



Focus on
COVID-19
Coronavirus

A&L Goodbody

COVID-19 and Government Support Schemes *Supports for Irish Businesses*

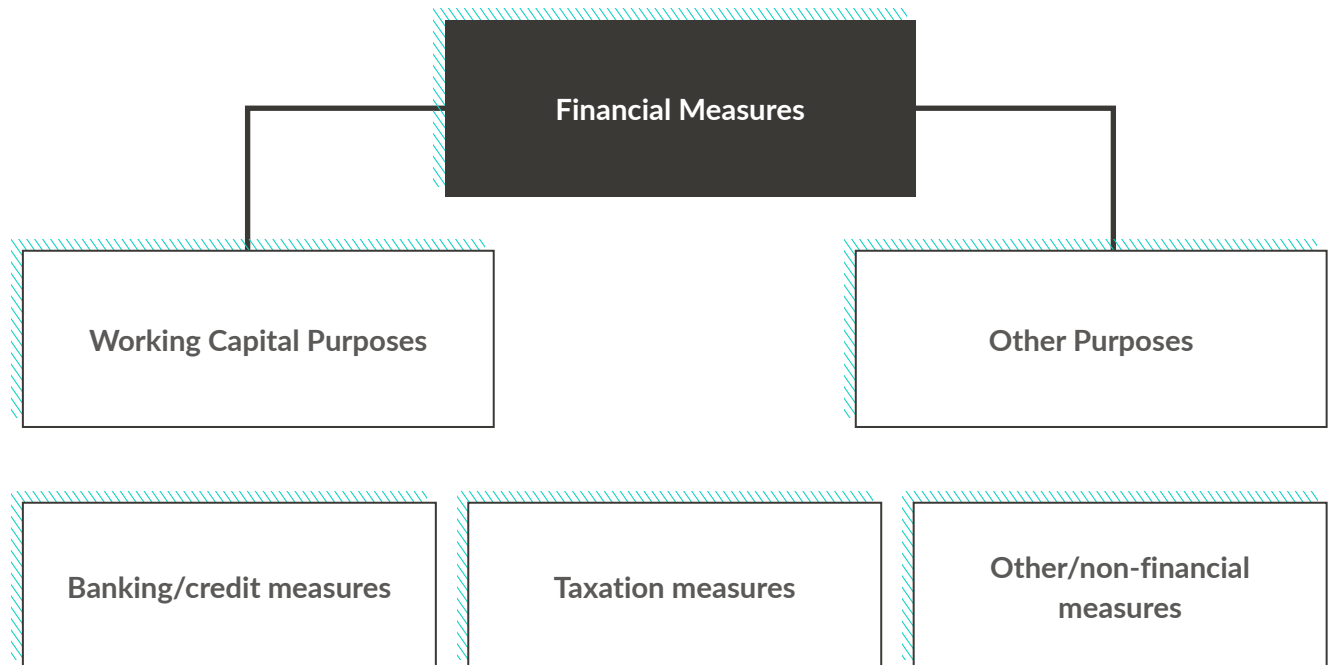
In response to the effect of COVID-19 on Irish businesses the Irish Government and, in particular, the Department of Business, Enterprise and Innovation (the DBEI) has provided certain supports to Irish businesses which primarily seek to assist businesses to stay operational and retain their staff. An explanation of these supports is provided on the [COVID-19 Supports](#) page on the DBEI's website.

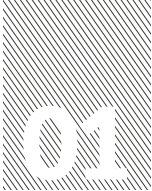


You will find a full range of timely materials for businesses in our dedicated [COVID-19 HUB](#) on our website.

Available Supports

As the disruptive effect of COVID-10 intensifies across all sectors of our economy, the key governmental and other supports available to Irish businesses are:





