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Factsheet for case **IE-2020-14/792**

COVID-19 working capital loan scheme

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Country	Ireland, applies nationwide
Time period	Open ended, started on 01 April 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Access to finance
Case created	26 April 2020 (updated 06 May 2020)

Background information

The Strategic Banking Corporation of Ireland (SBCI) is a state-owned bank, which has been set up after the last financial and economic crisis in 2015. Its objective is to provide access to finance to small and medium sized enterprises.

SBCI COVID-19 Working Capital Scheme is intended to assist SMEs and small mid-cap companies (up to 500 employees) to survive the COVID-19 crisis by granting them access to working capital loans from private banks under advantageous terms.

The scheme is offered in partnership with the Department of Business Enterprise and Innovation, the Department of Agriculture Food and the Marine and is supported by the InnovFin SME Guarantee Facility, with the financial backing of the European Union under Horizon 2020 Financial Instruments.

Approval of loans are subject to the participating banks' own credit policies and procedures.

Content of measure

The working capital loan scheme provides loan amounts of between €25,000 to €1.5m per eligible enterprise. Loans may be unsecured up to €500,000, are of duration of 1 to 3 years and have a maximum interest rate of 4%. Optional interest-only repayments may be available at the start of the loans.

Loans can be used for future working capital requirements or to fund innovation, change or adaptation of the

business to mitigate the impact of Covid-19. They may not be used for any form of refinancing, for example of existing debt.

Access to funding is conditional upon business turnover/profitability being negatively impacted by the COVID-19 virus by a minimum of 15%. Businesses in the agriculture / aquaculture sectors are outside the scope of the scheme as are businesses in financial difficulties / bankruptcy prior to the COVID-19 crisis.

Use of measure

No information

Actors, target groups and funding

Actors	Target groups	Funding
National government Company / Companies EU (Council, EC, EP)	SMEs	European Funds

Social partners

Role of social partners	No involvement
Form of involvement	No involvement

No involvement

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 26 April 2020: SBCI (sbci.gov.ie)