

Irish Co-operative Organisation Society Limited

106th Annual Report 2000



ICOS Mission Statement

*To provide leadership
for the co-operative movement,
and to promote,
develop,
co-ordinate,
and represent
agri and rural related co-operatives
in the interests of their members.*

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Corporate Profile of ICOS

Registered Office

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Executives

John R Tyrrell, B.Agr.Sc, Dip.Corp.Dir
Director General

Seamus O'Donohoe, M.Agr.Sc M.B.A
Secretary

EC Information Office

23/25 Rue de la Science,
1040 Brussels,
Belgium

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Auditors

Price Waterhouse Coopers

Regional Offices

Cork Farm Centre

Wilton, Cork.

Telephone: (021) 4545004

Fax: (021) 4545775

Email: margaret.murphy@cork.icos.ie

Finisklin House

Finisklin Road, Sligo.

Telephone: (071) 61458

Fax: (071) 61938

Bankers

Bank of Ireland plc

Allied Irish Banks plc

Solicitors

Arthur Cox



*John R. Tyrrell,
Director General.*



*Seamus O'Donohoe
Secretary.*



*Dessie Boylan
President.*

Foreword

As has been a feature of the agri-food sector for some time now, trade policy within the EU and the wider global level continues to be a key determinant of the business environment within which our co-operatives must compete.

The changes in the Agenda 2000 CAP Reform Agreement are commented on in more detail elsewhere in the annual report. The allocation of extra quota to producers, changes in market support measures and the introduction of the slaughter premium in the beef sector were some of the more significant changes.

Globally, the market for Irish dairy and beef products showed some improvement in 2000 as compared with the previous year. In the milk sector the market experienced stronger prices for most protein products with the butter market being more stable. Better supply demand balance in the beef market also resulted in stronger beef prices for most of the year.

Progress with WTO negotiations was perhaps more sluggish than anticipated due to elections in the US. The EU position, which is broadly supported by ICOS, outlines the need for WTO non-trade measures that support the multifunctional nature of agriculture, food safety and animal welfare. The EU position on these issues should have been strengthened by the worldwide reaction to both BSE and Foot and Mouth disease and is likely to result in a more consumer focussed agriculture.

On the domestic front, ICOS completed two major reviews, one of the dairy sector and the other of the marts sector.

The review of the dairy sector was launched in April and was the subject of intensive consultation with our dairy co-operatives. The review pointed to the urgent need for co-operatives to make decisions on strategic direction, structural changes, and capital investment programmes with the objective of positioning the Irish Dairy sector on a more competitive footing than the dairy sector in competitor countries. The review highlighted the strengths and weaknesses of the sector and emphasised the benefits of co-operatives working

in collaboration with each other rather than acting in isolation.

The year 2000 saw two welcome developments on the merger front. North Connacht Farmers and Kiltoghert Co-operative Creameries initiated and completed amalgamation discussions in the year under review to create Connacht Gold. Nenagh Co-operative Creameries and Midwest Farmers also started their amalgamation discussions and the members strongly supported the merger at their first special general meeting by the end of 2000 and were formally incorporated as the new Arrabawn Co-operative in 2001.



(L to R) - D. Markey (Irish Farmers Monthly), D. Boylan (President, ICOS), Minister Joe Walsh, TD and John Tyrrell (Director General, ICOS) at the launch of the "Co-op Ireland Directory 2000".

Developments on the wage and energy front during the year were unfavourable to our co-operatives. With supply side pressures increasing input costs at a faster rate than returns from the market place, and the industry likely to be faced with an investment renewal programme in the near future, the case for further rationalisation is compelling.

One instrument that could be used to greater effect to facilitate further rationalisation of the sector is the current Structural Fund Programme. ICOS has made representations to Enterprise Ireland requesting that some of the structural funding earmarked for the food sector in the period 2000 - 2007 should be used to encourage joint investment strategies by co-operatives.

An area of concern that emerged during the year was a questioning by the Competition Authority of the extent to which farmers had



Pictured here at the ICOS AGM is Mr. Dessie Boylan, President, ICOS.

the right to organise themselves to ensure fair returns from the market place. This is a fundamental principle of co-operative organisation and must be defended at all costs. ICOS has sought advice from COGECA in regard to the status of European Regulation 26/62 and the possibility of any conflicts between this regulation and current Irish competition law. A key issue here is the relevance of EU Regulation 26/62 which exempts producer organisations from certain aspects of EU Competition rules.

Towards the end of 2000, ICOS launched its strategy for the development of co-operative marts. The strategy emphasised two key directions that marts should pursue. The first was the need for marts to consolidate and achieve economies of scale. The second involved using the benefits of that scale to widen the scope of services on offer to members and the wider public.

Progress in amending the Industrial & Provident Society Legislation has been very unsatisfactory. Despite repeated representations by ICOS and undertakings by the Department of Enterprise and Employment, very little progress has been made in advancing the promised



*(L to R) - Seamus O'Donohoe - Secretary
Dessie Boylan - President
John Tyrrell - Director General*

legislation. As commented on in last year's report, there are a number of issues which require amending, particularly the requirement for a 75% majority vote to achieve an amalgamation of livestock marts.

The negotiations on a new National Agreement which were launched in November 1999 were successfully brought to a conclusion in early 2000 with the launch of the Programme for Prosperity and Fairness. ICOS as part of the farming pillar was a partner in these negotiations, which resulted in agreement between all the parties in the establishment of five Operational Frameworks as set out in the PPF.

Mr. Greg Tierney, retired as Secretary of ICOS on the 1st of March 2000 having spent over forty years serving ICOS with distinction in many capacities. I would like to express my personal thanks to Greg for the commitment and energy he brought to the post of Secretary and to the many other roles he filled over the years. My thanks also to his wife Anne and to his family for supporting him in his work with ICOS over those years.

Dessie Boylan, President

Annual Report 2000

AMALGAMATIONS

After a number of years of relative inactivity on the amalgamation front, the year 2000 saw a renewal of such activity in the Dairy sector. The President in the Foreword has already congratulated the Societies involved. The first of the new Societies, Connacht Gold will provide members with a stronger and more capable Society when dealing with the many changes now facing dairy farmers at both production and marketing level.

A second amalgamation, between Nenagh Co-operative Creamery and Midwest Farmers to create Arrabawn was significantly progressed in 2000 and completed in the current year.

The successful completion of the Connacht Gold and Arrabawn mergers augurs well for the dairy sector and hopefully will act as a catalyst for other similar developments within the sector.

STRATEGIC REVIEW OF THE IRISH DAIRY SECTOR

Work on this strategic review commenced in 1999 and was adopted by the Board of ICOS in April 2000. ICOS staff held detailed discussions with dairy co-operatives since its launch to further the implementation of the recommended strategies.

Since the strategy launch, developments in regard to foot and mouth confirm just how volatile the external business environment has become for food firms. It also confirms why reviewing, planning and strategy making have to be a dynamic and continuous process if Irish food co-operatives are going to survive and compete on a global stage. ICOS will continue to work with dairy co-operatives to facilitate further progress in strengthening their strategic position for the future.

MARTS STRATEGY REVIEW

The Board and Council of ICOS also completed a Strategy for the Development of Co-operative Marts. The strategy was launched in November.

The strategy team met with a large number of individual and groups of marts to test the strategies views and conclusions. The overall response had been very positive.

The mart strategy review pointed to the fact that in many instances, the scale of many mart businesses was too small, response to customers was inadequate and there was an over-reliance on the auction system.

The mart strategy while identifying a decline in the core mart business, pointed to the possibility that enterprising marts could still develop and expand into new and related service areas.

Some of the key recommendations highlighted in the strategy were to:

- (i) Have fewer and larger mart societies. Engage in a consolidation of sale centre activities based on customer and business needs. Expand the customer base through more diverse marketing services. Ensure more customer focused selling/buying services.**
- (ii) Improve management structures and representation and decision making function.**
- (iii) Ensure that all members actively trade with the mart and to update the register of members .**

BSE AND FOOT & MOUTH

While the foot and mouth outbreak was not a year 2000 event, it is important to note at the time of writing of this report, the major impact on public perception that the incidence of food safety and animal diseases is having on the consumers. Consumers in future will demand cast iron assurances that Irish food is of high quality, of known origin, in conformity with all health standards, environmentally sustainable and adhering fully to animal welfare codes. This change in consumers perception has profound implications for the way participants in the Irish food chain must reorganise and restructure their business. The pace of restructuring in the Irish dairy industry is now likely to be accelerated and matched by similar developments in the livestock, meat, AI, stores and grain sectors.

THE EURO

A growing pre occupation for many co-operatives towards the end of year 2000 was their state of readiness for conversion from the Punt to the

Euro. ICOS through contact with its co-operatives and through an information campaign has assisted in highlighting the issues and problems that the conversion process would bring. By the end of the year plans were in train for co-operatives to be advised in regard to what rule changes would be necessary to put the process of re denomination and re nominalisation in place.

CO-OPERATIVE SECTOR ACTIVITY

The summary table of the Irish Co-operative sector in 1999 shows a sectoral turnover of £8.8 billion. This compares with a turnover of £8.68 billion shown in the annual report for 1999. Total sales from the Dairies sector increased from £7.4 billion in 1998 to £7.5 billion in 1999. Mart turnover in the period under review went from a figure of £414 million in 1998 to a figure of £454 million in 1999.

NATIONAL CONFERENCE

The 2000 ICOS National Conference in November was rained out! For the first time in twenty-seven years, ICOS were unable to hold their annual conference at the normal time due to abnormal weather conditions. The adjourned conference had to be re-scheduled for January 2001. The theme of the Conference was "Strategies for Enhancing Co-operative Management and Performance". Further details on the conference are given in the report of the Member Development Division.

DIRECTOR DEVELOPMENT

Two training and development projects for co-operative leaders were researched and developed in the year under review and launched in the current year.

An ambitious diploma programme, the Diploma in Corporate Direction, which was developed by ICOS in conjunction with UCC and with the active collaboration and support of Enterprise Ireland. This is targeted at farmer directors in our Dairy co-operatives.

The second is the decision by the Board of ICOS to support the creation of a Nuffield Scholarship for a young co-operative leader. **The Nuffield scholarship affords a young farmer the opportunity to travel and research at first hand co-operative experiences in other countries.** ICOS expects that the first participant will be selected in the current year.

ICOS MEMBERSHIP

During the year two new societies were admitted to membership of ICOS. These were: Cuffe's Grange Water Co-operative Society limited, and Kilbannon Co-operative Society Limited.

COUNCIL, BOARD, PRESIDENT AND VICE-PRESIDENT

During 2000 the Council of ICOS met on five occasions and the Board met on eight occasions. As a result of elections held and direct nominations received the following were appointed to the Council of ICOS:

Creameries North: Dessie Boylan (Lakeland)
Creameries South: Paddy O'Brien (Drinagh)
Marts: Padraic Gibbons (Connacht Gold)
Miscellaneous: Donal Cashman (IFAC)

Mr. Pat O'Connor was appointed as the Golden Vale Food Products nominee on the ICOS Council in place of Pat MacKenna who has resigned.

Mr. Hugo Maguire was elected to fill the casual vacancy created by the death of Mr. Harry Browne in the Northern Electoral Group.

Mr. Terence O'Donnell was appointed as the Dairygold nominee to replace Mr. Nicholas McEniry.

In subsequent elections to the Board Dessie Boylan (Lakeland) and Martin Caulfield, (Kiltoghert, now Connacht Gold) were returned as Board members for Creameries North and Michael O'Brien (Tipperary Co-op) was returned as Board Member for Creameries South. Tom O'Brien (Nenagh Co-operative - now Arrabawn Co-operative Society Limited) was subsequently elected to the Board to represent Creameries South in place of Michael O'Brien who resigned during the year. In the Marts category Padraic Gibbons was elected to the Board. Mr Terence O'Donnell (Dairygold) was nominated to fill the alternating Board seat for a two year period.

Following the completion of the elections to the Board, an election was held to fill the posts of Northern Vice President. The outgoing Vice-President, Martin Caulfield was re-elected Northern Vice-President.

At there meeting on the 17th of May 2000 the Council agreed to co-opt the four serving



Kilkenny Mart Delegates at National Conference (L to R) Raymond Brophy, Lawrence Cantwell, Michael Hurley.

Presidents of the IFA, ICMSA, Macra Na Feirme and ICA. These co-options were Tom Parlon, Pat O'Rourke, TJ Maher and Breda Raggett respectively.

SUB-COMMITTEES AND CHAIRMEN OF EXPERT COMMITTEES

The Board appointed the President, the two Vice-Presidents, together with Terence O'Donnell, Pat O'Connor and Billy Nagle to be the Finance Sub-Committee. The committee met once during the year.

The Board also appointed the Rules and Structures Committee. This was comprised of the President, the two Vice-Presidents, Padraic Gibbons, Billy Nagle and Tom Corcoran. The committee met once during the year.

The Board also appointed the following Chairmen of the Expert Committees.

Dairy Committee: Paddy O'Brien
Marts Committee: Lar Carroll
Rural Development Committee: Padraic Gibbons

NEW SOCIETIES, ALTERATION OF RULES AND AMALGAMATIONS

During the year 55 new co-operatives were assisted in their registration by ICOS. Again in 2000 the incorporation of group water schemes as co-operatives was the most common category of new society with wind energy and staff recruitment co-operatives being two of the newer categories registered.

In addition to new incorporations, two existing co-operatives were involved in a complete amendment of the society's rules. A further 12

societies were involved in partial amendment to their rules.

There were two amalgamations during the year; ***Kilkenny, Carlow & District Farm Relief Services Limited*** was an amalgamation of Noreside Farm Relief Services Limited and County Carlow and District Farm Relief Services Limited

Connacht Gold Co-operative Society Limited was an amalgamation of North Connacht Farmers Co-operative Society Limited and Kiltoghert Co-operative Agricultural and Dairy Society Limited.



North Cork Co-op Delegates at National Conference (L to R) Sean McAuliffe, Seamus Walsh, Joe Howard.

A third new Society ***Arrabawn Co-operative Society Limited*** involving an amalgamation between Mid West and Nenagh Co-operative Creameries was initiated in 2000 and was completed in 2001.

PERSONNEL CHANGES

During the year Greg Tierney retired as Secretary of ICOS having worked for over forty years in various positions in the organisation. Seamus O'Donohoe replaced him as Secretary. Mary Kennedy, Financial Controller left ICOS to take up a new position and was replaced by Shane Dolan. TJ Flanagan was recruited during the year as a Development Executive working in our Dublin office.

REPRESENTATIVES OF ICOS ON OTHER BODIES

The ability to influence policy development in a wide spectrum of areas of relevance to our members is a significant benefit derived from the involvement of ICOS on other bodies and working groups. During 2000 the level of such representation continued at a high level.

Within the member co-operative sector Donal Cashman represents ICOS on the Board of IFAC Limited, and Tom Cleary represents ICOS on the Board of the Irish Dairy Board Co-operative Society Limited. In both cases the ICOS nominee was appointed Chairman.

Aside from being represented in other co-operatives, ICOS is also entitled to appointed representatives on various other organisations. Amongst those are the following:

Teagasc: Michael O'Dwyer
NDC: William Nagle
NESC: Seamus O'Donohoe
NESF: Mary Coleman/
 Seamus O'Donohoe

Milk Quota Appeals Tribunal: John Tyrrell
Milk Quota Review Group: George Kearns
Animal Health Forum: Maurice Colbert
Sheepmeat Forum: Maurice Colbert
PPF: Dessie Boylan/
 John Tyrrell

Irish Forestry Certification Initiative Council of the Irish Forestry Industry Chain Development Committee: Ray Gallagher
Sligo Leader Committee of ITGA: Ray Gallagher
International Union of Forest Research: Ray Gallagher

ICOS representation on the Monitoring Committees for the Structural Funds Operational Programmes were as follows;



Delegates from Bandon CA & DS Limited attending the ICOS National Conference.

