

Finance & Management News

Brexit supports

Following the departure of the UK from the EU, the Government has recently announced two further support schemes for small businesses and the agri-food sector as they deal with the impact of Brexit.

The Microfinance Ireland Brexit Business Loan offers loans of between €5,000 and €25,000 to eligible businesses to support them in dealing with the challenges posed by Brexit. An eligible business is:

- Any business (Sole Trader, Partnership or Limited Company) with less than 10 employees and annual turnover of up to €2 million;
- Any business unable to secure finance from a bank or commercial lending provider; and
- Where the business turnover is or potentially is impacted by a minimum of 15% OR the business has a short-term cashflow need as a result of Brexit.

An interest rate of 4.5% APR applies to loan applications submitted through your Local Enterprise Office (LEO) or 5.5% APR for direct applications through MFI. Loan terms range from 6 months to 3 years.

Separately, a new €100 million Capital Investment Scheme has been announced for the food processing sector. The purpose of the scheme is to strengthen and improve the resilience of primary food processing companies, through supporting long term transformative capital investment projects, and achieving higher value add by implementing new product and/or market diversification strategies.

The Scheme is open to Enterprise Ireland clients meeting the definition of a small and medium enterprise (SMEs) or large enterprises which are engaged in the processing and marketing of certain agricultural products. A maximum grant of €10 million per undertaking can be approved for funding under the first call and €12 million over the lifetime of the scheme.

Applications must be submitted via email to Enterprise Ireland (GA-CIS@enterprise-ireland.com), the first call opened to eligible companies on 3rd February 2021 and closes 15th April 2021. For further information on the scheme please visit the website of Enterprise Ireland www.enterprise-ireland.com.

New scheme announced to support the Tourism sector

The hospitality and tourism sector continues to be one of the sectors most adversely affected by the ongoing impact of Covid-19. Fáilte Ireland has recently announced details of a new €55 million tourism business continuity scheme, the purpose of which is to support tourism businesses that were ineligible for the Covid Restrictions Support Scheme (CRSS) payment or previous Fáilte Ireland continuity grant schemes.

Under the scheme an eligible business can apply for grant funding of between €3,750 and €200,000 to assist with fixed costs incurred in 2020 and to support them to continue operating through 2021, key eligibility criteria include:

- A 75% reduction in a business's average monthly turnover in the four-month period October 2020 to January 2021 when compared to the average monthly turnover for the period January to December 2019;
- The business must have a minimum annual turnover of €50,000;
- The business must not be eligible for the CRSS or for funding through the Fáilte Ireland Coach Tourism Business Continuity Scheme or Ireland Based Inbound Agents Business Continuity Scheme; and
- Must not be in public ownership nor manage or operate a tourism asset on behalf of a public body.

Applications are now open and can be made online through the Fáilte Ireland online trade portal.

For further information please visit www.failteireland.ie.

