



**Anseo chun gnó a fhorbairt**  
Corparáid Baincéireachta Straitéiseach na hÉireann  
**Here to build business**  
Strategic Banking Corporation of Ireland

# STRATEGIC PLAN

2025 - 2030

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# MESSAGE FROM THE CHAIRPERSON



“As the newly appointed Chair of the SBCI, I am delighted to share the SBCI's 2025-2030 Strategic Plan, which outlines our commitment to fostering growth and economic prosperity in Ireland during this period.”

As the newly appointed Chair of the SBCI, I am delighted to share the SBCI's 2025-2030 Strategic Plan, which outlines our commitment to fostering growth and economic prosperity in Ireland during this period.

One of the Board's key responsibilities is to provide clear strategic direction to the SBCI, anticipating future opportunities and challenges and determining the most effective responses.

In developing this strategy, we have engaged extensively with key stakeholders, including several Government Departments and Agencies, European stakeholders, SME Industry bodies and on-lending distribution partners. The strategy has been crafted in the context of key national and European policies and priorities, focusing on a clear future direction that enables the SBCI to continue supporting these goals effectively.

Small and Medium Enterprises are the backbone of the Irish economy, driving innovation, employment, and regional development. At SBCI, we are committed to empowering these vital businesses by providing accessible and tailored lending solutions, thereby bridging the investment gap and fostering sustainable growth across Ireland.

As we mark our 10-year anniversary, the SBCI's skills, competencies and delivery record have been clearly demonstrated, with the successful deployment of >€4bn to >60,000 SMEs through our network of 40 lending partners.

We recognize the dynamic, challenging, and evolving landscape in which SMEs operate. Our forward-looking strategy is designed to support SMEs, ensuring they remain competitive and resilient. By continuing to provide innovative, affordable, and flexible financial solutions and fostering a supportive ecosystem, SBCI aims to help SMEs access capital for sustainable growth, innovation and long-term success.

The Board has set the strategic direction for the SBCI over the next five years in this document and will also monitor its successful implementation. This strategy is a living document and will be reviewed and refreshed annually to ensure that it remains aligned with the external environment and the evolving needs of Irish SMEs and the priorities of our stakeholders.

I look forward to working closely with my colleagues on the SBCI Board and Committees, the SBCI Chief Executive June Butler and her Senior Leadership Team, and the staff of the SBCI to continue contributing to Ireland's economic growth and prosperity through the delivery of our mandate.

**Patrick Delaney**  
Chairperson

# CHIEF EXECUTIVE'S FOREWORD



I am pleased to present the SBCI's 2025-2030 strategy. Having a clear strategy in place is essential to fulfilling our mandate, along with evolving as an organisation capable of meeting future challenges and opportunities. Our strategy provides a shared vision of our goals, sharpens our focus, and enhances our collaboration.

This strategy incorporates insights gained from market research and our stakeholders, identifies emerging trends and issues, and addresses the needs of the borrowers we serve. It emphasises sustainable growth and targets innovation.

Ireland's economic outlook is positive, characterised by steady growth, declining inflation, and a strong labour market. However, challenges including global geopolitical tensions that can disrupt trade flows and economic stability, infrastructure bottlenecks such as housing and transportation, and high operational costs for businesses persist. Despite these hurdles, there are clear opportunities for growth. Continued investment in digital infrastructure and technology can boost productivity and innovation, while expanding renewable energy projects and sustainable practices can foster long term growth.

External financing is a vital resource for the growth and sustainability of Irish businesses. Persistent under-investment in innovation poses a significant challenge, potentially stifling economic progress and competitiveness. Our mission is to facilitate Ireland's economic development by offering SMEs and other borrowers targeted financial solutions that drive sustainability, growth and innovation.





By providing necessary capital, we enable businesses to expand operations, enter new markets and invest in cutting-edge technologies. We aim to fill the funding gap by delivering tailored, innovative financial options, empowering businesses to scale their operations, invest in new technologies, and generate meaningful employment.

