

Summary Information - Brexit Loan Scheme

An Tánaiste and Minister for Business, Enterprise and Innovation Frances Fitzgerald TD, in partnership with the Minister for Agriculture, Food and the Marine Michael Creed TD, has secured Budget funding for a new Brexit Loan Scheme which will provide affordable financing to Irish businesses that are either currently impacted by Brexit or will be in the future. The new Scheme will be delivered by the [Strategic Banking Corporation of Ireland](#) (SBCI) through commercial lenders to get much needed working capital into Irish businesses.

The new Brexit Loan Scheme aims to make up to €300 million available to businesses with up to 499 employees at a proposed interest rate of 4%. The scheme is open both to State Agency clients and those businesses that do not have any relationship with State Agencies. The finance will be easier to access, more competitively priced, and at more favourable terms than current offerings.

- Department of Agriculture, Food and the Marine share of funding ensures that at least 40% of the fund will be available to food businesses.
- Both Departments are also exploring the development of a longer- term “Business Investment Scheme”, which would focus on business development to support enterprises in investing strategically for the post-Brexit environment.
- Due to State aid rules, the Scheme will not be available to farmers and fishermen. An alternative scheme for primary producers in the agriculture sector and fishermen is currently under consideration by DAFM.

Terms

- Proposed 4% maximum interest rate (participating lenders may compete below this level)
- Terms and conditions will be designed to ensure the loans are accessible.
- The loans will be for up to 3 years.
- Fund will run for two years.

Eligibility criteria: Applications will be cleared for Scheme eligibility through the SBCI.

To be eligible, applicants must:

- Be exposed to the (current or potential) impacts of Brexit
- Submit a business sustainability plan which demonstrates that they plan to adapt/innovate/change in response to Brexit¹.

Loans must be for the purpose of supporting working capital or cash flow needs.

Loans will then be provided by commercial lenders, subject to normal lending criteria.

Funding information

The scheme, through a combination of State and EU guarantees, will leverage up to €300 million of lending to Irish Enterprises at a proposed interest rate of c. 4% at a cost to the Exchequer of €23 million (€14 million provide by Department of Business, Enterprise and Innovation and €9 million provided by Department of Agriculture, Food and the Marine).

¹ Further documents may also be required.

Further Details: Further details of the loans will be provided over the coming weeks. SBCI will issue an open call inviting lending institutions to participate before the end of October. The scheme is expected to be in place in March 2018. It is anticipated that the scheme will remain open until March 2020.

The Department of Business, Enterprise and Innovation has a number of other finance for growth schemes in place, and applications can be made at any time to the existing [Credit Guarantee Scheme](#) and [Micro Finance Ireland](#).