

SBCI

**SUPPORTING ECONOMIC
DEVELOPMENT IN IRELAND
BY DRIVING INCREASED
ACCESS TO FINANCE**

2021



Here to build business.
Strategic Banking
Corporation of Ireland

SUPPORTING ECONOMIC DEVELOPMENT IN IRELAND BY DRIVING INCREASED ACCESS TO FINANCE

During 2021 the SBCI delivered

€819m to
10,012 SMEs

through its risk-sharing and liquidity operations.



Since the SBCI commenced operations in March 2015 it has delivered

€2.8bn to more than
46,000 SMEs



Irish SMEs supported in 2021

Portfolio	Value	SMEs Supported
Covid-19 Credit Guarantee Scheme	€429,029,414	5838
Future Growth Loan Scheme	€214,784,730	875
Brexit Impact Loan Scheme (opened October 2021)	€9,603,244	113
Brexit Loan Scheme/ Covid-19 Working Capital Scheme*	€18,820,300	95
Liquidity	€147,093,609	3091
Total	€819,331,298	10,012

*Both schemes now closed.

The SBCI, as Ireland's National Promotional Institution, plays a key role in increasing access to finance for Irish SMEs through the design and delivery of products which seek to fill gaps in the finance market. It does this in two ways, by providing low-cost funding or guarantees to its lending partners, the benefits of which must be passed on to SMEs either through a discounted interest rate or a reduction in security required.

At the beginning of 2021, Irish businesses were in the midst of dealing with the effects of the global Covid-19 pandemic.

The ongoing impact of the Covid-19 pandemic combined with the continuing uncertainty surrounding Brexit have contributed to 2021 being one of the most challenging years for SMEs since the financial crisis.

During 2021, the SBCI was effective in rapidly deploying supports at scale for SMEs, providing them with a greater range of options to access low-cost, competitive finance and giving them increased certainty to facilitate planning with confidence.

The value of having the SBCI in place as a ready-made conduit for State funding has been demonstrated since the outbreak of the pandemic.

As the impact of the pandemic on businesses became clearer, the SBCI worked with the departments of Enterprise, Trade and Employment (DETE), and Agriculture, Food and the Marine (DAFM) to deliver the Covid-19 Credit Guarantee Scheme (CCGS). As businesses began to change their business models or reopen, demand for the scheme increased and as at December 2021 the CCGS has become the most widely used scheme to date, with more than 8,000 loans drawn, of which almost 6,000 were drawn during 2021. Take-up of the scheme has been spread across all sectors and regions. The CCGS is available through 28 Banks, Non-Banks and a number of Credit Unions across the country.



Covid-19 Credit Guarantee Scheme figures to date

Scheme	Scheme Capacity	SMEs Loans Approved		SMEs Loans Drawn	
		By Number	By Value	By Number	By Value
CCGS	€2bn	9,000	€617m	8,023	€545m

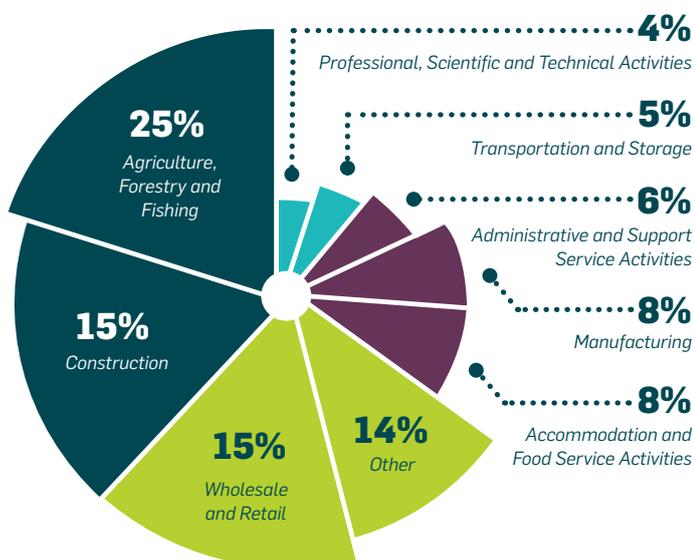
During 2021 we launched the Brexit Impact Loan Scheme (BILS) to support Irish businesses who continue to feel the impact of Brexit-related challenges and uncertainty. This scheme was developed in conjunction with the European Investment Fund (EIF), DETE and DAFM and offers loans of up to six years to Brexit-impacted SMEs. Since its launch in October 2021, take up of the new scheme has been steady, with 163 loans sanctioned totalling €20m. The scheme is currently available through Bank of Ireland, AIB, five Metamo group Credit Unions (Access, Cara, Savvi, St Canice's and St Francis) and Permanent TSB.