Our strategy has been developed following significant engagement with the SBCI's many stakeholders. A key aim of this engagement is to identify existing or emerging credit market gaps and work together to bridge those gaps. By collaborating with EU lending institutions, and key Government departments and agencies, the SBCI is positioned to source and deploy public funding, to maximise the benefit for Irish borrowers.

Our people are at the core of our business. We will continue investing in new skills, adopting new technologies, and embracing new business practices. Together, we are ready to tackle future challenges, seize new opportunities, and quickly adapt to an ever-changing financial landscape.

June Butler  
**Chief Executive**



## ABOUT THE SBCI

The SBCI was established in 2014 with a mission to provide borrowers with affordable, flexible finance solutions. Formed in response to the financial crisis, we aim to fill credit gaps, particularly for SMEs.

By offering long-term, low-cost loans through various lending partners, we play a crucial role in supporting economic sustainability, growth and innovation across Ireland. Our focus on sustainable finance, climate action, and digital transformation further embeds the SBCI as a key driver of Ireland's economic resilience and development. Our funding solutions aim to eliminate obstacles, enabling Irish businesses to flourish.

The SBCI scope of activities includes:

- providing, and promoting the provision of additional credit to SMEs;
- designing schemes which consistently address the growth, investment and/or operational and financial needs of borrowers, in particular SMEs;
- promoting competition in markets for the provision of credit to borrowers;
- encouraging an increase in the number of providers of finance to borrowers in the State and the entry of new providers of credit into the market
- contributing to the diversity of the types of finance available in the State;
- sourcing international funding to facilitate lending;
- providing finance to projects which promote the economic development of the State;
- facilitating the operation of diverse credit markets.





