

Finance & Management News



SMEs' digital future

Accountancy Europe has recently published a briefing paper on SMEs' digital future including how professional accountants can help SMEs to digitalise.

https://www.accountancyeurope.eu/wp-content/uploads/210913_SMEs_digital-future_Accountancy_Europe.pdf

Government launches the renewed National Development Plan 2021-2030

Taoiseach Micheál Martin, Tánaiste Leo Varadkar TD, The Minister for the Environment, Climate Communications and Transport, Eamon Ryan TD and the Minister for Public Expenditure and Reform, Michael McGrath, launched the National Development Plan 2021 - 2030 in Páirc Uí Chaoimh.

The publication outlines the largest National Development Plan ever delivered in the history of the State - €165 billion - with a particular focus on priority solutions to strengthen housing, climate ambitions, transport, healthcare, jobs growth in every region and economic renewal for the decade ahead. This plan will prepare us for population growth of approximately 1 million people between 2016 and 2040 and help us to deal with the ongoing challenges of Covid-19 and Brexit.

<https://enterprise.gov.ie/en/News-And-Events/Department-News/2021/October/04102021.html>

Government launches €330m Scheme to help SMEs, farmers and fishers respond to Brexit

The Tánaiste and Minister for Enterprise, Trade and Employment, Leo Varadkar TD, the Minister for Agriculture, Food and the Marine, Charlie McConalogue TD, and the Minister for Finance Paschal Donohoe TD have launched a new €330m Scheme to help SMEs, farmers and fishers respond to the ongoing impacts of Brexit.

The Brexit Impact Loan Scheme (BILS) is a successor to the Brexit Loan Scheme and provides low-cost loans to eligible Brexit-impacted businesses. The new Scheme is also open to businesses in the primary agriculture and seafood sectors and the loans under the scheme are for terms of up to six years. The scheme is delivered by the Strategic Banking Corporation of Ireland (SBCI) through participating lenders.

In response to feedback about the previous Brexit Loan Scheme, steps have been taken to simplify the application process, while the lending is now available for longer terms, in line with lending offered under the Covid-19 Credit Guarantee Scheme.

The Brexit Impact Loan Scheme is supported by a guarantee through the European Guarantee Fund (EGF), which is being implemented by the European Investment Fund (EIF) on behalf of the European Commission. The first of the

participating lenders is Bank of Ireland, with other banks and credit unions to open for applications in the coming weeks.

The Brexit Impact Loan Scheme will provide low-cost loans to Brexit-impacted Irish businesses, including those in the primary agriculture and seafood sectors. The scheme makes a fund of up to €330m available to eligible businesses with up to 499 employees.

Loan features:

- Loans range from €25,000 to €1.5m
- Loan terms from 1-6 years
- Loans of up to €500,000 available unsecured

Loans can be used for:

- Liquidity/Working capital
- Investment
- 100% refinancing of existing Brexit Loan Scheme loans
- Refinancing of existing short-term credit, up to a maximum of 30% of the new loan

Businesses eligible for the scheme:

This scheme is available to eligible SME and small Mid-Cap businesses, including primary producers (businesses engaged in farming and fishing), established in Ireland.

A business must also have experienced an adverse impact of minimum 15% in actual or projected turnover or profit

due to the impact of Brexit.

Loans provided under the scheme will be lower than is otherwise typically available on similar lending in the market and will vary according to the lender. Lenders participating in the scheme will be separated into two cohorts. For the first, interest rates will be variable, but are capped at an initial maximum rate of 3.7% for loans less than €250,000 and 2.75% for loans of €250,000 and above. For loans from the remaining lenders, a minimum discount of 1% relative to their standard rates will be required to for loans under the BILS.

Covid-19 Credit Guarantee Scheme

One year on from its launch, the Covid-19 Credit Guarantee Scheme has seen unprecedented demand from Covid-19-impacted businesses with more than 7,300 loans sanctioned with a value in excess of €500m. This scheme's participants include 19 Credit Unions and seven non-bank lenders, adding diversity and regional spread to the loans available.

Together, the Brexit Impact Loan Scheme and Covid-19 Credit Guarantee Scheme will help Irish business to recover and adapt in response to both Brexit and Covid-19.

<https://enterprise.gov.ie/en/News-And-Events/Department-News/2021/October/20211015.html>