/L was paid on milk supplied in February and December, respectively.

A milk bonus payment of 0.48 c/L was paid on milk supplied in May.

A sustainability bonus of 0.48c/L was paid on milk supplied in February. For all other months the sustainability bonus was 0.71c/L.

Dairygold

Dairygold paid a bonus on all milk delivered each month worth 0.4c/l for obtaining more than 50 points on the balanced scorecard (milk quality specifications for SCC, TBC, Lactose, Sediment, Thermoduric count and Inhibitors) and 0.1c/L for maintaining SDAS certification.

The grassroots sustainability payment of 0.8c/L was applied across each month (the rebate for protected urea was excluded since it is dependent on trade with the co-op).

Dairygold paid an early calving bonus of 5c/L on all milk supplied in February.

North Cork

North Cork paid a bonus each month of 0.2c/L for milk supplied with a SCC below 200,000cells/mL.

A supplementary payment of 2cpl was paid on all milk supplied in February.

A supplementary payment of 1.5cpl was paid on all milk supplied in March.

A supplementary payment of 1cpl was paid on all milk supplied in April.

A supplementary payment of 0.25cpl was paid on all milk supplied in May and June.

A supplementary payment of 1cpl was paid on all milk supplied in August and September.

A supplementary payment of 0.5cpl was paid on all milk supplied in October, November and December.

Strathroy

A TBC bonus of 0.25c/L was paid each month on milk supplied with a TBC less than 10,000 cells/mL.

A SCC bonus of 0.25c/L was paid each month on milk supplied with an SCC less than 200,000cells/mL.

A sustainability bonus of 0.5c/L was paid across all months.



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