## OUR IMPACT

Cumulative figures to November 2024

**>€4BN**

Total SBCI  
funding

**>60K**

SMEs supported  
in Ireland

**9**

Schemes  
delivered

**40**

Lending  
partners

**21%** Agriculture, Forestry & Fishing

**17%** Wholesale Retail Trade

**15%** Admin Support, Professional & Technology

**12%** Transport & Storage, Accommodation & Food

**12%** Manufacturing

**11%** Construction

**8%** Other

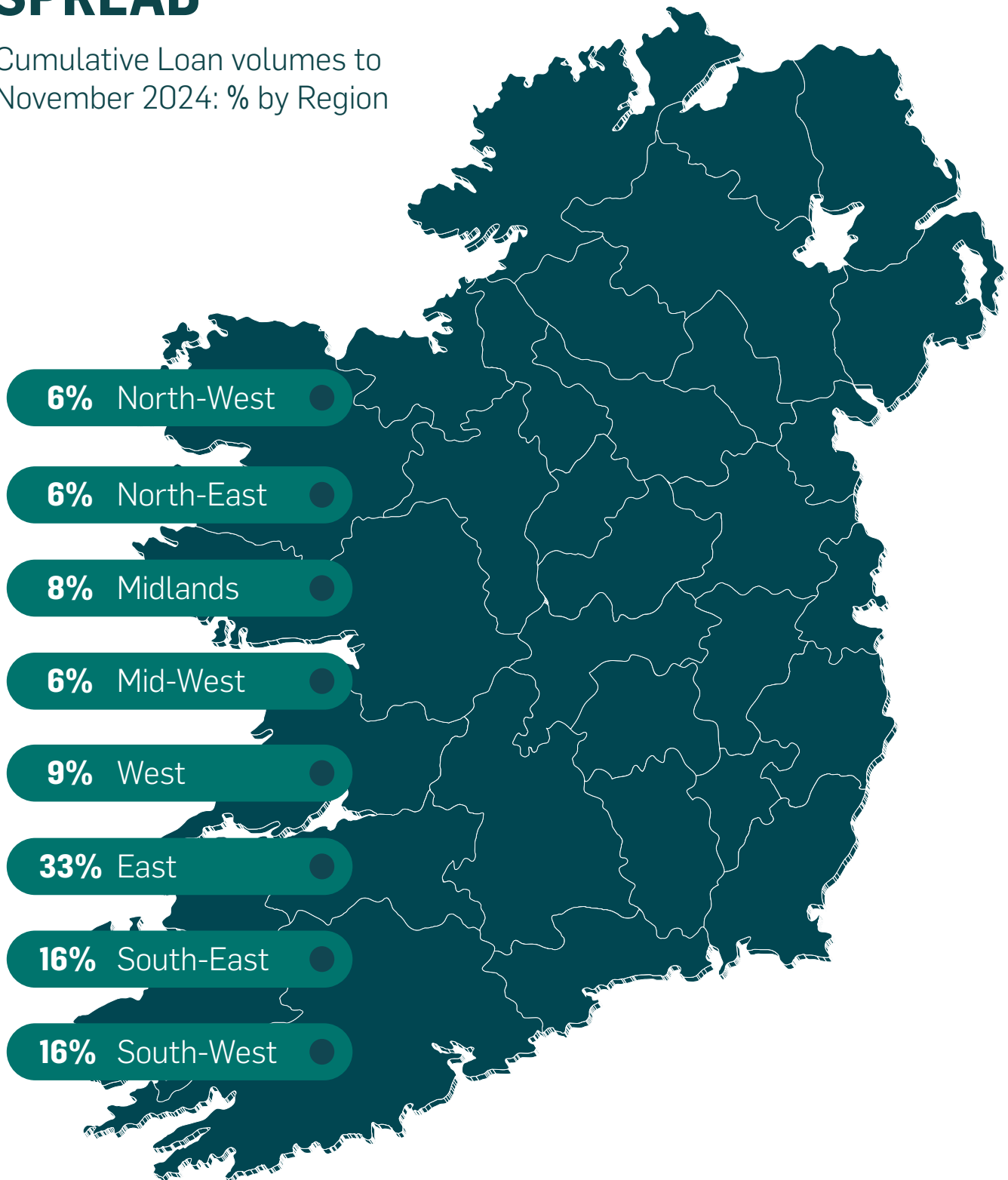
**4%** Health





# SBCI'S GEOGRAPHICAL SPREAD

Cumulative Loan volumes to November 2024: % by Region



# WHAT ARE OUR VALUES?

The SBCI's culture is built on five core values: Integrity, Innovation, Inclusivity, Agility and Customer Focus. These guiding principles shape our decisions, actions and interactions and we put them into practice every day across our organisation. We believe that by embracing these values, we can enhance our individual and collective contributions to the SBCI's mission.



# STRATEGIC CONTEXT

The Irish economy has been characterised by its resilience in recent years – rebounding from the worst effects of the COVID-19 pandemic and maintaining growth in an environment where inflation has been a dominant economic theme. Indigenous firms and wider Irish society have been crucial in the country's broad-based growth and will remain central in terms of the SBCI's strategic context.

## Global Economy

The global economy stands at an uncertain juncture with slowing growth rates and rising geo-political tensions presenting challenges for open, globalised economies such as Ireland's. The Covid-19 pandemic and Russia's invasion of Ukraine have demonstrated how unforeseen events can quickly change the economic outlook and balance of risks for regions and the world.

Geopolitical and environmental uncertainties are contributing to a complex and challenging risk landscape. Climate change and technological advancements will stimulate the "Twin Transition" in the years ahead, necessitating considerable changes for economies globally. Migration will lead to the movement of significant numbers of people, and the growth of Ireland's population. Cyber-attacks will continue to threaten financial stability and the assets we manage, while trade will remain exposed in an environment where sanctions and restrictions have risen to the fore.

To succeed in our mission, we need to understand such geo-political and socio-economic developments and be ready to act quickly in the interests of the Irish economy.

## Irish Economy

Ireland's economy is characterised by a rich blend of multinational and indigenous enterprises, where a talented labour force, pro-business approach, favourable regulatory environment, and supportive fiscal policies are central. Such features have provided the grounds for a burgeoning SME base to develop. According to the Department of Finance's 2024 SME Credit Demand Survey, small and medium-sized enterprises account for 99.8% of all active enterprises in Ireland and 69.2% of total persons employed in the business sector, highlighting their vital role in the domestic economy.