- (i) Enterprise Martin Varley
- (ii) CSF John Tyrrell
- (iii) Peace and Reconciliation Dessie Boylan

Agricultural Statistics: Review Group (CSO) Seamus O'Donohoe

In addition to the above nominations, ICOS, as a member of the Farming Pillar shares nominations with the other Farm Organisations on County Enterprise Boards and County development Boards throughout the country.



Participants in the study trip to the Czech Republic by directors from dairy co-operatives.

ICOS Board 2000

Nominated Members

Mr. William Nagle
 Mr. Terence O'Donnell
 Mr. Tom Corcoran
 Mr. Pat O'Connor
 Mr. Nicholas McEniry
 Mr. Michael Drea
 Mr. James Brosnan

Address

Bregoge, Buttevant, Co. Cork
 Scart, Kildorrery, Co. Cork
 Bohadoon, Dungarvan, Co. Waterford
 Rathnasare, Rathkeale, Co. Limerick
 Mortalstown, Chair, Co. Tipperary
 Kilcarrie, Bagenalstown, Co. Carlow
 Fahavane, Kilflynn, Tralee, Co. Kerry

Nominated by

Dairygold Co-operative Society Ltd.
 Dairygold Co-operative Society Ltd.
 Glanbia Co-operative Society Ltd.
 Golden Vale Food Products Ltd.
 IAWS Ltd.
 Irish Dairy Board Co-operative Ltd.
 Kerry Co-operative Creameries Ltd.

Elected Members

Mr. Dessie Boylan
 Mr. Martin Caulfield
 Mr. Lexie Tinney
 Mr. Patrick O'Brien
 Mr. Tom O'Brien
 Mr. Donal Cashman
 Mr. Laurence Carroll
 Mr. Padraic Gibbons
 Mr. Ted Hunt

Address

Latnadronagh, Crosserlough, Co. Cavan
 Ballyhague, Williamstown, Co. Galway
 Drumcairn, Manorcunningham, Co. Donegal
 Drishanebeg, Skibbereen, Co. Cork
 Bayly Farm, Ballinaclough, Nenagh, Co. Tipperary
 Coole, Whitecross, Co. Cork
 Seskin South, Ballyragget, Co. Kilkenny
 Bullaun, Mayneen, Sheeaune, Co. Mayo
 Coole West, Athea, Co. Limerick

Elected by (electoral group)

Creameries North
 Creameries North
 Creameries North
 Creameries South
 Creameries South
 Miscellaneous
 Mart Societies
 Mart Societies
 Mart Societies



ICOS Board

Back Row (L to R)

N. McEniry, L. Tinney, J. Brosnan, M. Caulfield (Northern Vice President) P. O'Brien (Southern Vice President), P. Gibbons, M. Drea, T. O'Brien, P. O'Connor, L. Carroll.

Front Row (L to R)

T. Hunt, S. O'Donohoe (Secretary), D. Boylan (President), J. Tyrrell (Director General), B. Nagle, T. Corcoran. not in picture: T. O'Donnell, D. Cashman

ICOS National Council 2000

The Council consists of all the Board members and the following people

Nominated Members	Address	Nominated by
Mr. John Duggan	Ballynennon, Mullinahone, Co. Tipperary	Glanbia Co-operative Society Ltd.
Elected Members	Address	Elected by (electoral group)
Mr. Con Halahan	Toames, Macroom, Co. Cork	AI Societies
Mr. Hugo Maguire	Beechford Farms, Clones, Co. Monaghan	Creameries North
Mr. Sean Sweeney	Knocknaderry, Killala, Co. Mayo	Creameries North
Mr. John Sexton	Sunview, Courtmacsharry, Bandon, Co. Cork	Creameries South
Mr Sean Murray	Faleeny, Templederry, Nenagh, Co. Tipperary	Creameries South
Mr. Michael Coughlan	Ballyellis, Buttevant, Co. Cork	Mart Societies
Mr. Michael O'Dwyer	Bridge View, Ardmayle, Cashel, Co. Tipperary	Mart Societies
Mr. Jim Maguire	Beglieve, Bailieboro, Co. Cavan	Miscellaneous
Ms. Mary Coleman	30 Ulverton Road, Dalkey, Co. Dublin	Miscellaneous
Mr. John Joe O'Brien	Gerah, Banane, Kenmare, Co. Kerry	Miscellaneous
Co-opted Members	Address	
Mr. Tom Parlon	Ballinlough, Roscrea, Co. Tipperary	Co-opted Member
Ms. Breda Raggett	"Shalom", Bodalmore, Waterford Road, Co. Kilkenny	Co-opted Member
Mr. TJ Maher	Monslatt, Killenaule, Thurles, Co. Tipperary	Co-opted Member
Mr. Pat O'Rourke	Hillbrook, Moatefarrell, Co. Longford	Co-opted Member



ICOS Council

Back Row (L to R)

L. Tinney, T. Hunt, M. O'Dwyer, J.J. O'Brien, S. Murray, P. O'Connor, N. McEniry, J. Maguire, T. Carroll, M. Coughlan

Middle Row (L to R)

J. Brosnan, C. Halahan, S. Sweeney, P. Gibbons, M. Caulfield (Northern Vice President) P. O'Brien (Southern Vice President), T. O'Brien, B. Nagle, M. Drea, J. Sexton

Front Row (L to R)

*J. Duggan, M. Coleman, S. O'Donohoe (Secretary), D. Boylan (President), J. Tyrrell (Director General), B. Raggett, T. Corcoran
not in picture: W. Maguire, T. Parlon, T.J. Maher, P. O'Rourke, T. O'Donnell, D. Cashman*

New Societies

and societies which have had amendments to rules

New Societies

Aghamore/Tooreen Group Water Scheme Society Limited	County Mayo
Ballacolla Group Water Scheme Society Limited	Laois
Ballinakill Group Water Scheme Society Limited	Galway
Ballingarry Upper/Commons Group Water Scheme Society Limited	Limerick
Ballyglass/Carnacon Group Water Scheme Society Limited	Mayo
Ballymac Group Water Scheme Society Limited	Kilkenny
Bekan and District Group Water Scheme Society Limited	Mayo
Blackstairs Group Water Scheme Society Limited	Wexford
Bunn Water Co-operative Society Limited	Donegal
Carriganleigh Group Water Scheme Society Limited	Cork
Castlewarren Group Water Society Limited	Kilkenny
Churchill/Oram Group Water Scheme Society Limited	Monaghan
Claran Group Water Scheme Society Limited	Galway
Cloonlee Group Water Scheme Society Limited	Mayo
Cois Bearbha Co-operative Society Limited	Kilkenny
Connacht Gold Co-operative Society Limited	Sligo
Corduff Corraharra Group Water Scheme (1999) Society Limited	Monaghan
Cornboy Group Water Scheme Society Limited	Mayo
Corrick Group Water Scheme Co-op Society Limited	Sligo
Cuilmore Group Water Scheme Co-op Society Limited	Mayo
Cullentragh/Knockroe Group Water Scheme Society Limited	Mayo
Dairy Research Trust Co-operative Society Limited	Dublin
Derrycorrib/Doohoma Group Water Scheme Society Limited	Mayo
Donaghmoyne Group Water Scheme Society Limited	Monaghan
Drumlomman Co-op Society Limited	Cavan
F.R.S. People Placements (C.L.W) Society Limited	Cavan
Focus on Ferbane Environmental Group Co-op Society Limited	Offaly
Four Mile House Group Water Scheme Society Limited	Roscommon
Glangevlin Group Water Scheme Society Limited	Cavan
Gregduff Group Water Scheme Society Limited	Mayo
Greyhound Cabs Co-operative Society Limited	Dublin 2
Irish Wind Farmers Co-operative Society Limited	Kilkenny
Irishtown/Woodstock Group Water Scheme Society Limited	Mayo
Kilally Group Water Scheme Society Limited	Cork
Kilbarron Group Water Scheme Society Limited	Tipperary
Kilconly Group Water Scheme Society Limited	Galway
Kilkenny/Carlow & District FRS Society Limited	Kilkenny
Killybegs Fishermans Co-operative Society Limited	Donegal
Kilmeena Group Water Scheme Society Limited	Mayo
Lissavata Group Water Scheme Society Limited	Mayo
Manorhamilton Show Society Limited	Leitrim
Meath Hill Group Water Society Limited	Meath
Mullymux Munsboro Group Water Scheme Society Limited	Roscommon
Oguala Group Water Scheme Society Limited	Roscommon
Peterswell Group Water Scheme Society Limited	Galway
Polecat Springs Group Water Scheme Society Limited	Roscommon
Private A.I. Groups Society Limited	Cork
Sherkin Island English Language Centre Society Limited	Cork
Showgrounds Development Association Society Limited	Sligo
South Midlands Farm Relief Services Society Limited	Tipperary
St Dominic's and St Joseph's Co-operative Society Limited	Cork
Wexford Wind Energy Co-operative Society Limited	Wexford

Rule Amendments and Amalgamations

COMPLETE AMENDMENTS

Name of Society

Limerick North Cork Farm Relief Services Society Limited
Irish Cattle Breeding Federation Society Limited

County

Limerick
Cork

PARTIAL AMENDMENTS

Name of Society

Tipperary Mushroom Production Organisation Society Limited
Callan Co-operative Society Limited
Roscrea Community & Tourism Leisure Centre Co-operative Society Limited
North Cork Co-operative Creameries Society Limited
Glanbia Co-operative Society Limited
Glanbia Co-operative Society Limited
Kerry Creameries Society Limited
Drumgoon Community Centre Co-operative Society Limited
Roscrea Community & Tourism Leisure Centre Co-operative Society Limited
Tipperary Co-operative Creameries Society Limited
National Federation of Group Water Schemes Society Limited
Shannonside Milk Products Society Limited

County

Monaghan
Kilkenny
Tipperary
Cork
Kilkenny
Kilkenny
Kerry
Cavan
Tipperary
Tipperary
Galway
Roscommon

AMALGAMATION OF SOCIETIES

Kilkenny, Carlow & District Farm Relief Services Limited

(amalgamation of Noreside Farm Relief Services Limited and County Carlow and District Farm Relief Services Limited)

Kilkenny

Connacht Gold Co-operative Society Limited (amalgamation of North Connacht Farmers Co-operative Society Limited and Kiltoghert Co-operative Agricultural and Dairy Society Limited)

Sligo



Greg Tierney, former Secretary ICOS with Donal Creedon, Director, Lakeland Co-operative at ICOS National Conference.

Dairy Co-operative Societies 1999

Society	Notes	Members	Employees	Trading Performance (€'000)			Balance Sheet (€'000)					
			(incl P/Time)	Total	Net	Net Profit	Assets Employed		Financed By			% Debt/ Equity
			Note 1	Sales	Profit	% Sales	Fixed	Total	Members	Banks	Other	
1	Glanbia	18663	11017	1971984	72756	3.69%	452506	988191	31491	32107	134590	102.00%
2	Bandon	694	48	27143	286	1.05%	18726	26355	22595	57	177	0.25%
3	Barryroe	689	65	30678	807	2.63%	18695	29778	24493	446	505	1.82%
4	Boherbue	180	25	6637	93	1.40%	1134	3873	3483	0	0	0.00%
5	Callan	161	16	5796	185	3.19%	546	3216	2623	0	0	0.00%
6	Centenary	1472	62	30437	755	2.48%	4998	13905	12395	0	7	0.00%
7	Corcaghan	288	4	1882	9	0.48%	647	2187	852	0	358	0.00%
8	Dairygold (excl Mart)	10916	2833	625848	9886	1.58%	180648	347824	220187	33871	8974	15.38%
9	Doapey	100	3	2563	-24	-0.94%	241	1246	895	295	0	32.96%
10	Drinagh	2250	160	53043	533	1.00%	27850	40323	30329	203	4050	0.67%
11	Drombane	150	9	3686	1	0.03%	257	1248	1048	0	15	0.00%
12	Fealebridge	399	8	5578	152	2.72%	184	4977	4341	0	0	0.00%
13	Glenveagh	1653	126	78742	3458	4.39%	18299	41764	19294	2756	1304	14.28%
14	Golden Vale	3500	2329	608569	2656	0.44%	154636	308788	103421	79518	7273	76.89%
15	Irish Dairy Board	70	2947	1424813	26079	1.83%	73100	473036	140156	118365	35700	84.45%
16	Kerry	8000	12300	1935000	89000	4.60%	662000	1149000	257000	410000	20000	159.53%
17	Killasnett	281	10	3020	59	1.95%	56	1219	673	0	0	0.00%
18	Kiltoghert	3385	44	16850	146	0.87%	1643	6118	685	0	0	0.00%
19	Lakeland	4330	283	163191	3248	1.99%	18322	50682	31733	1500	0	4.73%
20	Lee Strand	400	39	11081	642	5.79%	8424	14001	6818	2950	18	43.27%
21	Lisavaird	1125	80	27045	668	2.47%	16887	23799	20079	0	0	0.00%
22	Maudabawn	221	6	3379	12	0.36%	97	908	734	31	2	4.22%
23	Midwest	4000	125	31624	34	0.11%	3829	13015	9225	0	361	0.00%
24	Mullinahone	80	57	11150	185	1.66%	1875	4271	1675	666	244	39.76%
25	Nenagh	2115	135	73848	600	0.81%	10941	21521	15447	0	40	0.00%
26	Newmarket	720	58	31166	358	1.15%	3658	10020	7985	0	248	0.00%
27	Newtownsandes	439	11	6530	130	1.99%	152	4964	4188	0	0	0.00%
28	NCF (excluding mart)	15921	479	131226	2061	1.57%	21863	52154	23815	8555	2216	35.92%
29	North Cork	350	55	14912	435	2.92%	2300	7271	4917	101	8	2.05%
30	Thurles	note 5	221	10570	81	0.77%	1533	4757	3320	75	167	2.26%
31	Tipperary	1961	137	80283	849	1.06%	9802	25445	15768	542	255	3.44%
32	Town of Monaghan	1500	120	66510	616	0.93%	3810	30832	24182	195	109	0.81%
33	Wexford	600	3	21773	9	0.04%	646	3705	703	0	718	0.00%
TOTAL		86834	33653	7516557	216765	2.88%	1720305	3710393	1095235.331	1011768.459	217339.486	92.38%

\$ = Estimate

Note 1: Employee figures for some co-operatives include a substantial number of overseas based personnel.

Note 2: Figures for Avonmore Waterford incorporate substantial merger costs.

Note 3: Shareholder figure is for Golden Vale Food Products Ltd.

Note 4: Figures are from accounts of Kerry Co-operative Creameries Ltd.