Financial measures

Financial Measures for Working Capital Purposes

	What?	Who?	How?
Strategic Banking Corporation of Ireland (SBCI) Working Capital Scheme	A €450m working capital scheme. Loans range from €25,000 up to €1.5m (the first €500,000 of which is unsecured) with a maximum interest rate of 4% are offered to eligible businesses.	Viable micro enterprises, SMEs and Small-Mid Cap enterprises impacted by COVID-19 that meet the relevant eligibility criteria.	Applications through the SBCI website at sbci.gov.ie
SBCI Future Growth Loan Scheme	A €200m future growth loan scheme of COVID-19 funding which will be released in tranches and will provide longer-term loans to COVID-19 impacted businesses. Loan amounts will range €100,000 to a maximum of €3m per applicant (the first €500,000 of which is unsecured). Loan terms range from 8 to 10 years.	Viable micro enterprises, SMEs and Small-Mid Cap enterprises impacted by COVID-19 that meet the relevant eligibility criteria.	Applications through the SBCI website at sbci.gov.ie
Sustaining Enterprise Funds	A fund of up to €180m operated by Enterprise Ireland, providing repayable advances of up to €800,000 as agreed with the EU under new State Aid rules. The fund will be used to support the implementation of a Business Sustainment Plan which must be provided by the company outlining the eventual stabilisation of the business and a return to viability.	Firms operating in the manufacturing and internationally traded services sectors with 10 or more employees. This fund is available to SMEs that have applied for funding from a financial institution, including, where appropriate, through the above mentioned SBCI Schemes. This fund is available to large companies that have applied for funding with an appropriate financial institution.	Applications through Enterprise Ireland

Financial Measures for Working Capital Purposes (continued)

	What?	Who?	How?
MicroFinance Ireland	Loans of up to €50,000 ¹ from MicroFinance Ireland. The terms include a six months interest free and repayment free moratorium, with the loan to then be repaid over the remaining 30 months of the 36-month loan period. These loans are available at an interest rate of between 4.5% and 5.5%.	Micro-Enterprises not in a position to avail of bank finance experiencing a negative impact on their business due to COVID-19 (15% of actual or projected turnover impacted).	Applications through the relevant Local Enterprise Office or directly at microfinanceireland.ie .
The Credit Guarantee Scheme	Available through the Pillar Banks (Allied Irish Bank, Ulster Bank and Bank of Ireland) (the Participating Lenders). Loans of up to €1m will be available at terms of up to seven years. The purpose of this scheme is to encourage additional lending to SMEs by offering a partial Government guarantee (currently 80%) to banks against losses on qualifying loans to eligible SMEs.	Viable micro enterprises, SMEs and Small-Mid Cap enterprises impacted by COVID-19 that meet the relevant eligibility criteria can avail of this scheme.	Available through Participating Lenders. The DBEI plays no role in the application or decision-making process, which, is fully delegated to the Participating Lenders.
The Pandemic Stabilisation and Recovery Fund (PSRF)	<p>The fund, worth up to €2 billion, will make capital available to medium and large enterprises on commercial terms. The fund will be made available through a sub-portfolio within Ireland Strategic Investment Fund (ISIF)</p> <p>For further information on the PSRF please see our publication on COVID-19: Irish Government announces new support measures for Irish businesses</p>	Large and medium enterprises employing more than 250 employees or with annual turnover in excess of €50 million which were commercially viable prior to COVID-19 and have been negatively and materially impacted by COVID-19. ISIF may consider investing in enterprises below these levels if they are assessed to be of substantial scale and of significant importance at national or regional level.	Applications through ISIF

¹ This amount was increased from €25,000 to deal with the exceptional circumstances Micro-Enterprises are facing.

Financial Measures for Other Purposes (continued)

	What?	Who?	How?
Income Support Scheme	<p>Financial support provided to Irish workers and businesses affected by COVID-19. Which comprises of the wage subsidy scheme and various employee supports.</p> <p>The wage subsidy scheme is operated by the Revenue Commissioners (Revenue). Pursuant to the wage subsidy scheme, the rates of payment were/ are as follows:</p> <ul style="list-style-type: none"> ■ Until 4 May 2020, the subsidy scheme refunds employers up to €410 per week for each qualifying employee. ■ From 4 May 2020, payment moved to a system based on the previous net weekly wage for each employee. <p>For further information of the rate of payment of the wage subsidy scheme please see our publication on COVID-19 Income Supports.</p> <p>Pursuant to the wage subsidy scheme the employer is expected to make their best efforts to maintain as close to 100% of normal income as possible for the subsidised period.</p>	<p>Employers must self-declare to Revenue that they have experienced significant negative economic disruption due to COVID-19, with a minimum of 25% decline in turnover, and an inability to pay normal wages and other outgoings, in accordance with guidance to be issued by Revenue.</p> <p>This scheme is open to impacted employers in all sectors.</p> <p>The Scheme is confined to employees who were on the employer's payroll as at 29 February 2020, and for whom a payroll submission was made to Revenue in the period from 1 February 2020 to 15 March 2020.</p>	<p>Any employer business, already registered with Revenue for the purposes of the Employer COVID-19 Refund Scheme, is not required to take any further action.</p> <p>Otherwise, applications through Revenue.</p>
Restart Grant	<p>Direct grant aid for the purpose of assisting eligible businesses with the costs associated with reopening and reemploying workers following COVID-19 closures. The grants will be equivalent to the rates bill of the business in 2019, or a minimum grant of €2,000, whichever is the higher, with a maximum grant of €10,000. Businesses who are in arrears or have not yet paid their 2019 rates bill will still be eligible to apply for the grant.</p>	<p>Micro and small businesses with a turnover of less than €5m and employing 50 people or less, which were closed or impacted by at least a 25% reduction in turnover out to 30 June 2020.</p>	<p>Application forms can be downloaded from all local authority websites from Friday 22 May.</p>