Strong and resilient SMEs are critical to the Irish economy and will be pivotal in determining the pace of economic growth in the years to 2030, especially in the context of uncertainty regarding long-term Foreign Direct Investment (FDI) flows. SMEs need flexible solutions to adapt to global economic demands, technological advancements, demographic shifts, and broader innovation. The SBCI can continue to play a significant role in this regard.

The SBCI and its on-lenders are committed to supporting viable businesses, not only in maintaining their current operations, but in providing the necessary finance for Irish businesses to invest in their long-term, prosperous futures.

### **Navigating the Future: Challenges and Opportunities**

As we move towards 2030, Irish SMEs face a dynamic landscape with both challenges and opportunities. Geopolitical tensions, inflation, and potential shifts in global economic policies create an environment where managing costs and maintaining competitiveness are crucial. Infrastructure bottlenecks and climate change impacts require strategic planning and investment. Keeping up with rapid technological changes, and investing in research and development to drive innovation, are essential for operational efficiency and market relevance.

However, these challenges also bring significant opportunities. Despite potential threats to foreign direct investment, Ireland's strong business environment continues to attract global partnerships.

The shift towards a green economy opens new markets and enhances brand reputation. Embracing digital tools can drive productivity and innovation, while investing in education and skills development boosts workforce capabilities. Exploring new markets through trade diversification can reduce dependency on traditional markets and increase resilience.

While complex, these factors provide tangible areas for the SBCI to target - benefitting economic development through 2030 and beyond.





# OUR STRATEGY



# STRATEGIC PILLARS

The SBCI's 2025 - 2030 Strategy is focused on two Strategic Pillars which are closely aligned to the needs of Irish borrowers and the SBCI's mandate.



## **TO DEVELOP, DELIVER AND OVERSEE SOLUTIONS TO FILL MARKET GAPS**

The SBCI will research and identify market gaps and develop, deliver, and oversee solutions to expand access to finance to a greater number and breadth of borrowers.

Our role is to enable borrowers, and in particular SMEs, to access finance, especially in sectors which are traditionally underserved. We have successfully adopted a wholesale lender approach by providing funding to partner finance providers at attractive terms.

The SBCI aims to continue to develop solutions and increase access to debt finance between 2025 and 2030 by:

1. Making more funding available to the market; and
2. Increasing the number of borrowers that access the SBCI's products.

New product development will be prioritised, aligning with national policy priorities and responding to emerging market needs. This approach will introduce new or modified products. In all instances, the SBCI will prioritise sustainability as a key factor in providing debt finance.



## **TO FOSTER COMPETITION TO PROVIDE MORE CHOICE**

The SBCI will promote competition in the Irish market by enabling new lenders to access the market, providing lower-cost, longer-term flexible products, sharing credit risk and supporting innovative financial solutions.

Enabling new lenders to access the market, and smaller lenders to compete on a more even footing with larger lenders, helps to diversify the range of financial service providers available to borrowers.

By offering lower-cost funding, and ensuring that the savings are passed on to borrowers, we make finance more affordable.

Our products are flexible with longer maturities and capital repayment flexibility, features that are tailored to meet the specific needs of borrowers.

# STRATEGIC OBJECTIVES

Our Strategic Objectives, which are underpinned by Key Performance Indicators, will guide our efforts to fill market gaps and increase competition.

## 1 DELIVER INNOVATIVE FINANCIAL SOLUTIONS

- We will design customised financial products to address identified gaps.
- We will facilitate favourable terms, lower interest rates, or longer repayment periods to incentivise participation.

## 2 BROADEN ACCESS FOR MORE BORROWERS

- We will focus on sectors such as sustainability and innovation, SMEs, scaling businesses, and sectors that are traditionally underserved.
- We will examine investment gaps identified as barriers to the delivery of key Government policies and priorities in key sectors such as energy and infrastructure.