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Mart Co-operative Societies 1999

Society	Members	Employees (Incl. Part-time)	Trading Performance (€'000)						Balance Sheet (€'000)						
			Livestock Sales	Comm & Entry Fees	Deposit Interest	Net Profit	Comm & Entry Fees as % Sales	Net Profit as % Sales	Assets Employed		Financed By			% Debt/Equity	
									Fixed	Total	Members	Banks	Other		
1 Athenry	1100	33	13755	362	7	20	2.63%	0.15%	838	981	397	295	169	74.31%	
2 Ballinasloe	850	36	12998	341	3	10	2.62%	0.08%	994	1420	766	271	189	35.38%	
3 Ballyjamesduff	400	51	7200	181	0	23	2.51%	0.32%	589	1936	1483	0	0	0.00%	
4 Birr	550	25	9568	214	8	-25	2.24%	-0.26%	165	449	369	0	53	0.00%	
5 Castlerea	900	24	10150	285	1	-4	2.81%	-0.04%	630	1528	442	83	91	18.78%	
6 Clare	2900	43	34802	833	72	678	2.39%	1.95%	4256	4866	3658	0	679	0.00%	
7 Cork Marts	15100	152	52280	2228	Note 1	336	4.26%	0.64%	6226	8013	2175	0	0	0.00%	
8 Castleisland	315	23	18743	571	0	117	3.05%	0.62%	837	2109	1180	755	60	63.98%	
9 Dingle	323	14	\$ 2753	87	0	-49	3.16%	-1.78%	178	306	344	0	0	0.00%	
10 East Donegal (note 3)	37	31	7382	146	11	10	1.98%	0.14%	285	573	396	67	110	16.92%	
11 Golden Vale	5750	136	50000	1729	183	2	3.46%	0.00%	3140	4708	4062	0	56	0.00%	
12 Gort	1200	17	4821	125	2	0	2.59%	0.00%	1612	1852	591	521	424	88.16%	
13 Headford	550	17	3099	119	0	4	2.02%	0.13%	148	265	165	0	0	0.00%	
14 Iveragh	450	15	2607	77	0	3	2.95%	0.12%	134	310	120	81	65	67.50%	
15 Inishowen (note 2)	0	0	3907	97	10	13	2.48%	0.33%							
16 Kanturk	240	10	\$ 3355	100	1	70	2.98%	2.09%	336	467	151	46	243	30.46%	
17 Kenmare	600	13	2000	90	0	-8	3.85%	-0.40%	365	411	167	102	29	61.08%	
18 Kilkenny	1112	47	24670	481	50	71	1.95%	0.29%	1853	2626	2401	0	0	0.00%	
19 Kingdom	710	16	3153	120	0	-26	3.81%	-0.82%	1434	1645	956	449	0	46.97%	
20 Leinster	1026	19	n/a	262	9	-44	N/A	N/A	804	1463	435	143	0	32.87%	
21 Mallow (Dairygold)	0	0	8920				1.75%		0	0	0	0	0	0.00%	
22 Mayo/Sligo	980	20	\$ 15299	358	0	62	2.34%	0.41%	834	2716	1966	0	170	0.00%	
23 Mid-Kerry	446	24	2916	155	2	2	5.32%	0.07%	256	718	593	23	102	3.88%	
24 Mid-Tipperary	820	27	15976	319	10	78	2.00%	0.49%	365	802	674	12	66	1.78%	
25 Milford	434	25	\$ 4211	115	16	-25	2.73%	-0.59%	132	747	526	202	31	38.40%	
26 NCF (Mart only)	0	0	41000	1106	N/A	N/A	2.70%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27 Nenagh	687	23	\$ 12984	285	10	48	2.20%	0.37%	979	1376	1008	219	66	21.73%	
28 Roscommon	486	41	11255	264	17	14	2.35%	0.12%	396	979	921	0	51	0.00%	
29 Roscream (Avonmore)	0	0	10124	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30 Templemore (Note 3)	950	12	6000	109	2	10	0.17%	0.17%	232	360	341	10	9	2.93%	
31 Tuam	1300	25	11189	296	7	-22	2.65%	-0.20%	291	614	461	48	118	10.4%	
32 Waterford/Ross	* 1163	13	\$ 4542	109	2	-31	2.40%	-0.68%	331	368	169	19	146	11.24%	
33 Wexford Farmers	4205	166	37411	506	165	105	1.35%	0.28%	5083	11129	3103	1218	1276	39.25%	
TOTAL	45584	1098	454070	15021	588	1442	3.31%	0.32%	33723	55737	30020	4564	4203	15.20%	

\$: Estimate N/A : Not Available

Note 1 : Cork Marts Commission and Entry Fee Figure Includes Deposit Interest and Other Income.

Note 2 : Balance sheet figures for Inishowen are shown in the table dealing with Store Societies.

Note 3 : 1998 figures

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Fishing Co-operative Societies 1999

Society	Members	Employees (Incl. Part-time)	Trading Performance (€'000)			Balance Sheet (€'000)					
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			% Debt/Equity
						Fixed	Total	Members	Banks	Other	
1 Burtonport	352	114	6809	-247	-3.63%	1800	4150	1733	158	656	9.12%
2 Castletownbere	59	130	16862	314	1.86%	1185	2985	1528	703	250	46.01%
3 Meitheal Na Mara Rinne Teo	82	3	532	14	2.63%	36	96	7	0	71	0.00%
4 Donegal	14	39	n/a	n/a	n/a	1398	3166	2377	0	789	0.00%
5 Dunmore East	32	12	3412	40	1.17%	466	737	171	95	139	55.56%
6 Foyle	16	8	550	36	6.55%	148	564	475	18	0	3.79%
7 Galway & Aran	61	26	7341	-29	-0.40%	141	1211	622	38	42	6.11%
8 Greencastle	13	3	1023	-96	-9.38%	197	264	-1	130	80	N/A
9 South & East Coast	91	2	565	25	4.42%	216	451	173	0	172	0.00%
10 South Wexford Lobsters	24	1	79	9	11.39%	14	36	23	7	6	26.09%
TOTAL	744	338	37173	66	0.18%	5601	13660	7108	1149	2205	16.16%

N/A = Not Available

Note : The symbol # indicates that 1996 figures have been used where 1997 figures are unavailable.

Wholesale Co-operative Societies 1999

Society	Members	Employees	Trading Performance (€'000)			Balance Sheet (€'000)					
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			% Debt/Equity
						Fixed	Total	Members	Banks	Other	
1 Co-op Animal Health	2	66	20223	-84	-0.42%	1674	10826	3165	2982	0	94.22%
2 Irish Co-op Society	30	112	12431	517	4.16%	6267	10868	6039	155	1000	2.57%
3 I.A.W.S	102.7	711	671328	36733	5.47%	181718	197097	67424	74140	8218	109.96%
TOTAL	134.7	889	703981.78	37165.63	5.28%	189659.17	218791.1	76628.13	77276.92	9217.58	100.85%

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Other Co-operative Societies 1999

Society	Members	Employees (Incl. Part-time)	Trading Performance (€'000)					Balance Sheet (€'000)				
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			% Debt/ Equity	
						Fixed	Total	Members	Banks	Other		
CATTLE BREEDING SOCIETIES												
1												
2	NWCBS	8	42	1056	-77	-7.29%	658	1336	252	0	371	0.00%
3	Munster CBS	50	4	808	15	1.86%	3	816	134	0	0	0.00%
4	Progressive Genetics	3500	84	5844	282	4.83%	2409	4886	1549	115	254	7.42%
5	SECBS	10	42	2000	-70	0.00%	1485	2951	2386	37	239	1.55%
6	South Western Services	5	220	6236	783	12.56%	3160	5406	4242	0	0	0.00%
STORE SOCIETIES												
7	Clonleigh	650	21	6064	64	1.06%	448	2217	1177	0	51	0.00%
8	Inishowen (note 1)	1900	47	6862	67	0.98%	1043	3466	1829	22	33	1.20%
9	Templecrone	# 1412	99	7958	34	0.43%	431	1804	139	17	1648	12.23%
PIG SOCIETIES												
10	Glen of Aherlow	180	12	2274	-2	-0.09%	1526	5280	2918	0	683	0.00%
11	Roughly Valley	20	9	1097	-71	-6.47%	1292	1576	257	312	124	N/A
12	National Co-op Pig Producers	7	0	9	3	33.33%	1	15	13	0	0	0.00%
SPECIALIST BREEDING SOCIETIES												
13	Irish Charolais Cattle	2671	5	687	33	4.80%	90	933	808	0	0	0.00%
14	Irish Limousin	1100	3	286	45	15.73%	9	173	239	0	1	0.00%
15	Irish Pedigree Pigs (reg)	8	1	7	1	14.29%	1	10	5	0	5	0.00%
16	Irish Simmental	800	2	141	-99	0.00%	15	229	152	6	4	3.95%
GAELTACHT SOCIETIES												
17	C C Chleire	646	16	89	11	12.36%	170	284	201	1	10	0.50%
18	C C Leith Through	# 267	2	13	-2	-15.38%	17	21	11	0	10	0.00%
RADIO SOCIETIES												
19	Kilkenny Com. Radio	3200	22	526	38	7.22%	106	284	212	2	0	0.94%
20	Tipperary Mid-west Radio	N/A	N/A	173	31	17.92%	22	129	76	0	0	0.00%
MISCELLANEOUS SOCIETIES												
21	A Taste of Kerry	# 303	0	70	11	15.71%	3	44	-19	21	42	0.00%
22	Ballymachugh	# 288	1	45	22	48.89%	230	275	273	0	2	0.00%
23	Co-op Travel	6	10	4137	17	0.41%	71	884	280	39	0	13.93%
24	Country Markets	13331	2	1727	10	0.58%	10	148	126	0	0	0.00%
25	Co Clare Agri Show	# 143	3	73	-7	-9.59%	113	157	110	39	8	35.45%
26	IFAC	12786	127	5178	310	5.99%	738	5614	3758	0	0	0.00%
27	Irish Dairy Records	28	3	130	104	N/A						
28	Irish Farm Centre	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
29	Irish Horse Board	7113	n/a	818	20	2.44%	52	457	337	0	31	0.00%
30	Iveragh Turf Cutting	# 347	0	117	15	12.82%	174	280	241	1	38	41.00%
31	Nat Co-op Farm Relief											
TOTAL		50779	777	54425	1588	2.92%	14277	39675	21706	612	3554	2.82%

N/A = Not Available N/R = Not Relevant

Note 1 : Turnover figure for Inishowen Co-op Society does not include a figure for turnover of livestock in mart.

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Note : The symbol # indicates that 1998 figures have been used where 1999 figures are unavailable.

Tourism/Rural Development Co-operative Societies 1999

Society	Members	Employees (Incl. Part-time)	Trading Performance (€'000)			Balance Sheet (€'000)					
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			% Debt/ Equity
						Fixed	Total	Members	Banks	Other	
1 Cavan/Monaghan	21	9	407	17	4.18%	14	457	58	0	355	0.00%
2 CC Comhdhail Oileain na hEireann	26	8	778	0	0.00%	7	88	0	1	87	0.00%
3 CC Na Boirne	300	21	99	-15	-15.15%	363	372	59	60	223	101.69%
4 C C Chleire	646	16	89	9	10.11%	45	159	201	23	10	11.44%
5 C C Leith Thruigh	# 267	2	13	-2	-15.38%	17	21	11	0	10	0.00%
6 Kilrush Development	10	17	1829	10	0.55%	982	1004	366	163	473	44.54%
7 West Clare Development	N/A	N/A	0	N/A	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
Total	1270	73	3215	19	0.59%	1428	2101	695	247	1158	35.54%

N/A = Not Available N/R = Not Relevant

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Note : The symbol # indicates that 1996 figures have been used where 1997 figures are unavailable.

Summary of Statistics 1999

	Total	Dairies	Marts	Wholesale	Fishing	Tourism	Others Rural Dev.
Number of Societies	115	33	33	3	10	7	29
Members	185,679	86,754	45,584	134.7	744	1,270	51,192
Employees	36,821	33,596	1,098	889	338	73	827
Trading Performance (€'000's)							
Total Sales	8,757,997	7,505,407	454,070	703,982	36,150	3,202	55,186
Net Income	256,871	216,580	1,465	37,166	162	21	1,477
Net Income as % of Sales	2.93%	2.89%	0.32%	5.28%	0.45%	0.66%	2.68%
Balance Sheet (€'000's)							
Fixed Assets	1,962,417	1,718,430	33,705	189,659	5,404	1,411	13,808
Total Assets	4,034,319	3,706,122	55,551	218,791	13,396	2,080	38,379
Members Funds	1,231,634	1,093,560	30,024	76,628	7,109	684	23,629
Bank Borrowings	1,095,686	1,011,102	4,362	77,277	1,019	247	1,679
Other	246,913	217,095	4,203	9,218	2,125	1,148	13,124
% Debt/Equity	88.96%	92.46%	14.53%	100.85%	14.33%	36.11%	7.11%

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds.

Note : In the case of Marts, the number of societies figure excludes other societies with Mart operations to avoid double counting.

Policy Development Division

INTRODUCTION

The Policy Division provided a wide range of services to ICOS members on milk, livestock, mart and animal health issues throughout the year. In particular, a number of significant changes arising from the Agenda 2000 CAP Reform Agreement affected the sector. These included the allocation of extra milk quota to producers, changes in the milk quota regulations, the introduction of the slaughter premium in the beef sector and other market support changes. Discussions on the Millennium Round of the WTO proceeded at a slow pace due to the election year in the US. EU Enlargement discussions continued to advance requiring assessment of the implications for the EU 15 CAP regime. The Division was deeply involved in the preparation of strategies for the Dairy and Mart Sectors.

CAP CHANGES

ICOS worked closely with its co-operative members and the Department of Agriculture, Food and Rural Development in reaching agreement on how the Agenda 2000 CAP Reform changes should be implemented in Ireland.

In the dairy sector, the allocation of the first part of the 2.86% national milk quota increase was implemented. Also, the revised milk quota rules were agreed to take account of the provisions in the CAP Reform Agreement. These new rules seek to strengthen the viability of producers.

In the livestock marts sector, the introduction of the new slaughter premium was provided for in marts to meet customer needs. The objective of mart societies is to facilitate its customers and ensure that the premium is reflected in their overall returns.

MARKET SUPPORTS

In the milk sector, the market experienced stronger prices for most protein products, including SMP, casein and WMP. The stronger prices were driven by the increased value of the US \$ against the Euro and also due to a tighter supply situation on EU and world markets. As a result of the increased protein product returns, the EU Commission cut export refunds and other supports several times during the year. However, the Commission confirmed that these refunds will be reviewed



J. Tyrrell (Director General), D. Boylan (President), and L. Carroll (Chairman Marts Committee) at the launch of the "Strategy for the Development of Co-operative Marts".

if market returns weaken. The butter market was stable, but it did not benefit from any real strengthening in prices.

The beef sector experienced stronger prices for most of the year due to a better supply/demand balance in the EU market. This improved balance resulted from decisions taken in earlier years to reduce output levels. However, in December a new BSE crisis developed in the EU with the confirmation that BSE infected animals existed in France and Germany. This development gave rise to a severe reduction in demand in a number of Continental countries, resulting in the need for the introduction of the Purchase for Destruction Scheme for certain animals over thirty months.

Throughout the year, the Policy Division regularly updated its co-operatives and their members on the evolving policy and support related changes. This included attendance of ICOS personnel at co-operative information and board meetings, workshops, seminars and specific briefings for individual co-operatives. Information is also provided through regular issues of the ICOS Dairy Newsletter, the Livestock Marts Newsletter, management committee reports and other circulars.

ANIMAL HEALTH

ICOS made detailed submissions to the Irish Medicines Board and the Minister for Agriculture, Food and Rural Development on the continued sale of intramammary products through co-operative retail outlets without prescription. It also held meetings with the

Department of Agriculture ERAD Division on the proposed changeover from the milk-ring test on Brucellosis to the new Whey Elisa test. These and other animal health issues continue to be advances with the Department in consultation with our co-operative members.

WTO MILLENNIUM ROUND

Progress in the WTO discussions proceeded at a slow pace due to the election year in the US. In July the US issued its WTO position in which it continues to target export refunds, tariffs and direct payments. Later in the year the EU confirmed that its WTO position will be based on the Agenda 2000 CAP reform agreement. The EU position outlines the need for WTO non-trade measures that support the multifunctional nature of agriculture, food safety and animal welfare. ICOS is assessing the potential impact of the next WTO round on EU and Irish agriculture and it is preparing its position in advance of the more in-depth discussions, which will take place in 2001.

EU ENLARGEMENT

ICOS continues to monitor the EU discussions with the accession countries in Central Europe. The EU has confirmed that it intends to be in a position to close the negotiations with the most advanced countries, which fulfil all criteria for membership, in the course of 2002. This would put the EU in a position to welcome new member states from the end of 2002. On this basis, it is expected that the ratification process would imply that the first new members would join, possibly, from 2003 onwards.

