

Dairy response fund set to open for applications

A [new dairy response fund](#) will open for applications on 18 June, Farming Minister Victoria Prentis confirmed today.

With some dairy farmers facing financial difficulties and excess milk due to the coronavirus outbreak, the new fund will provide up to £10,000 each to help those dairy farmers most in need of support to sustain their business.

Recognising that dairy farmers have fixed costs of production which some may have struggled to meet during the coronavirus outbreak, from 18 June farmers in England who have experienced 25% price losses in April and May will be able to apply for a single payment from the fund.

This funding, which will be paid out from 6 July, will help farmers maintain production capacity without impacts on animal welfare, following reduced demand for milk products as restaurants, bars and cafes have closed.

Qualifying farmers can apply for support to cover up to 70% of their losses due to coronavirus disruption across April and May, up to a total amount of £10,000 each.

Farming Minister Victoria Prentis said:

Our dairy farmers have a vital role to play in feeding the nation and we want to ensure they are fully supported at this difficult time.

The application process for our new dairy fund will begin shortly, helping farmers who have suffered losses to get the financial assistance they need to keep production going.

There is no cap set on the number of farmers who can receive this support or on the total funding available, and we will do everything we can to help our farmers at this time.

To be eligible for support from the fund, farmers will need to demonstrate that they have suffered a reduction in the base price paid for their milk of 25% or more in April 2020 when compared with February 2020.

Recognising the need for the rapid processing of applications and payments, eligible farmers will be able to submit applications directly to the Rural Payments Agency (RPA) from 18 June, with payments expected from 6 July.

Further details of the fund and application process will be shared by the RPA in the coming weeks, but dairy farmers who think they will be eligible can get ready now by preparing details of their production levels for February,

April and May 2020.

The funding will be provided as a one-off payment up to a maximum of £10,000 to cover around 70% of eligible farmers' lost income during April and May to help them to continue to meet fixed costs and sustain production capacity without impacts on animal welfare.

Many milk buyers have already been able to reroute their milk supplies to retailers and supermarkets following the government's move to temporarily relax some elements of UK competition law to allow suppliers, retailers and logistics providers in the dairy industry to work more closely together.

The UK Government is also supporting dairy farmers through the Agriculture and Horticulture Development Board (AHDB) and Dairy UK's [£1 million promotional campaign](#) to help increase sales by encouraging the public to drink more milk.