## 3 PROVIDE FLEXIBLE, LOWER-COST, LONGER-TERM CREDIT

- By providing lower-cost, longer-term financing options, we will stimulate competition among lenders and promote accessibility for borrowers.
- These schemes will encourage lenders to participate in financing while mitigating risk. By sharing risk, the SBCI will incentivise lenders to compete and innovate.

## 4 IDENTIFY MARKET GAPS

- We will conduct market research to identify gaps or unmet needs in the Irish credit market.
- We will collaborate with key stakeholders such as businesses, lenders and government departments to pinpoint specific gaps.

## 5 FACILITATE NEW LENDERS AND INCREASE COMPETITION FROM EXISTING PROVIDERS

- We will actively facilitate the entry or expansion of new lenders into the SME lending market.
- These domestic and international lenders will contribute to increased competition, diversifying financing options for borrowers.

## 6 COLLABORATE THROUGH STRATEGIC PARTNERSHIPS

- We will forge partnerships with other financial institutions, government agencies, and private sector players.
- We will promote awareness of our products and their benefits through marketing campaigns, workshops, and events.

# ANNUAL PLANNING PROCESS AND RISK MANAGEMENT

To achieve our strategic goals, the SBCI conducts an annual planning process to set targets and deliverables for the upcoming year. This process runs concurrently with the annual budgeting process to ensure that organisational resources are aligned with these targets and deliverables. The proposed annual targets and deliverables will be submitted to the SBCI Board for approval and the Minister for Finance for review.

## KEY ASPECTS OF THE SBCI ANNUAL PLANNING PROCESS:



### Annual Strategic Review

Our Strategic Pillars and Objectives provide a roadmap for the SBCI over the life of this strategy. An annual strategic review is conducted to prioritise various organisational initiatives for implementation over the coming year. This review offers strategic guidance through the corporate strategy, enabling informed decisions on the prioritisation of initiatives.



### Risk Management Framework

The SBCI manages its risk profile within an agreed risk appetite, ensuring that material risks are identified, monitored and managed effectively. This framework includes clearly defined roles and responsibilities to ensure suitable and effective risk management arrangements are in place.



### Risk Appetite Framework

This framework, which is aligned to our strategy, outlines the overall approach to establishing, communicating and monitoring the SBCI's risk appetite. It includes risk appetite statements, key risk indicators, and defines the roles and responsibilities of those overseeing the implementation and monitoring of the framework.



### Cascading of Corporate Goals

Once the SBCI Board approves the annual goals and deliverables, each business function cascades these within their teams. Business functions ensure these goals are broken down into team annual plans and individual employee goals.



# CONSTRAINTS AND ENABLERS

## CONSTRAINTS

Distinct from a commercial bank, the SBCI has the following main constraints:

- We are subject to EU State Aid rules
- We are bound by the provisions of the SBCI Act 2014
- We have a reliance on on-lenders to distribute our products

## ENABLERS

Our enablers will position us to execute against all aspects of this strategy. They encompass our people, processes, and governance – each playing a fundamental role in achieving our strategic objectives and broader remit to 2030.



### People

Our people are at the core of our business and their dedication drives our success. We are committed to enabling our people to reach their full potential by creating an inclusive and equitable workplace, with flexible work options and opportunities for personal and professional development. Our culture of leadership, collaboration and learning are key to delivering on this commitment.



### Processes

We are constantly seeking ways to improve what we do. Our focus is on streamlining and improving our processes and systems, which influence both internal activities and engagements with third parties, and enable us to deliver on our strategic objectives. New trends are regularly reshaping the way we deliver our services, and innovation and digitisation will remain critical to our ongoing evolution.



### Governance

The SBCI complies with the Code of Practice for the Governance of State Bodies (2016), operates a robust corporate governance framework, and is supported in this by the Board of Directors and the Board's Committees. We adhere to strict Codes of Conduct, promoting ethical behaviour and accountability across the organisation. We actively engage with stakeholders to seek their feedback and improve our processes and we report regularly on our financial health and operational performance.



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