ICOS is assessing the key CAP regime issues which Enlargement will affect. In particular, it is essential that the EU budget provides adequately for the implementation of the CAP regime in an enlarged EU. There is a concern the Berlin Agreement does not provide adequately for the cost of the CAP and as a result farm incomes could be damaged. In addition, the level and the implementation of milk quotas in new member states is an important consideration for the dairy sector. Furthermore, trade control and sanitary and phytosanitary issues are significant enlargement considerations.

STRATEGIC REVIEW OF THE IRISH DAIRY SECTOR

During the year, ICOS, in consultation with dairy co-operatives, completed a strategic review of the dairy sector. The strategy was launched in

April and ICOS staff have held detailed discussions with dairy co-operatives since its launch to further the implementation of the recommended strategies. The Strategic Review assesses the driving forces for change which are increasing the challenges facing the sector. The Strategy identifies the sector's key issues and problems and outlines the potential strategic solutions and structural options. ICOS will continue to work with dairy co-operatives to facilitate further progress in strengthening their strategic position for the future.

A STRATEGY FOR THE DEVELOPMENT OF CO-OPERATIVE MARTS.

ICOS also completed a Strategy for the Development of Co-operative Marts in consultation with its co-operative mart members. The strategy was launched in November. **The overall objective of the mart strategy is to arrest the decline in mart business and to achieve greater viability and servicing capability. Based on the assessment of the key issues the strategy recommends that the scale of mart societies and centres should be increased through consolidation into fewer and larger mart groups and sales centres. It also recommends the development and expansion of the range of services; the development of other profit enhancing businesses; and the improvement of management and decision making structures.** ICOS will be available to work with marts and groups of marts to facilitate the development of their future strategies to strengthen them for the future.

CENTRAL AND EASTERN EUROPEAN CONSULTANCY

During the year, ICOS's subsidiary consulting services completed a Commission funded project in Central and Eastern Europe together with COPA/COGECA and Swede Agri. The project provided advice on organisation strengthening and the provision of information to organisations in Central Europe. It also increased the level of contact between EU and Central European farmers, co-operative and your farmer organisations. Other projects continue to be complete and new project possibilities are being examined.

ICOS DAIRY COMMITTEE

For our Dairy Co-operatives and the ICOS Dairy Committee the past year was unprecedented in terms of activity embracing Milk Quota, the Health Certificate, Hygiene Regulations, Milk Quality and an overall firming in dairy market returns.



Mike Joe Mahon and Sean O'Hanrahan - Connacht Gold at the ICOS National Conference.

MILK QUOTA

Administration

While not generally appreciated the administration of the milk quota regime places an enormous burden on the staff resources of our co-operatives. Likewise it entails substantial financial costs. The past year is a typical example where the Application Forms for the 15 million gallons and the 5 million gallons additional quota were efficiently handled by co-operative staff. In addition, the 1/2 million gallon appeal reserve was also handled through the co-operatives. Another significant burden was the administration of the new quota regime whereby individual quota holders required advice on their particular situation from the co-operative.

National Position

The additional quota of 201/2 million gallons from the 1st April 2000, the very difficult dairying weather from the second half of October, Foot and Mouth and, a delayed growth in February and March saw the country under quota at the year end, March 2001. During March - which is always the critical month determining the year-end position - the Secretary of the Dairy Committee monitored the quota position of the co-operatives on a weekly basis. Each co-operative was advised of the projected National position. On 27th March the Secretary issued his final projection at 11/2 million gallons under quota. The Department, on 24th April confirmed a figure in this region. However final figures will not be available until after the checking of final returns due at the Department on 15th May.

SUPERLEVY

TABLE 1

	Gallons (Mls)	£Ml
1995/1996	10.363	14.339
1996/1997	6.321	7.965
1997/1998	8.024	10.659
1999/2000	3.600	4.728

Additional Quota for Ireland

The enormous detail in the administration of the additional quota by the co-operatives has already been referred to.

The ICOS Dairy Committee recommended that 11 of the 111/2 million gallons should go equally to all producers successful under last years applications for the 20 million gallons. A decision in this regard would result in approximately 500 gallons extra quota for each producer which when taken with the 690 gallons received by the general producers from last years allocation would give those farmers approximately 1,200 gallons which is a meaningful allocation.

The ICOS Dairy Committee supports this approach because in making the case for additional Quota for Ireland under Agenda 2000 Agreement, the main focus was, initially, to seek an increase in the national butterfat threshold. The final outcome was an increase of 32 million gallons additional quota with 20.5 million gallons allocated from the 1st March 2000 and the balance available to Ireland from 1st April 2001.

ICOS continues to alert dairy farmers that from a national viewpoint the first tranch of the extra quota can be said to have been utilised through the increased levels of butterfat. In this current quota year the bad weather at the end of the calendar year 2000 gave the country a cushion but unless dairy farmers take the necessary corrective action there is a great danger that the extra quota will give rise to a false sense of security and major superlevy charges will be the direct answer over the coming years.

In May the Minister announced that all young farmers successful under the 5ml gl allocation in 2000 will receive 1300 gallons. The remainder of the pool - 7 ml gls approximately - will in the first instance provide a temporary allocation for dairy farmers over quota owing to FMD

restrictions. A permanent allocation will go to certain categories of development farmers.

Quota Schemes

The ICOS supports the thrust of the Departments policy in regard to the price paid for restructuring and temporary leasing quota. In setting the maximum price for the Restructuring Scheme last year the Minister, Mr. Walsh made the following statements: -

“Minister Walsh stated that in setting the price at that level he had been conscious of the need to find a balance between the interests of those quota holders who would be selling quota into the scheme and producers who wished to purchase additional quota”.

“Minister Walsh went on to say that in setting a price of 136p per gallon, he had continued the course embarked on some years ago to reduce the cost of quota to active committed milk producers and consequently to help to reduce production costs in the sector. This is essential if Ireland is to maintain the competitiveness of its dairy sector in the years ahead. It was his view that the cost of quota under restructuring should continue to be reduced over the next few years”.

All sectors of the industry recommended and the Minister approved that the maximum price for restructured quota should be reduced from the current 30p per litre to 27p per litre and that the temporary leasing maximum price be reduced from 4p per litre to 3 1/2p per litre. As the following table indicates both the foregoing recommended reductions would give an overall reduction of approximately 40% for both schemes since their peak in 96/97.

Restructuring		Temporary Leasing
Per Gallon	Year	Per Gallon
£2.00	1996/1997	30p
£1.75	1997/1998	27p
£1.60	1998/1999	25p
£1.55	1999/2000	25p
£1.36	2000/2001	18.2p

Milk Quota Rules

The National Legislation (S.I. no. 94 of 2000) governs the milk quota system from the 1st April 2000.

The main impact of the legislation was on the dormant quota continuously temporary leased but which under the new legislation had to be supplied or restructured if temporary leased for more than three years. The immediate impact of this was that the restructuring scheme in the year 2000/2001 was approximately 60 million gallons as opposed to an average of 13.8 million gallons over the previous four quota years. Likewise the Temporary Leasing Scheme declined from an average of 62 1/2 million gallons for the four years to 39 million gallons in 2000/2001. The fallout from the legislation was a need to accommodate producers who had been dependent on land leases and temporary leasing to meet their quota commitments. **The view of the ICOS Dairy Committee was that producers with a track record in restructuring should equally have been accommodated in the Restructuring Scheme 2000. The industry estimates that the Restructuring Scheme in the current year will be no more than 17 million gallons and the temporary leasing pool will decline over a number of years owing to the three-year rule. It is therefore essential that entitlements on a historical basis are removed from the allocation criteria at an early date. This would ease the administration of the schemes considerably for the co-operatives and also provide greater transparency for individual producers.**

ICOS welcomes the decision of the High Court and the Supreme Court, which confirmed the validity of S.I. N-94 of 2000.

PRODUCER PROFILE

Category	Number of Producers Total	% of litres)	Quota (million)	% of total
< 160,000 litres	16,175	55.6	1,486	29.9
160,000 - 255,000 litres	8,113	27.9	1,615	32.5
> 255,000 litres	4,783	16.5	1,862	37.6
TOTAL	29,071	-	4,963	-

The foregoing table shows that there were just over 29,000 active producers on the 1st April 2000. This compares to a figure of 35,027 active producers on the 1st April 1997 a decline of 17%



Visit by directors of Irish Dairy Co-operatives to a milk processing plant in the Czech Republic in September 2000.

over the three quota years. Within the actual category bands in 97/98 there were 24,335 active producers under 160,000 litres (69%), 6,388 between 160,000 and 255,000 (18%) and 4,304 over 255,000 litres (13%).

The effectiveness of the Restructuring Schemes, where in the year 2000/2001 54% of the quota was allocated to producers under 160,000 litres, supports the ongoing policy of making quota available to the small scale producers. This also means that the viable level of quota must come into focus and producers who have moved outside the first priority category found less quota available in the Restructuring Scheme criteria.

The Minister has in May 2000 accepted the recommendation from the Quota Review Group to increase the threshold of the first priority category to 180,00 litres (39,594 gallons) and of the second to 275,000 litres (60,492 gallons).

HYGIENE REGULATIONS

Health Certificate

Undoubtedly one of the major issues in the past year has been the establishment of the Health Certificate and the completion of requirements under Council Directive 92/46. ICOS was disappointed at the level of confusion that arose initially as to what the Minister's position was on the issue of milk collection, where certificates were not in place. Initially the Department confirmed that where certificates were not in place by 30th June milk could not be collected from farms. Subsequently in reply to a Dail question on the 18th May 2000 the Minister conceded that all milk would be collected.

At the end of the day much of the credit for getting the health certificates in place rests with the co-operative personnel. The decisions taken

by co-op Boards to penalise producers where certificates were not in place by the 30th June provided milk producers with a considerable incentive to conform. ICOS also met the Irish Veterinary Union and issued a joint Press Release emphasising the particular aspects of the Health Certificate and the need to have them in place at an early possible date.

ICOS has contacted the Department of Agriculture and Food in regard to the life of the current certificate and emphasised that more notice will be required for certificates in future.

From the co-operatives point of view it is necessary to have a balance between the frequency of certification and at the same time protecting the position of food manufacturers.

It is also important that under the new regime every opportunity must be explored to have the certificate completed in conjunction with the herd test even to the extent of using the same documentation. ICOS also requested that the Department consult with the industry before any outline is presented on the matter. Following the consultation process the Department will be obliged to clearly set out for producers the procedures involved including milk rejection.

Registration

The Department indicate that at the end the year approximately 15,700 holdings which is 54% of the 29,071 current active producers have been approved. This represents an increase of 2000 during the year, but, the figure registered in the year 2000 is half that achieved in 1999.

Considering the scheme has completed five years a shortage of dairy produce inspectors applied to the process in the main reason for the slow progress. The percentage progress must also be qualified by the number of active producers which declined from 31,650 in 1999 to 29,071 on 1st April 2000.

Grant Aid

The ICOS welcomed the decision of the Minister to extend and to expand the Grants Scheme for dairy farmers to meet improvements required for registration under the Dairy Hygiene Regulations.

The main change is the increase in the income units from one hundred to two hundred, with a minimum of thirty. A farmer with at least twenty

Income Units from farming and less than thirty in total may be considered. The maximum grant level is £10,000 on a maximum expenditure of £25,000 (40%). This will apply to applicants with less than 150 Income Units, and 20% grant levels will apply to Income Units from 150 to 200. Investment in a bulk tank and milking machines will be limited to £8,000 maximum investment in each case. ICOS had, with the previous scheme, sought grant aid for a replacement bulk tank, a new milking machine unit, and, specified machine parts, for producers already registered under Council Directive 92/46.

The criteria has dropped the requirement of a nutrient management plan of the previous applications with reference to good farming practices which will be set out in a booklet by the Department. There will also be additional Grant Aid of 15% on investments on dairying and milking premises for young farmers in disadvantaged areas and 5% for young farmers in other areas.

ENVIRONMENT

Over the years our member co-operatives have ensured that Irish dairy products attain the highest possible standards embracing the standard of raw material, processing, packaging and distribution. We are also conscious of the demands placed on our co-operatives in regard to the traceability particularly when such a high percentage of product is exported. The environment is also an important aspect of the co-operatives business and recent requirements on effluent management and packaging waste require additional investment and costs.

The results of the dioxins survey conducted in 2000 by the Environmental Protection Agency with the support of our co-operatives show a 16% reduction on the tests carried out five years previously. The results confirm the uniformly low levels of dioxins in the Irish environment.

NATIONAL CO-OPERATIVE MARTS COMMITTEE

MEETINGS

The Marts Committee met on four occasions, with the Administration Committee meeting on six occasions, backed up by regular meetings of Managers held in Portlaoise and in Dublin. In addition, a variety of Mart delegations were involved in various meetings in Agriculture House.

The Co-op Marts A.G.M took place in the Montague Hotel, Portlaoise on April 5th.

Mr. Pdraig Gibbons was re-elected to the Board of ICOS. Mr. Denis Cronin (Dairygold) was elected to the Committee to replace Donal Buckley (Mallow Mart).

Messrs Tom Hughes (Ballinasloe) and Liam Nolan (Lenister) were coopted to the Committee, with Mark Breslin (Mayo-Sligo) retiring.

During the year, the Marts Committee represented Co-op Marts on a variety of sectoral issues, both in Dublin and in Brussels.

ANIMAL HEALTH FORUM

Meetings of the Animal Health Forum continued during the year in Agriculture House on the finalisation of the Disease Programmes for 2000/2003.

The principle issues to be addressed were:

- New wildlife measures on TB.
- TB Movement Controls
- Live valuation of reactors
- Post-movement test on Brucellosis, with the proposed live valuation system the key issue.

By February 2001, the Forum agenda, after 15 months of on-going consultations, had been finally exhausted. The various issues in summary:

- **New wildlife measures have been agreed.**
- **The penalties for failure to carry out post-movement testing have been eased.**
- **TB testing for movement purposes remains unchanged at 12 months.**
- **The live valuation system has got underway operating in parallel with the existing reactor grant system. The situation will be reviewed in the months ahead.**

SLAUGHTER PREMIUM SCHEME

The scheme got going in Co-op Marts on January 4th, on the basis of a premium exclusive bidding system.

In the early months of the scheme's operation the main focus centred on streamlining the system under the headings of:

- Confirmation of disposal by means of C.M.M.S.
- Special Conditions of Sale.

- The organisation of the special sales, and the selection of beef animals.
- Exports to the North of Ireland.

The operation of the Slaughter Sales has been reviewed for 2001, with further operational guidelines set down for participating Marts. The basic premium payments has been doubled for 2001, at £42 per head, and will be increased by a further £21 for 2002.

CONDITIONS OF SALE

At a meeting in Plunkett House in February 2000, Department of Agriculture Officials indicated the Department's intentions to de-regulate Conditions of Sale from the provisions of the Livestock Marts Regulations (1968). The Department's proposal was immediately supported by ICOS, and eventually become law on September 12th. ICOS, in conjunction with Co-operative Marts is currently preparing a standard set of Conditions of Sale for adoption by Marts.

FEOGA GRANT AID

Consultations were held with the Animal Health and Food Divisions of the Department of Agriculture on the framework for a new Feoga Programme for the Livestock Marts sector in the period 2000-2006.

The priority areas for future Mart investment are as follows:-

- Rationalisation of Mart facilities.
- Relocation in the context of value added projects.
- Upgrading of facilities in relation to effluent management and disposal.

We await the finalisation of the Programme for the Marts sector, which has taken considerably longer to achieve than we had envisaged.