Financial Measures for Other Purposes (continued)

	What?	Who?	How?
Commercial Rates Waiver	Commercial rates are being waived for a three month period beginning on 27 March 2020 for businesses that have been forced to close due to public health requirements.	Any commercial ratepayers that have had to temporarily close or significantly curtail operations during the COVID-19 response period in relation to any rates payments falling due in the period to end-May. Ratepayers that can continue to pay their outstanding local authority rates should continue to do so in the normal way.	Available through the Local Authority
Trading Online Voucher	This voucher is a government grant scheme that offers financial assistance of up to €2,500 along with training and advice to help your business trade online. Businesses that have already received a Trading Online Voucher can now apply for a second voucher, where upgrades are required.	Businesses that employ up to 10 people.	Available through Local Enterprise Offices
LEAN for Micro	This support is aimed 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.	Local Enterprise Office clients	Available through Local Enterprise Offices
COVID 19 Online Retail Scheme	The total fund size will be up to €2m and its objective is to support companies in the indigenous retail sector with a pre-existing online presence to respond to both the domestic and international consumer demand for a competitive online offer. Grants ranging from €10,000 to €40,000 will be awarded under the competitive scheme.	Retailers employing over 10 people that have an existing online presence (e.g. website or social media) that have a retail outlet and derive the majority of revenue from the retail outlet(s);	Administered by Enterprise Ireland

Financial Measures for Other Purposes (continued)

	What?	Who?	How?
COVID-19 Business Financial Planning Grant	A grant worth up to €5,000, 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.	Enterprise Ireland clients and those manufacturing or internationally traded services companies that employ 10 or more full time employees.	Administered by Enterprise Ireland
Lean Business Improvement Voucher	The voucher is available to eligible companies to access up to €2,500 in training or advisory services support related to the continued operation of their businesses during the current pandemic. The voucher may be used to obtain services from approved providers.	Open to small, medium or large client companies of Enterprise Ireland or Údarás na Gaeltachta (including High Potential Start-ups).	Applications via the Enterprise Ireland Online Application System
Cross-Border Companies	InterTradelreland's Emergency Business Solutions offers professional advice, to the value of €2,250, to address key business challenges related to COVID-19. The E-Merge programme provides €2,800 consultancy support to help cross-border businesses develop online sales and eCommerce solutions.	Manufacturing of tradable service business registered on the island of Ireland, engaged in cross border trade which has a satisfactory trading history and capacity to deliver the project. Such businesses must have less than 250 employees and annual turnover of less than £40million (or Euro Equivalent). Businesses involved in retail, distribution and agriculture are not eligible for assistance under this scheme.	Applications through InterTradelreland

Financial Measures for Other Purposes (continued)

	What?	Who?	How?
Bord Bia's 'Navigating Change' COVID-19 Response programme	Bord Bia has, is and will offer a suite multi-disciplinary resources, ranging from practical supports and training, to financial and promotional assistance.	Food, drink and horticulture businesses affected by COVID-19	Applications through Bord Bia
Bord Iascaigh Mhara	Providing support to the seafood sector	Businesses in the seafood sector	Bord Iascaigh Mhara
An Post Funding	<p>An Post is committing €2 million worth of practical supports to help Ireland's SMEs get back to business and selling online successfully and sustainably.</p> <p>There are three strands to the An Post package which are as follows:</p> <ul style="list-style-type: none"> ▪ Direct Mail fund worth €1m for 1000 SMEs to market their business across Ireland ▪ Discounted Prices for the Covid-19 period, starting with 25% discount on parcels and ▪ Dedicated eCommerce advice hub to help SMEs start trading online 	Irish SMEs.	May be accessed by registering for the An Post Advantage Card through anpost.com/commerce and post offices.