Apart from the above schemes, through 2021, 875 Irish businesses continued to draw down approved facilities totalling €214m under the Future Growth Loan scheme (FGLS).

In addition, the SBCI's liquidity programme facilitated an additional €80m of funding being made available through Fexco (€40m), Microfinance Ireland (€30m) and SME Finance and Leasing (€10m). During 2021 €147m of Leasing, Hire Purchase and Invoice Financing facilities were provided by our non-bank partners, Bibby Financial Services, Capitalflow, Fexco, Finance Ireland and SME Finance and Leasing to more than 3,000 SMEs. To date, the SBCI's liquidity has provided more than €1.2bn in facilities to more than 29,000 SMEs.

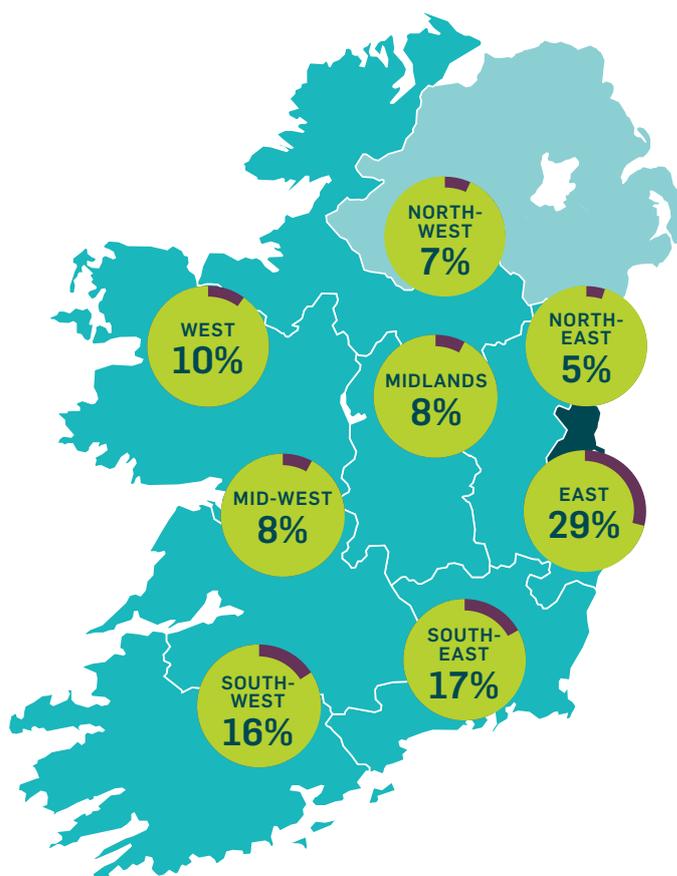
SBCI funding is benefiting a wide range of sectors

(Year to 31 December 2021)



SBCI's Geographical Spread

(Loan numbers: % by Region - Year to 31 December 2021)



What SMEs used SBCI facilities for in 2021



LOOKING FORWARD

The rapid response to Covid-19 through a variety of Government initiatives, and the innovation and resilience of Irish business owners, meant that the economic impact of the pandemic was less severe than would otherwise have been the case. The post-pandemic economy will be different from the pre-pandemic one. However, while a number of sectors were particularly badly hit and some SMEs ceased trading, it has been encouraging to see the emergence of new start-up businesses and existing businesses seeking opportunities to scale up.

As the economy transitions into the post-pandemic phase, our job now is to help businesses during the recovery period and beyond, strengthening the economy in the process. Our focus and the way we work will continue to change as a result, but we are emerging from the pandemic more resilient and capable than ever, ready and willing to help more Irish businesses to prosper and grow sustainably.

WHO WE ARE

Our purpose is to improve the structure of finance markets for Irish businesses, so that it is easier for these businesses to get the finance they need. This will help businesses prosper and build economic activity in Ireland.

That's why:

- We work to increase the supply of finance available to businesses where markets don't work well.
- We strive to create a more diverse and vibrant finance market for businesses, with a greater choice of options and providers.

The SBCI brings expertise and Government funding to enhance the SME finance markets. Understanding markets and the needs of Irish businesses allows us to design programmes to make finance markets work better.

In addition to finance, we also use guarantees to share risk with the private sector and to create stronger incentives for lenders to extend credit to Irish SMEs.

Our route to market is through established as well as newly emerging finance providers. In total our SME supports are available through partnerships with 35 finance partners.

We are creating the opportunity for businesses to invest and grow, creating additional jobs and economic activity across Ireland.



Strategic Banking Corporation of Ireland
Treasury Dock Building, North Wall Quay,
Dublin 1, D01A9T8, Ireland.

T 01 238 4000 | www.sbc.gov.ie



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