FUTURE STRATEGY FOR CO-OP MARTS

Further work was carried out by ICOS personnel on the preparation of a strategy for the development of Co-operative Marts. The personnel involved in the project team were:- Martin Varley, Maurice Colbert, Sean Myers and Shane Dolan.

The Strategy Report, which was launched at a Press Conference held in Plunkett House on November 28th, received considerable coverage in the national and local media in following weeks.

In the New Year, ICOS laid plans for early consultations with individual marts, and also mart groupings, at local and regional levels. However, the Foot and Mouth movement restrictions gave rise to the cancellation of all planned meetings.

BSE CRISIS

The latest BSE crisis in Europe impacted in Ireland in the early weeks of November. By Christmas, cattle disposals to meat factories and also sales of cattle through Livestock Marts had slowed down to a mere trickle. Stock numbers through marts were worst affected, and prices paid for the small numbers of animals on offer reflected this. Animals over 30 months of age, particularly cows, were worst effected price-wise.

A Package of BSE measures was agreed at a Council of Ministers meeting in Brussels in mid-December, with the Purchase for Destruction Scheme and BSE testing for commercial sale of animals cover 30 months of age, the main features of the new programme.

ICOS kept in contact with the appropriate Department of Agriculture personnel and also in Brussels through UECEV and COPA-COGECA at all stages.

SHEEP IDENTIFICATION

This issue has been around for the past two years. **However, in the second half of 2000, the issue of sheep identification became a live issue once more. Meetings with the Department of Agriculture personnel involved were held on September 4th, and again on February 5th 2001. ICOS supported the Department's efforts with the introduction of sheep tagging in March 2001, subject to reaching agreement on a number of operational issues affecting Livestock Marts.**



L. Carroll (Chairman Marts Committee), M. Colbert (Secretary Marts Committee), T. Doyle (Wexford Farmers Co-op).

The Foot and Mouth precautionary measures introduced in the early weeks of March cut across the consultations taking place in Agriculture House.

EUROPEAN ASSOCIATION OF LIVESTOCK MARKETS

ICOS continues to be actively involved in the work of the Association in Brussels, with the General Assembly Meeting and 2000 Conference held in Edinburgh on May 18/20th. The 2001 Conference will take place in Rosscabery, Co.Cork on May 24/25th.

ICOS BRUSSELS

Through the Brussels office ICOS plays an important role in influencing the development of European agricultural policy through direct contact with key decision makers at European level.

The year 2000 was a busy one in Brussels although there was no one issue that really dominated, perhaps with the exception of BSE. The first phase of the Agenda 2000 agreement was implemented and for the first time in many years reform of the CAP was not officially on the agenda although there were still demands that it should be.

ICOS Brussels continued to facilitate co-operatives in meeting decision-makers in the European Commission and Parliament. ICOS Brussels maintains daily contact with the European institutions to ensure that all policy issues are actively monitored and to ensure that ICOS has the most up to date information available.

DAIRY

Export refunds and aid for the principal dairy protein products were cut significantly throughout 2000 as the US dollar rose in value against European currencies and world market prices remained buoyant. In May the allocation of export licences for processed product was suspended due to budgetary problems and this suspension remained in place until August when the budget was increased.

BEEF

BSE continued to cause problems in 2000. An increased incidence in France led to a crisis in public confidence in the safety of beef and consumption fell by up to 40% in many

countries. The European Commission introduced a series of measures, in response to the crisis, including a ban on the feeding of meat and bone meal to all animals, comprehensive testing, labelling and a purchase for destruction scheme.

WTO

Negotiations for a new round made little progress in 2000 mainly due to the US Presidential elections in November. The WTO agriculture committee met in special session four times and by the end of the year all the main countries had set out their initial position on a new round of trade talks.

ENLARGEMENT

Agriculture negotiations with the six leading candidates for EU membership began in June and are likely to be concluded by the end of 2002. At issue is the request for transition periods, the size of any production quota allocations, payment of aid and controls - particularly veterinary controls.

Other issues that ICOS Brussels worked on during 2000 are:

- White paper on food safety
- Bilateral trade agreements
- 2000/01 price package
- Pigmeat regulatory fund
- Inter-governmental Conference
- School milk
- R&D programme
- Promotion of agricultural products
- CAP budget
- Rural development programme

VISITS TO BRUSSELS

Members of the Dairygold general committee visited Brussels in October as part of a study tour. They met with officials from the Commission and with ICOS Brussels to review current policy issues.

In November the chairmen of a number of co-operatives took part in a seminar on co-operative governance in Brussels. They also met with Commissioner David Byrne and with senior officials in DG Agriculture.

COGECA

ICOS is a member of COGECA the umbrella body for European co-operatives and has maintained an office in Brussels since 1973. COGECA

provides ICOS with a forum to meet it's counterparts from the other member states of the European Union, to develop common positions and to lobby collectively in Brussels for co-operatives in Europe. Representing over 30,000 co-operatives COGECA is an influential voice in Brussels.

In July COGECA organised a seminar on the globalisation of agricultural co-operatives attended by co-operative delegates from all EU countries. Speakers included Mr Lars Lamberg, Chairman of Arla Foods.

The series of seminars continued in November when nearly 100 co-op directors and managers took part in discussions on co-operative governance.

ICOS REPRESENTATIVES

ICOS representatives participated in the following advisory committees and working parties in Brussels during 2000.

COGECA Praesidium	Dessie Boylan & John Tyrrell
Common Agricultural Policy	John Tyrrell
Milk & Dairy Products	Martin Varley & George Kearns
Sheepmeat	Maurice Colbert
Beef	Maurice Colbert

Social Economy	John Tyrrell
European Association of Livestock Marts	Michael O'Dwyer & Maurice Colbert
Eggs & Poultry	Patrick Mulvehill
Feedstuffs	Eamonn Walshe
Foodstuffs	Michael Hickey
Seeds	Gerry Griffith
Agricultural Structures	Seamus O'Donohoe
Oilseeds/Cereals	John Rice
Animal Breeding	Bernard Eivers
Veterinary Matters	Sean Crowley
Legal Questions	Michael Quigley
CEPFAR/Training	Seamus O'Donohoe
Animal Breeding	Bernard Eivers
Fisheries	Mark Lochrin
Agritourism	Seamus O'Donohoe
Quality & Health	George Kearns
Permanent Representative in Brussels	Michael Quigley

Member Development Division

EDUCATION AND DEVELOPMENT

DIRECTOR DEVELOPMENT

This year was the sixth successive year that ICOS organised it's Director Development Programme" Introduction to Good Board Practice" The programme was run over four days in January and was followed by a five day study tour to the Czech Republic in the Autumn. This was the first study trip for Directors participating in the programme to one of the applicant countries for EU membership. The programme attracted thirty-five directors from fourteen different dairy co-operatives.

In addition to the introductory programme, there was considerable demand for customised Director Training Programmes for individual co-operatives. Four such programmes were organised in 2000 ranging in duration from one to two days.

LEADERSHIP TRAINING

ICOS continues to promote young farmer participation in it's Co-operative Leadership Training Programmes. These are targeted at younger farmers with leadership potential and are organised on a customised basis between ICOS staff and individual co-operatives. In the year under review there was a slowing down in demand for this type of programme with only two such programmes being organised.. The Division organised a special workshop for young co-operative farm leaders as part of the ICOS National conference. The workshop was a considerable success with over fifty young delegates being nominated to attend.

GENERAL CO-OPERATIVE TRAINING

ICOS provided co-operative training input into university undergraduate, post-graduate, extra mural courses and new co-operative start-ups. In 2000 the Divisions, staff would have participated in three such programmes.

NEW DEVELOPMENT EXECUTIVE

In November, a new Development Executive, Mr. T.J. Flanagan started work with ICOS. His responsibilities will include Rural Development, the Irish Timber Growers Association, the Forestry Development Association, National Conference organisation, leadership training and the Irish Milk Quality Co-operative Society limited.

MEMBER RELATIONS

The work of the Division in regard to member relations involves attendance at general meetings of the membership or the committee of management, the preparation of full and partial rule amendments, assisting in restructuring, arbitration and assisting co-operatives in their general communication with members. Much of this work is done in collaboration with the ICOS Secretary and is reported on elsewhere. The Division was very active in assisting the progression of two major mergers in 2000. These were the mergers of NCF and Kiltoghert Co-operatives to form Connacht Gold, this was completed in the year under review. The second merger between Nenagh and Mid-West was initiated in 2000 and completed in 2001.

PLUNKETT AWARD

The 2000 winner of the Plunkett award for Co-operative Endeavour was Mr Reddy Brennan, former General Manager of Avonmore Creameries Limited. The award was presented to Reddy for his leadership and organisational skills in being such a significant force in the merger activity that led to the creation of Avonmore Creameries Limited.



Presentation of the 2000 Plunkett Award to Reddy Brennan former General Manager, Avonmore Creameries.

2000 NATIONAL CONFERENCE

The November conference had to be rescheduled to January 2001 due to inclement weather conditions. The theme of the Conference was "Strategies for Enhancing Co-operative Management and Performance". Mr John Malone, Secretary General, Department of Agriculture, Food and Rural Development delivered the opening address. Mr Harm Eiso Clevering,

President NCR, Netherlands and Mr Brian Joyce, Chairman EBS both addressed the conference. The conference attracted 200 delegates with over 260 attending the conference dinner where His Excellency Mike J Sullivan, U.S. Ambassador addressed the conference.

RURAL DEVELOPMENT

ICOS RURAL DEVELOPMENT COMMITTEE

Because of changes in executive personnel the rural development committee met on only two occasions during the year. The principle work of the Committee in 2000 was in reviewing and making representations on the CAP Rural Development Plan and the Rural programming elements of the Programme for Prosperity and Fairness.

The Committee and Secretariat were also actively involved in the development and start up of two Wind Energy Co-operatives a forestry co-operative and a number of co-operative group water schemes.

An interim consultancy report on the structure and operations of the National Federation of Group Water Schemes was drafted by ICOS Services with input from the Member Development and Financial Services Division.

ICOS also continued its association with Area Partnership Companies [APC's] and County Enterprise Boards [CEB's] and Area Development Management. In 2000 the legislation introduced by the Minister for the Environment, Noel Dempsey TD on local development structures was enacted with the establishment of County Development Boards [CDB's]. ICOS in conjunction with the IFA, ICMSA and Macra Na Feirme nominated one member to each rural County Development Board and these Board became operational from April onwards.

EU ADVISORY COMMITTEE ON RURAL DEVELOPMENT

The EU Advisory Committee on Rural Development is an internal COPA/COGECA working group. It met on two occasions in 2000 in advance of the Agricultural Structures Advisory Committee and it's main task is to seek agreement on common policy positions on agricultural and rural development issues from participating EU countries.

AGRICULTURAL STRUCTURES ADVISORY COMMITTEE

This Committee met on two occasions in 2000. The committee is still coming to terms with it's considerably enlarged size and the broad agenda of rural related issues it is expected to comment on over the course of two meetings. The main focus of the Committee's work was developments in relation to the CAP Rural Development Plan.

NATIONAL PIG PRODUCERS SOCIETY LTD

The Division continues to provide Secretarial services to this society. The work of the Society is mainly the dissemination of information among its members.

IRISH MILK QUALITY CO-OPERATIVE SOCIETY LTD. [IMQCS]

The activities of IMQCS are organised by the Member Development Division as part of the secretarial and management service it provides to IMQCS. 2000 was a relatively quiet year for the Society. During 2000 the work commenced in 1999 in drafting a new version of the Teagasc, Moorepark Guidelines to Milking Machine Installation was continued.

IRISH TIMBER GROWERS ASSOCIATION/FORESTRY DEVELOPMENT ASSOCIATION

The Division provides on a consultancy basis a management service to the Irish Timber Growers Association and the FDA.

In 2000 the Forestry Development Association was incorporated as a co-operative and held it's inaugural meeting in Co. Waterford. The objective of the co-operative is to provide smaller scale timber growers with the opportunity to organise the management and marketing of their forest holdings on a competitive cost effective basis.

ICOS continues to assist ITGA in the organisation of it's services including field days, Newsletters, Yearbooks and professional advice. In the year under review, the responsibility for providing this service was handed over to TJ Flanagan the new ICOS Development Executive.

THE WESTERN FORESTRY CO-OPERATIVE

The twenty farm Forestry Co-operatives under the control of the Western Forestry Co-operative have enjoyed another successful year. The

cumulative membership of these societies now stands at 2,200 who have afforested a total of 14,580 Ha. The seven professional foresters who service the twenty Co-operatives have reported a lively interest in the afforestation of marginal land by farmers at the moment. Progress in grouping the areas being planted on adjacent farms is ongoing with over 60% of the above area now relating to group plantations. This has many obvious advantages (relating to scale and layout) from the farmers involved. It is also becoming apparent that the inspection of each farm wood lot by the co-op forester and the owner (with 6 ha or less) is having the desired effect of improving the standard of forest management.

Throughout the year the Western Forestry Co-operative worked closely with Teagasc and the farming organisations at local level. Co-operation with the Irish Timber Growers Association included a very successful field day in North Roscommon. Joint work with UAOS also continued. This involved a programme of cross-border seminars and a detailed survey of woodland owner needs in border counties. There were also interesting joint programmes with UAOS relating to energy production and to improving the impact of woodland on the environment.

The Western Forestry Co-operative is currently active in the Sustainable Forest Management Programme with a view to attaining group certification for its members.

HUMAN RESOURCES

The year 2000 saw the Partnership 2000 National Agreement replaced by the Programme for Prosperity and Fairness (PPF). **This Agreement provided relatively substantial pay increases of 51/2% for each of the first two years and 4% for the final nine months of the Agreement.** These terms had been agreed at a time when inflation was running at around 2% to 3% per annum. However, during the year, the rate of inflation increased substantially, maximising at 7% in November. The result of this was a re-negotiation of the terms of the Agreement. The revised terms provide for a further basic pay increase of 2% to apply from 1 April 2001 and a once-off lump sum payment of 1% of basic pay on 1 April 2002.

Despite this outcome, many societies found themselves faced with various cost increasing

claims. Societies sought to have the various issues resolved within the context of the National Agreement. ICOS was involved with many resulting in 26 meetings with managements, 20 meetings with unions and 8 Conciliation Conferences under the auspices of the Labour Relations Commission. However, a number of the claims remain unresolved and will require careful consideration in 2001.

The Industrial Relations Advisory Committee (IRAC) concluded negotiations on the Pension Claim with a satisfactory agreement. The revised terms were accepted by SIPTU and an improved staff pension scheme came into force from 1st July. ICOS would like to express its appreciation to the members of IRAC for their efforts in resolving a long and difficult negotiation.

FARM SAFETY:

ICOS continues to participate on the Agricultural Safety Task Force run by the Health and Safety Authority. Farming continues to be the most dangerous occupation in the country. Last year saw an unusual twist in that a total of eight fatalities occurred during the normal busy period of the year, up to the end of September. However, there were a further eight fatalities during the months of November and December. Societies are urged to maintain a constant awareness campaign amongst members on safety. Monthly newsletters should deliver the message and other notifications, such as, invoices, could also have a safety slogan on them.

STAFF TRAINING:

The rapid expansion of the Irish Economy in recent years has resulted in the growth of labour supply and skills problems. This has created a need for the development of strategic learning processes in every sector. Employer organisations have been calling for a business led approach to staff training requirements.

The result of this has been the establishment of the Training Networks Programme under Skillnets Ltd. The Skillnets approach to training aims at focusing on the organising of groups of businesses to develop strategic answers to their training problems. ICOS is now in the process of setting up training networks around the country. Two successful training modules were held in 2000. Further groups of societies will be contacted in the early part of 2001.

Irish Foundation for Co-Operative Development

Thanks to the continued support of our co-operatives, especially of our dairy coops, the work of the Irish Foundation for Co-operative Development in helping farmers and other rural people in Africa has progressed further during the past year. IFCD is a small agency by international standards, but its work and particularly its self help philosophy, has attracted attention from major international donors and government agencies in the countries in which it is involved.