Financial Measures for Other Purposes (continued)

	What?	Who?	How?
Grant Supports	A full range of Enterprise Ireland, IDA Ireland, Local Enterprise Office and Údarás na Gaeltachta grant supports will be available to firms to help with strategies to innovate, diversify markets and supply chains and to improve competitiveness.	Businesses experiencing trading difficulties and short-term shocks in response to COVID-19	Through Enterprise Ireland, IDA Ireland, Local Enterprise Office and Údarás na Gaeltachta
Joint First Responder Support Service	The Department of Employment Affairs and Social Protection and DBEI will provide a joint First Responder support service providing tailored supports for impacted firms, with the objective of avoiding mass lay-offs and buying time for firms to work through the short-term disruptions.	Businesses experiencing trading difficulties and short-term shocks in response to COVID-19	Through the Intreo Offices and development agencies, Enterprise Ireland and IDA Ireland in each region

Banking and credit measures

The following banking and credit measures have been announced in response to COVID-19

Central Bank of Ireland

Confirmed that it will allow banks to dip into their rainy-day capital reserves to keep lending flowing

Banks

All the pillar banks have announced that they will offer flexibility to their customers, and they may be able to provide payment holidays or emergency working capital facilities.”

Extensive supports for SME customers

- A deferral on loan repayments will be available to many businesses.
- Banks are working to ensure a wide range of credit, cash flow and supply chain supports are offered to businesses who are trying to manage the pressures arising from COVID-19.

A small but important change for many businesses is the limit for contactless credit card payments has been raised from €30 to €50.

Non-Banks

The main non-bank lenders have also confirmed their intention to also support the range of measures announced by the country’s main retail banks.

Taxation measures

- Revenue's [COVID-19 information and advice for taxpayers and agents](#) provides information on Revenue services and tax and customs measures in place during the COVID-19 pandemic including information on tax returns, new 'warehousing' of deferred tax debts and interest suspension arrangements.



Other/non-financial measures

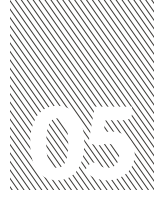
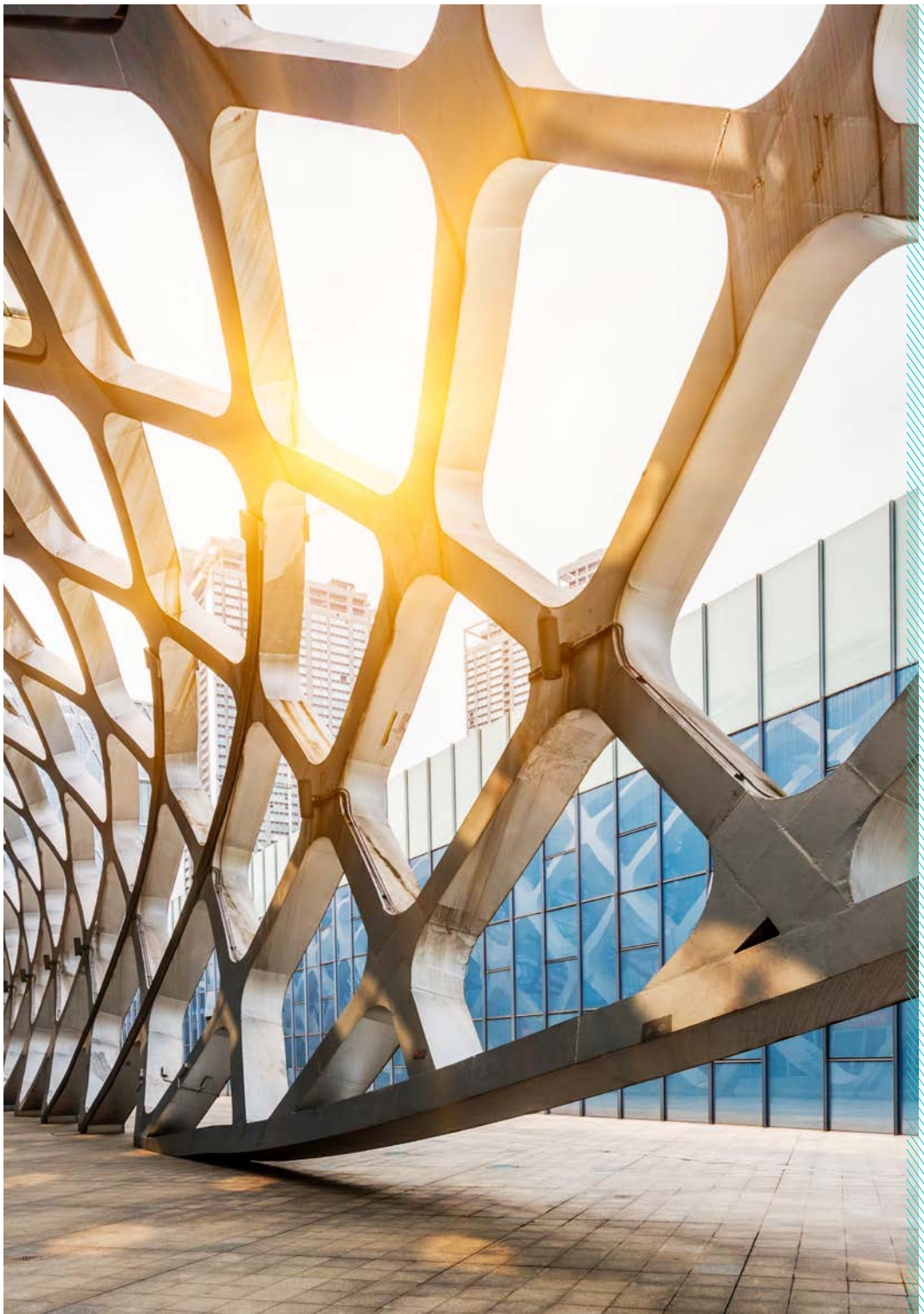
Other

