

## GOVERNMENT SUPPORTS FOR SMEs – GRANTS, TRAINING, MENTORING AND LOAN FINANCE

### WHAT SUPPORT(S) ARE AVAILABLE AND WHERE ?

International businesses that invest into Ireland have access to a range of grants and other financial and 'non financial' supports through the IDA, however it should **NOT** be forgotten that existing local businesses as well as 'start ups', also have access to an extraordinary range of financial supports through:

1. Local Enterprise Offices (LEOs)
2. Enterprise Ireland (EI)
3. Other agencies such as InterTrade Ireland, Udaras na Gaeilge etc.

The focus of the various Government agencies is to assist businesses to deliver on their growth potential through the provision of targeted assistance **at each stage of their development** - while obviously staying within the EU's 'state aid' rules !

In practice, there is a '**roadmap**' in place for local businesses, which targets the various agencies to provide support, enabling a business to grow and develop all the way from :

- 'start up' to
- sustainable SME business, through to a
- large employer and/or international expansion

initially through the LEOs and then at a certain point, by Enterprise Ireland.

The financial supports on offer from Government agencies typically fall into the following, specifically targeted, areas i.e.

1. funding/part funding for businesses - grant schemes
2. training or mentoring programmes for business owners, managers or employees and/or
3. access to low interest loan finance

Many business owners are frankly unaware of the opportunities that exist to obtain specific grant(s), but more particularly, the extensive training, mentoring and development support that is widely available to them, and **which in many cases has a small or minimal financial investment required by the business itself !**

### HOW TO ACCESS THE VARIOUS FINANCIAL SUPPORTS

Navigating your way successfully through the Government supports can occasionally be challenging, with access to various grants and other training etc., by reference to, among other things :

- size/stage of the business
- nature of the business
- location within Ireland
- business sector

The financial supports are mainly delivered to Irish businesses via a combination of the following:

- **Local Enterprise Offices (LEO's)**, which focus on 'start ups' and small businesses – **less than 10 employees or within 18 months of trading**, but can be limited by locality, availability of resources allocated to that local region etc.

- **Enterprise Ireland (EI)**, which has a focus mainly on larger businesses - *in excess of 10 employees and up to 249 employees*, but at the same time also focuses on specific business sectors - *technology or pharmaceuticals*
- **IDA Ireland** - for international/inward investment into Ireland
- **Other bodies** -InterTrade Ireland for businesses with activities in Republic of Ireland and Northern Ireland and Udaras na Gaeilge for Gaeltacht based businesses

Although widely available to businesses, it is important to understand that most schemes will have quite specific eligibility criteria, alongside a clear set of targets used for evaluating the application, ahead of any approval by LEOs or EI etc.

Ultimately policy is to ensure that Irish businesses are as well equipped as possible, in terms of being able to

1. Grow their business
2. Provide more local employment
3. Increase investment in R&D and business assets, and
4. Improve profitability – **leading to higher levels of payroll and corporate taxes into the Government coffers !**

## **EXAMPLES OF GRANTS AND OTHER FINANCIAL SUPPORTS**

The advent of the COVID-19 pandemic has accelerated the use of new specifically COVID related grants for SMEs, as well as encouraging a loosening of criteria for many longer established grants to make them as widely available as possible.

Examples of COVID specific grants and supports include the following:

1. **COVID-19 Business Loans (MicroFinance Ireland (MFI)):**
  - Microenterprises can access COVID-19 Business Loans of up to €50,000 from Microfinance Ireland
  - Terms include a six months interest free and repayment free moratorium, with the loan to be then repaid over the remaining 30 months of the 36-month loan period
  - Interest rates of between 4.5% and 5.5%.
2. **COVID-19 Working Capital Scheme (SBCI):**
  - The €450m SBCI COVID-19 Working Capital Scheme for eligible businesses supports loans from €25,000 up to €1.5 million
  - First €500,000 of the loan is unsecured
  - Maximum interest rate is 4%
  - Applications can be made through the SBCI website at [sbci.gov.ie](https://sbci.gov.ie)
3. **COVID-19 Online Retail Scheme (scheme closed at end of September 2020):**

- This scheme supports retail companies to enhance their digital capability
- It is open to indigenous retailers employing 10 or more people to develop a more competitive online offer in response to the COVID-19 crisis.
- Grants ranging from €10,000 to €40,000 will be awarded under the competitive scheme which is administered by Enterprise Ireland.

#### **4. COVID-19 Business Financial Planning Grant: (scheme closed at end of 2020)**

- This grant is worth up to €5,000, and is designed to help companies to develop a robust financial plan, including the preparation of documentation required to support applications for external finance from banks and/or other finance providers.
- The grant is a new support for Enterprise Ireland clients and those manufacturing or internationally traded services companies that employ 10 or more full time employees.

#### **5. Restart Grant Plus (extension of original scheme)**

- This grant will provide a minimum of €4,000 and maximum grant of €25,000 to successful businesses, that have a commercially rateable premises
- The grant is a contribution towards the cost of re-opening or keeping a business operational and re-connecting with employees and customers following the COVID-19 'lockdown'

#### **6. Trading Online Voucher:**

- The Trading Online Voucher is a government grant scheme which offers financial assistance of up to €2,500 along with training and advice to help your business trade online.

#### **7. LEAN for Micro:**

- LEAN for Micro is available to Local Enterprise Office clients to help build resilience within small companies.
- Businesses can avail of consultancy support with a LEAN Expert or help to implement new remote working and physical distancing guidelines.

**CONTACT us for more information or advice on any of the above, or alternatively speak with your Local Enterprise Office (LEO) as a first step !**