There are very many approaches to development and many buzzwords to capture the same concept. - empowerment, institution building, capacity building - but in the end they all boil down to the same need to organise people to help themselves, and to do that primarily in an economic sense. People need assistance to develop their own capacity to make profitable use of whatever resources they have, to help them escape from poverty which is the real root of all their ills.

The approach of IFCD to its work of development in Africa is based on the original advice of Plunkett to Irish farmers, namely, that their best chance of economic improvement lay in their combining together to gain a common objective. What was true for the Irish farmers of Plunkett's time is still true today for the village people in rural Africa.

There have been co-operative structures in place in most African countries even since colonial times but in almost all cases the farmer members have not been actively involved nor have they felt any responsibility for the running of the business. A lot of the international assistance over many years, even to co-operatives, has created a dependency rather than independence. Top-down structures have been put in place which have inhibited any bottom-up growth which is the essence of any sustainable self-help development. However in recent years markets have been freed up and competition has shown that farmers need to organise themselves to compete in those markets.

TANZANIA

IFCD has worked in the Iringa region of Tanzania since 1981. For most of that time it has tried to

work with the existing structures of local village co-ops in which all village people were members but without any real involvement in economic activity. However it is only in the past five years that it has been possible to help organise groups of farmers with a genuine interest in working together for the purpose of buying farm inputs and selling their produce collectively. Because even the term "co-operative" had a bad reputation from the past, a new start had to be made and the groups were termed Producer

Marketing Groups and many did not formally register as co-operative societies.

In a three year project just ended, IFCD has laid the ground for this new approach to coop/farmer owned production and marketing. A total of twelve Producer Marketing Groups (PMGs) involved in marketing coffee, maize and beans on behalf of their members, have been set up and are running successfully in three Districts -

Mufindi, Ludewa and Njombe. Farmers now have experience of the benefits of group marketing and the purchase of inputs. As a result, membership of the groups has grown and other potential groups have been emerging as pressure groups in all three Districts, but especially in Mufindi.

Families in over a hundred villages have benefited from these activities. In the case of maize, output sold through the PMGs has increased from 24 to 126 tons and the farm gate price for a 100-kg. Bag has improved from 3,000/= to 7,000/= in the three years. In the case of coffee the volume of sales through the PMGs has grown from 42 to 125 tons and the average price per kg. has risen from 650/= in year one to 1,125/= in year two but down to 850/= in year three when there was a dramatic fall in world prices. But progress was such that over 600 new families have planted over 201,000 coffee trees, and pressure is on to organise more marketing groups.

It is recognised that the key to the promotion and success of these groups has been intensive sensitisation and training programmes among the villages and the groups together with advisory assistance in organising marketing connections

and the logistics of transport. Minimum amounts of matching loan capital has been provided by the project for initial crop financing and the groups themselves have built up their own funds from sales to provide for the future.

Now after 20 years, IFCD is handing over the job of continuing this work to a newly formed local NGO called COAS (Community Grassroots Association). COAS has been registered by a five person team of former employees of IFCD and is drawing moral and some financial support from a wide range of people involved in coop and community development in the Region. IFCD is committed to providing advice and some funding to this new NGO to cover its basic costs of operation, for a limited period, on the understanding that it will attract support from other donors as well as the groups themselves.

During the current years COAS is planning a series of promotional one day workshops in individual villages especially in the Mufindi District, to assist in the formation of six new PMGs while at the same time providing ongoing follow up advice and direction to the existing groups. In addition to these workshops, a series of residential training courses are planned for the leaders of the new groups. The District authorities in this district are particularly helpful in providing local advisory personnel and subject matter specialists to work under the direction of the COAS team.

UGANDA

IFCD has just finished a three-year project in the Rakai and Masaka Districts of Uganda. This programme was aimed at assisting a total of 32 groups of "potential commercial" farmers scattered over a total of six counties in these districts, as well as providing advice and assistance to 96 groups of "vulnerable" households, mainly single-parent families affected by the Aids epidemic.

As in Tanzania the emphasis is on organising these groups to improve their own economic situation. All groups are given intensive motivation and training, certified bean seed is provided under a Food Security Programme funded by USAID, and assistance with organising markets for the produce is given by the IFCD specialists. The project has employed a total of over fifty local people directly and indirectly, and the results have been very encouraging.

An additional element to the project has been the provision of mosaic-resistant cassava cuttings for distribution to the groups of vulnerable households. As well as being a valuable food resource even in the dry season, the cassava multiplication scheme is providing a worthwhile economic opportunity for poor people as the new disease-free strain is a marketable commodity.

The IFCD local team has formed themselves into an NGO called Community Enterprise Development Organisation (CEDO). IFCD is pleased to hand over the continuation of the work to CEDO with a commitment to provide some basic funding as well as ongoing advice and supervision for the next couple of years. It is expected that USAID and other agencies already involved will also continue to work through the new NGO.



Elizabeth Bolger from Kilkenny who has been IFCD Project Officer in Uganda for the past two years, with the local team which has now taken over the work as a new NGO.

OTHER PROJECTS

IFCD continues to provide assistance to the re-organisation of farmer-owned structures in the Gambia in conjunction with the European Development Fund's work on restructuring the Groundnut sub-sector. Pending national elections have delayed expected progress in this project but the policy recommendations set down by IFCD are forming the basis for future actions. IFCD continues to make an input into the work of the Irish Aid Advisory Committee.

IFCD would like to acknowledge the continued support of Ireland Aid, of APSO and the co-financing scheme of the European Commission as well as USAID and the International Institute for Tropical Agriculture, all of which enhance greatly the funding support provided by our own co-operatives.

Financial Services Division

ICOS FINANCES

The year 2000 resulted in a surplus after taxation of £32,292, as compared to £29,159 in the prior year. In 2000 the overall income decreased by 7.45%. Affiliation fee income reduced by 10% for 2000. Seminar income has increased by 11.8%. Other income has increased by £19,248 in 2000. The increase is due to the ancillary services that ICOS has invested, in order to offset the reduction in affiliation fees due to the continuing rationalisation and merger activity of the Co-operative sector.

The overall expenditure has reduced by 8.3% for the year 2000. The main movement in costs have been a reduction in the payroll and travel expenses due to the reduction in staff numbers.



Delegates attending ICOS National Conference.

STATISTICAL ANALYSIS

ICOS undertakes the statistical analysis of both the Dairy and the Mart sectors. During 2000 ICOS produced strategy documents which included analysis of the performances of both sectors. ICOS also continue to analyse information and performance of dairy co-operatives. Extensive analysis has been undertaken for this year's annual report.

EURO PREPARATION

The division continues to work with Financial Controllers , in providing information on the Euro and changeover. A Euro workgroup has been established with the aim of co-ordinating a standard approach to Euro changeover. ICOS have prepared a code of practice for the Euro



Shane Dolan, Financial Controller ICOS with Paul Harrington, Assistant Registrar.

changeover. The sector's experience to date has been beneficial through reduced exchange risk through reduced exchange risk and lower interest rates.

PENSIONS

ICOS continue to administer the two industry wide pension schemes.

- Dairy Executive Pension Scheme
- Irish Co-operatives Societies Pension Scheme

The returns from both were positive with both putting in strong investment performances. The two schemes are managed by Bank of Ireland Asset Management.

OTHER ISSUES

The division prepared a submission for Budget 2000. The division continues to provide services to other sectors within ICOS and provide information as requested to co-operatives and other interested parties.



Participants in study tour to Czech Republic.

ICOS Services

With the objective of implementing its Mission Statement ICOS, which itself is a co-operative, provides a range of services to member co-operatives and groups wishing to form co-operatives.

These include the following

- Policy formulation on issues affecting co-operatives
 - Preparation of rules and assistance to groups in the process of incorporation.
 - Advice on sourcing of funds and other financial services.
 - Representation at European Union level.
 - Analysis and interpretation of European Union Legislation.
 - Consultation through the E.U. Advisory Committee Structure.
 - Lobbying at National and E.U. level on issues of relevance to Co-ops.
 - Provision of Director Training Programmes.
 - Provision of Co-operative Leadership Programmes.
 - Advice on Industrial Relations matters.
 - Advice on Corporate Structures.
 - Analysis of Co-operative financial data.
 - Analysis and interpretation of Irish legislative issues.
-

Statement of the Society's and the Board's Responsibilities

The Industrial and Provident Societies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Society is responsible for keeping proper books of account such as are necessary to give a true and fair view of the state of affairs of the Society and to explain its transactions. The Board is responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:

President:	Dessie Boylan
Director General:	John R Tyrell
Secretary:	Seamus O'Donohoe

18 April 2001

Report of the Auditors

To the members of Irish Co-Operative Organisation Society Limited

We have audited the financial statements on pages 4 to 10.

Respective responsibilities of the Board and auditor

The Board is responsible, as described on page 2, for preparing the financial statements in accordance with Accounting Standards generally accepted in Ireland. Our responsibilities, as independent auditor, are established in Ireland by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Irish statute comprising the Industrial and Provident Societies Acts, 1893 to 1978. We state whether we carried out such procedures and have obtained such information as we consider necessary for the purposes of our audit. We also report to you whether we found the Society's books, deeds, documents, accounts and vouchers relating thereto, to be correct, duly vouched and in accordance with the Industrial and Provident Societies Acts, 1893 to 1978.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of

whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Society at 31 December 2000 and of its surplus for the year then ended. We have carried out such procedures and obtained such information as we considered necessary.

We found the Society's books, deeds, documents, accounts and vouchers relating thereto, to be correct, duly vouched and in accordance with the Industrial and Provident Societies Acts, 1893 to 1978.

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors,
Dublin
18 April 2001

Accounting Policies

The significant accounting policies adopted by the Society are as follows:

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Industrial and Provident Societies Acts, 1893 to 1978. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

Societies' contributions

Contributions from societies are taken to credit of the income and expenditure account for the year in which such contributions are received and arrears are not included at the year end.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost of the fixed assets over their estimated useful lives by equal annual installments.

Leased assets

Where fixed assets are financed by leasing agreements which give rights approximating to ownership ("finance leases"), they are treated as if they had been purchased outright at the present values of the minimum lease payments; the corresponding obligations are shown in the balance sheet as finance leases.

The present value of the minimum payments under a lease is derived by discounting those payments at the interest rate implicit in the lease, and is normally the price at which the asset could be exchanged in an arm's length transaction.

Depreciation is calculated in order to write off the amounts capitalised over the estimated useful lives of the assets by equal annual installments.

The difference between the total rentals under a lease over the amount capitalised is treated as interest, which is amortised to the income and expenditure account over the period of the lease.

Leases other than finance leases are "operating leases" and the rentals thereunder are charged to the income and expenditure account on a straight line basis over the periods of the leases.

Pensions

The pension entitlements of employees are secured by contributions to a separately administered pension fund and these contributions are charged to the income and expenditure account on an accruals basis. Annual contributions are based on regular actuarial valuations.

Deferred taxation

Deferred taxation is provided on timing differences to the extent that it is expected to become payable in the foreseeable future and any amount not provided is disclosed as a contingent liability.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

Foreign currencies

Current assets and current liabilities denominated in foreign currencies are translated into Irish pounds at the rates of exchange ruling at the balance sheet date.

Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the income and expenditure account.

Income and Expenditure Account

Year Ended 31 December 2000	2000	1999
	IR£	IR£
Income		
Societies' contributions received	986,010	1,097,490
Seminars, training and education	52,012	46,515
Other income (including registration services)	38,947	19,699
	<u>1,076,969</u>	<u>1,163,704</u>
Expenditure		
Payroll		
Salaries and state insurance, less recoveries	498,535	545,220
Pension scheme premiums and superannuation	79,019	84,143
	<u>577,554</u>	<u>629,363</u>
Travel and services		
Travelling expenses	137,829	150,528
Public relations, education and training	59,300	66,810
Postage and telephone	44,455	49,605
Printing and stationery	33,913	33,898
Consultancy fees	-	15,744
	<u>275,497</u>	<u>316,585</u>
Overheads		
Rent, rates, light, insurance and household expenses	93,166	85,848
Subscriptions	40,018	41,647
Depreciation of fixed assets	25,557	23,726
Maintenance and repairs	15,626	20,022
Professional fees	9,432	16,360
Interest and bank charges	452	1,347
Miscellaneous expenses	5,228	2,965
	<u>189,479</u>	<u>191,915</u>
	<u>1,042,530</u>	<u>1,137,863</u>
Surplus for year before state grant and taxation	<u>34,439</u>	<u>25,841</u>

On behalf of the Board:

President: Dessie Boylan

Director General: John R Tyrell

Secretary: Seamus O'Donohoe

General Revenue Account

Year Ended 31 December 2000

	Note	2000 IR£	1999 IR£
Surplus for year before state grant and taxation		34,439	25,841
State grant		<u>11,000</u>	<u>11,000</u>
Surplus for year before taxation		45,439	36,841
Taxation	1	<u>(13,147)</u>	<u>(7,682)</u>
Surplus for year after taxation		32,292	29,159
Accumulated deficit at beginning of year		(209,753)	(238,912)
Accumulated deficit at end of year		<u>(177,461)</u>	<u>(209,753)</u>

All income and expenditure arises solely from continuing operations. There were no recognised gains or losses other than those dealt with in the Income and Expenditure Account and the General Revenue Account.

On behalf of the Board:

President: Dessie Boylan

Director General: John R Tyrell

Secretary: Seamus O'Donohoe

Balance Sheet

31 December 2000

	Notes	2000 IR£	1999 IR£
Current assets			
Bank balances and cash		24,882	48,046
Debtors and prepayments	2	<u>170,094</u>	<u>74,252</u>
		194,976	122,298
Fixed assets	3	<u>63,341</u>	<u>48,067</u>
		<u>258,317</u>	<u>170,365</u>
Representing capital employed:			
Share capital	4	70	70
General revenue account - deficit		(177,461)	(209,753)
Shareholders' deficit	5	<u>(177,391)</u>	<u>(209,683)</u>
Creditors due within one year			
Creditors and accruals	6	<u>206,029</u>	<u>162,048</u>
Creditors due after more than one year	7	<u>11,679</u>	-
Loan from the Golden Jubilee Trust Fund	8	215,000	215,000
Deferred taxation	9	<u>3,000</u>	<u>3,000</u>
		<u>258,317</u>	<u>170,365</u>

On behalf of the Board:

President: Dessie Boylan

Director General: John R Tyrell

Secretary: Seamus O'Donohoe

Notes to the Financial Statements

1	Taxation			2000	1999
				IR£	IR£
	Based on the surplus for the year:				
	Corporation tax at 24% (1999: 25%)			13,250	9,200
	Overprovision in earlier years			(103)	(1,518)
				<u>13,147</u>	<u>7,682</u>
2	Debtors and prepayments			2000	1999
				IR£	IR£
	Debtors and prepayments			49,250	46,559
	Amount owed by related parties			120,844	27,693
				<u>170,094</u>	<u>74,252</u>
3	Fixed assets	Furniture, fittings and equipment	Computer equipment	Motor vehicles	Total
		IR£	IR£	IR£	IR£
	Cost				
	At 31 December 1999	163,798	95,352	76,365	335,515
	Additions	2,416	22,064	16,350	40,830
	Disposals	-	-	(13,995)	(13,995)
	At 31 December 2000	<u>166,214</u>	<u>117,416</u>	<u>78,720</u>	<u>362,350</u>
	Accumulated depreciation				
	At 31 December 1999	141,114	76,321	70,013	287,448
	Charge for year	6,937	11,466	7,153	25,556
	Depreciation on disposal	-	-	(13,995)	(13,995)
	At 31 December 2000	<u>148,051</u>	<u>87,787</u>	<u>63,171</u>	<u>299,009</u>
	Net book amounts				
	At 31 December 2000	<u>18,163</u>	<u>29,629</u>	<u>15,549</u>	<u>63,341</u>
	At 31 December 1999	<u>22,684</u>	<u>19,031</u>	<u>6,352</u>	<u>48,067</u>

Included above are the following amounts in respect of assets which are financed by finance leases and which remain in the legal ownership of the lessors:

	2000	1999
	IR£	IR£
Net book amount at 31 December	<u>14,988</u>	<u>-</u>
Depreciation	<u>1,362</u>	<u>3</u>

The estimated useful lives of fixed assets by reference to which depreciation is calculated are as follows:

Furniture, fittings and equipment	10 years
Computer equipment	3 years
Motor vehicles	5 years

Notes to the Financial Statements - continued

4	Share capital	2000	1999
		IR£	IR£
	At 31 December 2000 and 1999 - 141 shares of 50p each	<u>70</u>	<u>70</u>
5	Reconciliation of movements on shareholders' deficit	2000	1999
		IR£	IR£
	Surplus for year after taxation	32,292	29,159
	Opening shareholders' deficit	(209,683)	(238,842)
	Closing shareholders' deficit	<u>(177,391)</u>	<u>(209,683)</u>
6	Creditors due within one year	2000	1999
		IR£	IR£
	Creditors and accruals	108,155	82,617
	Amount due to related parties	80,620	70,231
	Corporation tax payable	13,250	9,200
	Finance lease	<u>4,004</u>	<u>-</u>
		<u>206,029</u>	<u>162,048</u>
7	Creditors due after more than one year	2000	1999
		IR£	IR£
	Finance lease	<u>11,679</u>	<u>-</u>
8	Loan from the Golden Jubilee Trust Fund		
	This loan is interest free and carries no fixed repayment terms.		
9	Deferred taxation	2000	1999
		IR£	IR£
	On accelerated capital allowances at 24% (1999: 25%)	<u>3,000</u>	<u>3,000</u>

Notes to the Financial Statements - continued

10 Pensions

The Society operates a defined benefit pension scheme covering its employees. These benefits are funded through an external pension scheme which is vested in independent trustees for the sole benefit of employees or their dependants. The Society's contributions to the scheme, charged to the income and expenditure account, are calculated with independent professional actuarial advice. An actuarial valuation of the scheme is made every three years.