- Restaurants to operate as takeaways:** Amendments to [Planning and Development Regulations](#) temporarily allow restaurants to operate as takeaways - whereby members of the public can order food for collection for consumption off-premises or have food delivered for consumption off-premises - without being required to obtain change of use planning permission to operate as takeaways.
- Filing of Annual Returns:** The Companies Registration Office has introduced changes to [annual filing obligations for companies](#) to assist companies during the COVID-19 crisis.
- Employment Permits System Contingency Arrangements:** The Department of Business, Enterprise and Innovation has implemented a [contingency plan](#) to ensure that the Employment Permits system will continue to operate in all scenarios during the COVID-19 crisis.

Advisory Services

- Training and Mentoring:** The Local Enterprise Offices have moved training programmes, workshops and networking meet-ups online, covering areas such as cash management in a crisis, leading your business through COVID-19 and advice for employers impacted by the crisis.
- Tourism sector:** In response to the COVID-19 crisis and the impact on the tourism sector, the Fáilte Ireland COVID-19 Business [Support Hub](#) is targeting its

- supports to respond to the most urgent challenges and threats tourism businesses are now facing.
- Workplace Protection and Improvement:** The National Standards Authority of Ireland has published a Workplace Protection and Improvement [Guide](#) outlining preventative measures businesses can take to prevent the spread of COVID-19.
- Supply Chain Workers:** The Department of Transport, Tourism and Sport and the Department of Health have prepared [COVID-19 guidance](#) for supply chain workers. The [guidance](#) provides these essential workers with information as regards their continued work, the importance of access to sanitary facilities and the importance of maintaining all elements of the supply chain.
- Retail Protection and Improvement:** The NSAI has published a COVID-19 Retail Protection and Improvement [Guide](#) to help retailers manage business continuity during the COVID-19 emergency.
- Business Continuity Planning COVID-19 Checklist:** The Department of Business, Enterprise and Innovation has updated its [checklist](#) on Business Continuity Planning which provides a checklist for businesses in responding to COVID-19.
- Standards for medical supplies made freely available:** NSAI and SAI Global have developed the COVID-19 [Response Package](#) which will provide free access to Standards for medical devices and personal protective equipment.



Key takeaways

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Variety of Government supports available

Aims to retain employees and speed recovery

PSRF support for larger businesses and multiple supports for smaller

SME

In accordance with the EU standard definition an SMEs:

- have fewer than 250 employees
- have a turnover of €50m or less (or €43m or less on their balance sheet)
- are independent and autonomous i.e. not part of a wider group of enterprises
- have less than 25% of their capital held by public bodies
- are established and operating in the Republic of Ireland.

Micro-Enterprise

A Micro-Enterprise is a business with:

- fewer than 10 full-time employees
- less than €2m annual turnover
- a Balance Sheet with Net Worth/ Capital Account/Equity that does not exceed €2m.

**Small-Mid Cap Enterprises**

An enterprise that is not an SME but has fewer than 500 employees

Disclaimer: A&L Goodbody 2020. The contents of this document are limited to general information and not detailed analysis of law or legal advice and are not intended to address specific legal queries arising in any particular set of circumstances.