On the basis of the most recent actuarial valuation as at 22 December 1997 the market value of the scheme's assets was IR£2,017,803. Benefits that had accrued to the members based on service to, and pensionable pay at, the valuation date exceeded the market value of the scheme's assets by IR£318,100. The level of funding was 84% after allowing for expected future pay increases. Contributions to the pension scheme will continue at the actuary's recommended rate, and the variation from regular cost will be charged over the average expected remaining service lives of employees as a fixed percentage of expected future pay. The principal actuarial assumption adopted in the valuation was that, over the long term, the annual rate of return on investments would be 1% higher than the annual increase in pensionable remuneration. The pension cost charged to the income and expenditure account in respect of the scheme was IR£106,377 (1999: IR£84,143).

Actuarial reports are available for inspection by scheme members but are not available for public inspection.

11 Operating leases

Payments under operating leases charged to the income and expenditure account for the year amounted to IR£36,000 (1999: IR£36,000).

The minimum operating lease payments of IR£36,000 to which the Society is committed for 2000 arise in respect of a lease for which no fixed termination period has been specified.

12 Related parties

The Society, ICOS Services Co-Operative Society Limited, Golden Jubilee Trust Fund, Irish Foundation for Co-Operative Development Limited and Irish Agri Food Development Limited are related parties under Financial Reporting Standard No. 8 - "Related party disclosures". Costs of IR£193,250 (1999: IR£243,129) were funded by the Society on behalf of these entities. This funding is repayable to the Society. Rent of IR£36,000 (1999: IR£36,000) was charged by a related party to the Society.

13 Approval of financial statements

The Board approved the financial statements on 18 April 2001.

Schedule of Affiliation Fees

AFFILIATION FEES ASSESSED AND PAID 2000			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS A %
DAIRY	802,721	790,476	99
MART	134,368	119,611	89
A. I. STATIONS	39,826	26,034	65
WHOLESALE	60,125	60,125	100
FISHING	6,840	6,840	100
STORES	3,535	3,210	91
RURAL DEV.\TOURISM	3,780	3,150	83
OTHER	22,262	16,198	73
TOTAL	1,070,457	1,025,644	96

DAIRY				MART			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS %		2000 ASSESSED	TOTAL PAID	TOTAL PAID AS %
GLANBIA	110,000	110,000	100	ATHENRY	4,931	4,931	100
BANDON	21,169	21,169	100	BALLINASLOE	4,182	4,182	100
BARRYROE	22,721	22,721	100	BALLYJAMESDUFF	2,702	2,702	100
BOHERBUE	6,510	6,510	100	BIRR	2,828	2,828	100
CALLAN	5,389	5,390	100	CASTLEREA	3,808	3,808	100
CENTENARY	19,716	19,716	100	CLARE	10,866	10,866	100
CORCAGHAN	1,623	1,624	100	CORK MARTS	18,277	18,278	100
DAIRYGOLD	91,045	91,046	100	C-ISLAND	6,933	6,934	100
DOAPEY	2,415	2,415	100	DINGLE	1,232	1,232	100
DRINAGH	25,984	25,984	100	EAST DONEGAL	2,354	1,177	50
DROMBANE	3,710	3,710	100	GOLDEN VALE	18,854	9,427	50
FEALEBRIDGE	5,719	5,720	100	GORT	1,817	1,817	100
GLENVEAGH	12,444	12,444	100	HEADFORD	1,454	1,454	100
GOLDEN VALE	68,463	68,463	100	IVERAGH	1,169	0	-
IRISH DAIRY BOARD	53,585	53,585	100	KENMARE	1,217	0	-
KANTURK	1,000	1,000	100	KILFENORA	632	0	-
KERRY	52,000	52,000	100	KILKENNY	6,645	6,645	100
KILASNETT	791	791	100	KINGDOM	2,101	2,100	100
KILTOGHERT	14,660	14,660	100	LEINSTER	3,794	3,700	98
LAKELAND	38,436	38,436	100	MAYO/SLIGO	4,845	4,845	100
LEE STRAND	9,808	9,808	100	MID-KERRY	2,702	2,702	100
LISAVAIRD	21,300	21,300	100	MID-TIPPERARY	3,894	3,894	100
MAUDABAWN	1,714	1,500	88	MILFORD	2,054	1,027	50
MID-WEST	22,805	22,805	100	NENAGH	4,370	4,370	100
MULLINAHONE	8,941	8,941	100	ROSCOMMON	3,822	3,822	100
NEWTOWNSANDES	6,502	6,502	100	TEMPLEMORE	1,564	1,550	99
N CONN.FARMERS	42,026	42,026	100	TUAM	4,341	4,341	100
NENAGH	28,580	28,580	100	WATERFORD/ROSS	1,801	1,801	100
NEWMARKET	14,162	14,162	100	WEXFORD FARMERS	9,179	9,179	100
SHANNONSIDE	7,638	0	0				
T OF MONAGHAN	27,468	27,468	100				
THURLES	10,428	10,428	100				
TIPPERARY	26,648	26,648	100				
VIRGINIA (UNDER REVIEW)							
WEXFORD	5,400	5,400	100				
TOTAL	802,721	790,476	99	TOTAL	134,368	119,611	82

A.I. SOCIETIES			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS
%			
MUNSTER C.B.S.	575	575	100
SOUTH WESTERN	11,500	11,500	100
NORTH EASTERN	2,500	2,500	100
SOUTH EASTERN	9,167	9,167	100
NORTH WESTERN	4,584	2,292	50
PROGRESSIVE GENETICS	11,500	0	-
TOTAL	39,826	26,034	65

FISHING			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS
%			
BURTONPORT	845	845	100
CASTLETOWNBERE	845	845	100
DONEGAL	845	845	100
DUNMORE EAST	650	650	100
FOYLE FISHERMANS	650	650	100
GALWAY & ARAN	845	845	100
GREENCASTLE	650	650	100
MEITH. MARA NA RINNE	650	650	100
SOUTH AND EAST COAST	650	650	100
SOUTH WEXFORD			
LOBSTER	210	210	100
TOTAL	6,840	6,840	100

RURAL DEVELOPMENT/TOURISM			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS
%			
C.C.CHLEIRE	210	210	100
C LEADER NA EIREANN	210	420	200
CARAVAN, CAMPING...	210	210	100
CAV/MON.RURAL DEV.	210	210	100
DEVEL.CO-OP SOCIETY	210	210	100
DUAGH HISTORICAL & HERITAGE	210	0	-
FRS PEOPLE PLACEMENT	350	350	100
KENAGH COMMUNITY CO-OP	210	0	-
KILRUSH DEVELOPMENT	210	0	-
KILNALECK & DISTRIBUTION	210	210	100
LOGBOY AGRICULTURAL SOCIETY	350	350	100
MIZEN TOURISM	210	210	100
NAIRN, PORTNOO, ROSBEG	210	210	100
SLIEVE BLOOM	210	210	100
WICKLOW IT CO-OP	350	350	100
WEST CLARE	210	0	-
TOTAL	3,430	3,150	83

STORES			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS
%			
CLONLEIGH	555	555	100
INISHOWEN	2,655	2,655	100
TEMPLECRONE	325	0	-
TOTAL	3,535	3,210	91

OTHER SOCIETIES			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS
%			
ARDKENAGH	200	200	100
BALLYMACHUGH	210	210	100
BURREN	210	210	100
COOP TRAVEL	4,000	4,000	100
COUNTRY MARKETS	210	210	100
CO. CLARE AGRIC. SHOW	210	210	100
IMOCS	2,500	1,000	40
IR. DAIRY RECORDS	610	610	100
IR.FARM A/CS	1,135	1,135	100
IR. FARM CENTRE	535	535	100
IRISH HORSE BOARD	1,188	1,188	100
IVERAGH TURF	210	0	-
KNOCKMORE	210	0	-
KILBANNON	210	210	100
GP WATER	210	210	100
NATIONAL CO-OP			
FARM RELIEF	1,052	1,052	100
SHANNON REGION			
ORGANIC MEAT CO	210	210	100
TASTE OF KERRY	210	210	100
VALENTIA ISL. EARLY			
LEARNING	210	0	-
SUB-TOTAL	13,530	11,400	84
PEDIGREE			
IRISH ANGUS			
CATTLE SOCIETY	310	310	100
IR. CHAROLAIS CATTLE	310	310	100
IR. LIMOUSINE	310	310	100
IR. SIMMENTAL	310	310	100
IR CHAROLLAIS SHEEP	310	310	100
IR. PEDIGREE PIG BREEDERS	210	210	100
MONTBELIARDE CATTLE SOC.	310	310	100
SUB-TOTAL	2,070	2,070	100
RADIO			
NORTH CORK COM. RADIO	528	0	-
KILKENNY COMM RADIO	528	528	100
SUB-TOTAL	1,056	528	50
HORTICULTURE			
NORTH EASTERN PRODUCERS	210	0	0
SUB-TOTAL	210	0	0
PIG SOCIETIES			
N. C. P. P.	2,000	2,000	100
GLEN OF AHERLOW	2,083	2,083	100
ROUGHY VALLEY	405	405	100
SUB-TOTAL	4,488	4,488	100
TOTAL	21,354	18,486	87

WHOLESALE			
	2000 ASSESSED	TOTAL PAID	TOTAL PAID AS
%			
COOP ANIMAL HEALTH	13,325	13,325	100
IRISH CO-OP SOCIETY.	11,800	11,800	100
I.A.W.S.	35,000	35,000	100
TOTAL	60,125	60,125	100

Minutes of the 2000 Annual General Meeting

The 105th Annual General Meeting of the Irish Co-operative Organisation Society Ltd was held at the Green Isle Hotel, Dublin on Wednesday 10 May 2000 at 10:30 a.m.

ATTENDANCE

A full list of delegates, staff and visitors present at the meeting can be found at the end of these minutes.

Mr Tom McCarthy, Auditor of Craig Gardner & Company, together with Mr Maurice Barrett, the Audit Manager, were present, as were the Director General and Secretary of ICOS. Mr Dessie Boylan presided.

COMMENCEMENT OF THE MEETING

The President called the meeting to order and welcomed all the delegates as well Messrs Martin Sisk from the Registry of Friendly Societies. Ian Murray and Seamus Crossie from the UAOS and Mr Greg Tierney former Secretary of ICOS..

NOTICE OF MEETING

At the request of the President the Secretary read the notice convening the meeting and also confirmed that a quorum was present.

STANDING ORDERS COMMITTEE

On the proposal of Mr Brendan Danaher, seconded by Mr Ted Hunt, it was resolved that the Board be appointed the Standing Orders Committee.

MINUTES

The minutes of the 1999 Annual General Meeting, having been circulated with the Annual Report, were taken as read and it was resolved on the proposition of Mr T Cleary, seconded by Mr M Caulfield that the minutes be approved and the President accordingly signed them.

The minutes of a Special General Meeting held immediately on the collusion of the 1999 General Meeting, having been circulated with the Annual Report were taken as read and it was resolved on the proposition of Mr L Carroll, seconded by J Moloney that the minutes be approved and they were accordingly signed by the President.

ELECTIONS TO THE COUNCIL

At the request of the President, the Secretary informed the meeting of the results of the elections to the ICOS Council. The following were declared elected:

Creameries North: Dessie Boylan (Lakeland)
Creameries South: Paddy O'Brien (Drinagh)

Marts: Padraic Gibbons (Connacht Gold)
Miscellaneous: Donal Cashman (IFAC)

Pat O'Connor, was directly nominated to the Council of ICOS by Golden Vale Food Products to fill the vacancy caused by the resignation of Mr Pat Mc Kenna.

Mr Hugo Maguire was elected to fill the casual vacancy created by the death of Mr Harry Browne in the Northern Electoral Group.

Mr Terence O'Donnell was appointed as the Dairygold nominee to replace Mr Nicholas Mc Eniry.

ANNUAL ACCOUNTS AND AUDITOR'S REPORT

The Auditor Mr Tom McCarthy, Pricewaterhouse Coopers, presented the Annual Accounts for the year ended 31 December 1999. Mr Mc Carthy also read his report and the audit certificate. It was proposed by Mr Hugo Maguire and seconded by Mr Jim Moloney and resolved that the Accounts for 1999 as presented be adopted.

APPOINTMENT OF AUDITOR

On the proposition of Mr W Nagle, seconded by Mr J Lavin it was resolved that Pricewaterhouse Coopers be appointed Auditor for the year 2000.

FINANCIAL RESOLUTION

On the proposition of Mr L Carroll, seconded by Mr T O'Brien it was resolved "that the scale of contributions to ICOS by Societies involved in Dairy and Wholesale activities be on the following basis for the year 2001, calculated on the 1999 trading turnover:

TURNOVER £	RATE (pence per £)
1st 10m	0.100
Next 10m	0.075
Next 10m	0.050
Balance	0.015

That in the case of all other societies, the Board shall determine the scale of contributions after consultation with the appropriate national committees. Deciding on the scale of contributions, the Board shall be obliged to ensure that there is a reasonable relationship between the amounts paid by each class of society.

The Board shall have power to fix the contributions of special types of society. In applying the foregoing scale to societies, the Board shall have power to vary a society's contribution in special circumstances."

ADOPTION OF THE ANNUAL REPORT

In proposing the adoption of the Annual Report, the President welcomed delegates to the 105th Annual General Meeting the first Annual General Meeting at which he had presided over since been elected as President of ICOS last June. The President said that 1999 was noteworthy because the Agenda 2000 Agreement on CAP Reform was settled in Berlin in March. The WTO Millennium Round Negotiations, which had been launched in Seattle in December, did not get off the ground he said but negotiations were likely to begin in earnest before the end of the year.

For the main agricultural products, which Ireland produces, i.e. dairy, beef and grain, the policy framework has been set, up to 2006 and up to 2008 in the case of milk. He expressed the hope that the outcome of the WTO Millennium Round would not undermine the Agenda 2000 Agreement. He expected that the Irish Government would maintain the pressure on the EU not to soften its stance and that the EU negotiators would stick to their negotiating position, which had already been agreed.

The President observed that last year was characterised by difficult trading conditions for co-operatives. Markets for dairy products were weak in the first half of the year but improved in the later part of the year. Total turnover for in 1999 had been similar to or slightly lower than the 1998 figure. In many cases, the performance of the trading divisions in co-operatives had been good and this has helped to offset the impact of the more difficult trading conditions for the dairy division.

Cattle numbers in the country were at an all time high in December 1998 he said. Beef slaughterings in 1999 were over 2m head. In addition, there were significant weanling exports out of the country. As a result, he predicted that there would be lower numbers available for slaughter this year, which should be positive for the beef market.

Looking forward over the next five to ten years, the President stated that the dairy industry in Ireland faces a number of significant challenges. While the CAP Reform in Agenda 2000 affectively postponed reform of the milk regime until 2005, it will mean that quotas will continue until 2008. However, he said, we cannot afford to be complacent, because the dairy regime will be under review by the European Commission and Council by 2003 with the possibility that this review may be brought forward to 2002.

He stated that the outcome of the WTO Millennium Round Negotiations and the outcome of enlargement negotiations would certainly have a bearing on the

review and will strongly influence the shape of support policy for the dairy sector in the future.

In the market, co-operatives he said, are facing stronger challenges from competitor dairy businesses and also have to deal with the ever-strengthening retail sector. The retail sector he said is characterised by rapid growth, mergers and acquisitions, internationalisation and therefore ever increasing scale.

The President observed that our competitors in the marketplace have not been standing still and have been consolidating very rapidly in order to improve their position in the marketplace.

These are some of the circumstances, which he said had prompted ICOS to prepare the discussion paper 'A Strategic Review of the Irish Dairy Sector.' A copy of this document had been circulated to each dairy co-operative and also to farm organisation and others. Over the next two months, ICOS staff he said would meet with the Boards of co-operatives to discuss this paper. The intention was, he said that following the meetings that there would be a greater awareness of the challenges facing the sector and an improved basis for the industry to work together to explore the options which will position the Irish industry to be better able to compete in the future, he said.

The paper showed very clearly that there would be a severe price cost squeeze and that our industry must be proactive in overcoming the challenges, which these pressures create, he stated.

Turning to the issue of Health Certificates the President stated that it had been a great cause of concern to him to see the delays, which have occurred in getting the system of health certificates for dairy farms up and running. The ICOS Dairy Committee and Technical Committee as well as the Board of ICOS had he said been actively involved in discussions on this issue over the past number of years. The President stated that he was deeply concerned at the relatively small proportion of health certificates, which have been submitted so far. A huge push needs to be made between now and the end of June to increase the number of certificates which are obtained.

Defending the right of co-operative Boards to make decisions concerning their business, he pointed out that the democratic control of co-operative members could be undermined if outside organisations convene meetings of co-operative members without following the co-operative's own structures and mechanism for addressing member issues. Boards have responsibility and accountability for decisions he said. While

members may not always agree with their decisions, the Board must make its decisions in the light of all of the information available to them.

The President stated that he stood over the statement, which he had made on this matter and while other organisations have a right to convene meetings of their own members, the authority of co-operative boards should not be undermined in the process. Commenting on the good work that continues to be done in Africa on our behalf by the Irish Foundation for Co-operative Development, he drew delegate's attention to the article in the Annual Report dealing with our two main projects - in Uganda and Tanzania, which were providing really worthwhile help to very many families in those countries.

All this had been possible he said through the continued support of our cooperatives, especially our dairy co-operatives, and he expressed his sincere thanks for that. He appealed to all our cooperatives to continue to support this very valuable work, and if possible to increase that support. For every pound provided by our co-operatives, IFCD can get a total of a further five pounds from other sources, such as Irish Aid, the EU and the Americans. They all value the work we do and recognise that the development of local self-help structures is the best long-term solution to the threat of famine he said.

Addressing the issues of the mart sector, the President stated that ICOS was preparing a strategic plan for the co-operative marts sector, which it hoped to finalise by the end of June. This strategic plan was again driven by concerns about the decline in turnover and market share and the trend in decline in trading profits and investment income in marts, he said. Non-livestock activities are becoming increasingly important. In addition, many marts are facing investment requirement to comply with environmental legislation, new technologies and customer services he said.

ICOS believes that there are significant benefits to be obtained from bigger and more efficient livestock marketing centres. It is important that co-operative marts work together to exploit diversification opportunities and develop agri and non-agricultural related activities he stated. We are encouraging marts to complete their own regional strategies and to develop a business plan for the next five years he said. ICOS will assist where it can in the preparation of the strategies and is currently consulting marts on these issues. The Presidents report was seconded by Mr Tom Gallihue.

DIRECTOR GENERALS ADDRESS

The Director General in his address expressed concern at the attitude being take by the Medicines Board towards

the sale of inter mammary products by co-operatives. He stated that ICOS had made strong representations for the continuation of sales from co-operative premises with suitably qualified staff. He expressed dismay at the slow progress being made by the Department of Agriculture and Food in the inspection and registration of dairy facilities. Allied to this was the equally slow progress on the issuing of health certificates, which the President had already alluded to, he said.

He drew delegates' attention to the very comprehensive and detailed summary of the new quota regulations that had been drafted by George Kearns for the Annual Report. He said that full details of the proposed restructuring sachem were likely to be available by the end of the week. Referring to developments in regard to new co-operative legislation he lamented the very slow pace of progress in this regard and said that it was in part due to a desire on the part of the Department in question to engage in a more substantial review of the Act.

Highlighting the importance of protecting governance by the active farmer shareholders, the Director General indicated that the recent ICOS discussion document on shares had generated considerable discussion among member co-operatives. Referring to the work being done by ICOS on the development of a revised strategy for marts, the Director General stated that this work would be completed in the current year and ICOS hoped to be in a position to report on positive developments shortly thereafter.

Commenting on the Dairy Strategy, considerable work he said had been engaged in by ICOS staff, in particular in endeavouring to ensure the fullest consultation with member co-operatives. The study provided dairy co-operatives with a window of opportunity, he said to protect the sector and farm incomes. We do not have much time he said, as a review of the milk regime could now happen as early as 2002, not 2005 as envisaged by some. The Director General concluded by thanking the President, Board, Council and staff for their work during the year.

SUPPLEMENTARY AGENDA

The supplementary agenda contained two resolutions; Resolution one was a proposal from the Board of Clare Marts Ltd

"That a procedure be put in place to ensure that at least one of the Mart representatives on the ICOS Board represents a co-operative Mart Society West of the river Shannon"

Resolution two was a proposal from the Board of Barryroe Co-operative Ltd

“That affiliated Societies of the Irish Co-operative Organisation Society Limited be allowed to vote for the position of President of the Organisation.”

The first resolution was proposed by Mr Tom Brooks of Clare Marts who argued that with 11 of the 33 affiliated marts located West of the Shannon that this region was entitled to one of the three seats available to Marts. The contrary view expressed was that it would be unfair to give a permanent seat to any one region without regard to the concerns of other regions. A proposal by the President that the matter be referred back to the ICOS Marts Committee and from there onto the ICOS Rules and Structures Committee to permit a recommendation to be made to the Board, was approved unanimously by the AGM.

Mr John O'Donovan, Barryroe Co-operative Creamery proposed the second resolution. He put forward the view that it would enhance the prestige and influence of an ICOS President if he/she was elected by a wider base of the membership than just the Board. On a proposal from the President it was agreed that the matter would be referred back to the Board and rules and structures sub-committee of ICOS for their consideration and this was agreed unanimously.

PRESENTATION OF THE PLUNKETT AWARD

With the meetings agreement the presentation of the Plunkett Award was deferred until the lunch after the AGM. At the lunch, the President said it was his pleasant duty to announce that Mr Reddy Brennan, former General Manager of Avonmore Co-operative was the choice of the judges. He said that Mr Brennan had played a leading role in bringing 36 independent co-operatives from Counties Tipperary, Kilkenny, Laois and Kildare together with Unigate to build a milk processing plant in Ballyragget for butter and skim milk powder. This was the first time that farmers in these areas could actually sell their skim milk for processing rather than take it home for stock.

In 1973 with the assistance of Jim Joyce of ICOS, with a great sense of timing and gifted powers of persuasion, he succeeded in getting 21 independent to amalgamate. This newly amalgamated Society put in train advisory services, financial incentives for bulk tanks, milking machines and stock to increase output. The result of this entire endeavour was an increase in milk output from 40m million gallons in 1965 to 140 million gallons in 1984 when milk quotas were introduced. In responding to the presentation by the President Mr Brennan said he was honoured and delighted to receive the award and was delighted to see that he had not been totally forgotten sixteen

years after retiring. He said that it was a pleasure for him to have been involved in such a dynamic period in the development of Avonmore and he paid tribute to the teamwork by many people that had led to such a successful outcome in terms of 21 Societies amalgamating. He made special mention of the contribution of Mr Jim Joyce and Mr Bill Ebrill of what was then the IAOS towards the achievement of the amalgamation process and the subsequent development of the plant at Ballyraggett. Referring to the new chapter in mergers and rationalisation that was now emerging he wished ICOS well in their strategy for the Dairy industry and hoped that they would persevere to ensure a successful outcome. In conclusion he thanked ICOS for inviting his family to participate in such a momentous occasion for himself.

Under any other business the following issues were discussed.

M O'Dwyer (Templemore Mart) proposed that the various sectors of the agricultural industry should be viewed on an all Ireland basis and ICOS in consequence should foster the closest of relations with the UAOS.

J Sexton (Barryroe) deplored the insensitive use of advertising by antibiotic companies and said that such advertising should be confined to agricultural programmes.

M Magan (Lakeland) welcomed the dairy strategy document and emphasised the importance of co-operative leaders taking action to implement it's recommendations sooner rather than later.

Frank Allen (ICMSA) endorsed this view and stressed the need for the dairy industry to achieve greater rationalisation.

B Nagle (Dairygold) complimented the dedication of M Prunty to the Irish Foundation for Co-operative Development and urged delegates to ensure that they continued to support this worthy co-operative initiative.

T Hunt (Golden Vale) said that many marts had very valuable site locations and that it would be a travesty if this asset was simply used to offset a declining income base rather than act as the engine for much needed rationalisation.

S Murray (Tipperary Co-operative Creamery) stated that the delay on the part of the Department of Agriculture in indicating to farmers their quota entitlements was very unsatisfactory, farmers should not have to wait until well into the quota year to discover their actual quota entitlement.

M O'Dwyer (Templemore) stated that the current absence of a Farm Retirement Scheme could result in certain farmers being rendered ineligible for the scheme unless assurances could be got that the new scheme would be made retrospective.

This concluded the business of the meeting.

Delegates at the 2000 Annual General Meeting

Athenry Co-op

John Fahy
 Martin McNamara
Bandon CA & DS
 Billy Burke
 Daniel Twomey
 Gus O'Brien
Barryroe Co-op
 John O'Donovan
 John Fulry
 Peter Dineen
Boherbue Co-op
 John P Breen
Centenary Co-op
 Michael Russell
 Eddie Whyte
Clare Marts Ltd
 Tom Brooks
Cork Marts
 Michael Coughlan
 John O'Keefe
 John Stanley
Dairygold Co-op
 Denis Cronin
 John Walsh
 William Blake
 Thomas Gallahue
 William Hickey
 Patrick Kelleher
 William R. Nagle
 Terence O'Donnell
 David O'Keefe
 Con Hallahan
 Michael McCormack
Drinagh Co-op
 Patrick O'Brien
 Dan Joe O'Donovan
 John O'Neill
Glanbia Co-op
 John Duggan
 Tom Corcoran
 Michael Walsh
 Sean Grace
 Christopher W. Hill
 Edward P. Holland
 Diarmuid Horgan
 Tom Kelly
 Martin Keane
 Anthony O'Connor

Glen of Aherlow

Aodh Kennedy
 Pat Walsh
 Tom O'Connor
Glenveagh
 Lexie Tinney
 John Keon
Golden Vale Foods
 Pat O'Connor
 J. O'Brien
 J. Hickey
 T. Enright
 M. Doody
 M. Ahern
Golden Vale Mart
 Brendan Danaher
 Ted Hunt
 P. J. Buckley
 Clement McAuliffe
 T.D. O'Connor
 Michael Foley
 Tom Galvin
 Michael Dunne
 Pat Monahan
IAWS
 Jim Moloney
IFAC
 Donal Cashman
 Willie Gleeson
Irish Dairy Board
 Tom Cleary
 Frank Allen
 Pdraig Walshe
 Michael Drea
KCCS
 Ann Gibbons
Kerry Co-op
 James Brosnan
 Denis Buckley
Kilkenny Mart
 Laurence Carroll
 Laurence Cantwell
 Michael Parsons
 Liam Blackmore
 Michael Harty
Kiltoghert Co-op
 J. L. Lavin
 Patrick McGarry
 Sean O'Hanrahan
 Stephen Connaughton
 Martin Caulfield
 John Thompson

Paddy Kelly
 M.J. Mahon
Lakeland Dairies
 P Bannigan
 P. Young
 S. Treacy
 J. McAweeney
 M. Magan
 E. Farrelly
 J Mollahan
 J Sharkey
 P Young
Lisavaird Co-op Society
 Denis O'Hea
 John O'Donovan
 David O'Brien
 Pat Dineen
Mid Tipp Co-op
 Tim O'Dwyer
 Seamus Ryan
Midwest Farmers
 Thomas Colleran
 Martin Cormican
 Eamonn O'Connor
 Seamus Finn
NCFRS
 Jim Maguire
Nenagh Creamery
 R. Tobin
 P. Coffey
 J. Donnelly
 S. Dagg
 Michael Leenane
 J. C. Murphy
Nenagh Mart
 Matt Malone
 Michael Moloney
Newmarket
 Darby Carroll
 Batt Casey
 Michael Cronin
NCF Society
 Sean Sweeney
 Pdraic Gibbons
 Jimmy Hession
 James Reidy
 Sean Gorman
 Albert Lawson
 Gerrard Mullaney
 Michael Farrell

NCPP Ltd

Margaret Murphy
North Cork Co-op
 Seamus Walsh
 M. J. Howard
 Sean McAuliffe
Progressive Genetics
 Noel McDonnell
 Brendan Scanlon
 Denis Guilfoyle
SECB Society
 Dermot Kearney
 Nicholas Wall
Tipperary Creamery
 Mr. Sean Murray
 Mr. Larry O'Brien
 Mr. Matthew Quinlan
 Mr. J. N. Horgan
Town of Monaghan
 Hugo Maguire
 Anthony McKenna
 Packie Hughes
 Owen Sherry
 Matt Caulfield
 Brian McClave
Wexford Farmers
 Thomas Doyle
 Tom Shannon
 Paul Forthunt
 Liam O' Byrne
Wexford Milk Prod
 Patrick Butler
 Paddy Breen
 Michael Vaughan
ICOS Council
 Dessie Boylan
 Mary Coleman
 T. J. Maher
 Nicholas McEniry
 Tom O'Brien
 Frank Allen
 Michael O'Dwyer
 Tom Parlon
Guests
 Martin Sisk
 Paul Harrington
 Ian Murray
 Seamus Crossey
 Reddy Brennan
 Greg Tierney



Irish Co-operative Organisation Society Limited

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