

Performance Report on Credit Guarantee Scheme 2020 to the Minister for Business, Enterprise and Innovation – December 2020

**The Strategic Banking Corporation of Ireland acting as Operator of the
SME Credit Guarantee Scheme**

Contents

1	Credit Guarantee Scheme.....	3
	Classification of SMEs/Mid-Caps.....	3
2	Analysis of the Credit Guarantee Scheme	5
	2.01 Activity by Region.....	5
	2.02 Activity by County.....	6
	2.03 Activity by Industry Sector	7
	2.04 Activity by Legal Form	8
	2.05 Eligibility Criteria.....	8
	2.06 Year of Establishment of Borrowing SMEs	9
	2.07 Term of Commercial Facility.....	9
	2.08 Purpose of the CGS Facility	10
	2.09 Debt Product Type	11
	2.10 Interest Rate To SME	11
	2.11 Contingent Liability.....	12
	2.12 Claims	12
3	Marketing Engagements - Monthly Update	13

1 Credit Guarantee Scheme

The Covid Credit Guarantee Scheme ("Covid CGS") provides a State guarantee through the Department of Business, Enterprise & Innovation (the "Department") to accredited Lenders of 80 per cent on eligible products to eligible businesses impacted by Covid-19 (Micro, Small and Medium-sized Enterprises and Mid-Caps).

Covid CGS was originally available until the 31st of December 2020 but this period has now been extended to 30th June 2021.

Note - This report is based on all data received from participating Finance Providers from scheme launch to 31st December 2020

Classification of SMEs/Mid-Caps

Micro, Small and Medium-sized enterprises are defined according to their staff headcount and turnover or annual balance sheet total.

- A micro enterprise is defined as an enterprise which employs fewer than 10 people and whose annual turnover and/or annual balance sheet total does not exceed €2 million.
- A small enterprise is defined as an enterprise which employs between 10 and 49 persons and whose annual turnover and/or annual balance sheet total does not exceed €10 million.
- A medium-sized enterprise is defined as an enterprise which employs between 50 and 249 persons and whose annual turnover does not exceed €50 million or whose annual balance sheet total does not exceed €43 million.

All decision-making at the level of the individual Scheme Facility is fully devolved to the participating Lenders.

The Department has appointed the Strategic Banking Corporation of Ireland ("SBCI") as Operator.

Note - All percentage figures contained herein have been rounded where appropriate

Overall Portfolio of Loans Drawn - As at December 2020

Enterprise Type	Number of Loans	Value Of Loans	No of Jobs Maintained	No of Jobs Forecast	No of Jobs Increased
Micro	1309	€ 60,448,832	4223	4555	332
Small	260	€ 24,437,368	4527	4733	206
Medium	9	€ 1,490,000	9	760	751
Primary Agriculture	312	€ 11,811,667	539	547	8
Total	1890	€ 98,187,867	9,298	10,595	1,297

2 Analysis of the Credit Guarantee Scheme

2.01 Activity by Region

Total Loans Drawn by Region - As at December 2020			
Region/County	Volume of Loans	Value Of Loans	Average Size of Loans
East	698	€ 42,204,706.00	€ 60,465.19
Dublin	460	€ 29,049,590.00	€ 63,151.28
Kildare	82	€ 5,268,678.00	€ 64,252.17
Meath	92	€ 4,677,578.00	€ 50,843.24
Wicklow	64	€ 3,208,860.00	€ 50,138.44
Midlands	110	€ 4,703,146.00	€ 42,755.87
Laois	38	€ 1,573,396.00	€ 41,405.16
Longford	6	€ 181,000.00	€ 30,166.67
Offaly	25	€ 1,176,750.00	€ 47,070.00
Roscommon	18	€ 843,500.00	€ 46,861.11
Westmeath	23	€ 928,500.00	€ 40,369.57
Mid-West	150	€ 7,668,876.00	€ 51,125.84
Clare	70	€ 3,420,544.00	€ 48,864.91
Limerick	80	€ 4,248,332.00	€ 53,104.15
North East	85	€ 4,458,659.00	€ 52,454.81
Cavan	22	€ 969,996.00	€ 44,090.73
Louth	38	€ 2,187,663.00	€ 57,570.08
Monaghan	25	€ 1,301,000.00	€ 52,040.00
North West	107	€ 4,101,616.00	€ 38,332.86
Donegal	73	€ 2,906,350.00	€ 39,813.01
Leitrim	8	€ 141,600.00	€ 17,700.00
Sligo	26	€ 1,053,666.00	€ 40,525.62
South East	208	€ 9,733,448.00	€ 46,795.42
Carlow	23	€ 861,048.00	€ 37,436.87
Kilkenny	41	€ 2,055,955.00	€ 50,145.24
Tipperary	75	€ 3,506,178.00	€ 46,749.04
Waterford	42	€ 1,881,000.00	€ 44,785.71
Wexford	27	€ 1,429,267.00	€ 52,935.81
South West	266	€ 12,276,405.00	€ 46,151.90
Cork	215	€ 10,736,240.00	€ 49,936.00
Kerry	51	€ 1,540,165.00	€ 30,199.31
West	266	€ 13,041,011.00	€ 49,026.36
Galway	168	€ 8,421,074.00	€ 50,125.44
Mayo	98	€ 4,619,937.00	€ 47,142.21
Total	1890	€ 98,187,867.00	€ 51,951.25

2.02 Activity by County

Total Loans Drawn By County - As at December 2020				
County	Number	Value	% by value	Average loan size
Carlow	23	€ 861,048.00	1%	€ 37,436.87
Cavan	22	€ 969,996.00	1%	€ 44,090.73
Clare	70	€ 3,420,544.00	3%	€ 48,864.91
Cork	215	€ 10,736,240.00	11%	€ 49,936.00
Donegal	73	€ 2,906,350.00	3%	€ 39,813.01
Dublin	460	€ 29,049,590.00	30%	€ 63,151.28
Galway	168	€ 8,421,074.00	9%	€ 50,125.44
Kerry	51	€ 1,540,165.00	2%	€ 30,199.31
Kildare	82	€ 5,268,678.00	5%	€ 64,252.17
Kilkenny	41	€ 2,055,955.00	2%	€ 50,145.24
Laois	38	€ 1,573,396.00	2%	€ 41,405.16
Leitrim	8	€ 141,600.00	0%	€ 17,700.00
Limerick	80	€ 4,248,332.00	4%	€ 53,104.15
Longford	6	€ 181,000.00	0%	€ 30,166.67
Louth	38	€ 2,187,663.00	2%	€ 57,570.08
Mayo	98	€ 4,619,937.00	5%	€ 47,142.21
Meath	92	€ 4,677,578.00	5%	€ 50,843.24
Monaghan	25	€ 1,301,000.00	1%	€ 52,040.00
Offaly	25	€ 1,176,750.00	1%	€ 47,070.00
Roscommon	18	€ 843,500.00	1%	€ 46,861.11
Sligo	26	€ 1,053,666.00	1%	€ 40,525.62
Tipperary	75	€ 3,506,178.00	4%	€ 46,749.04
Waterford	42	€ 1,881,000.00	2%	€ 44,785.71
Westmeath	23	€ 928,500.00	1%	€ 40,369.57
Wexford	27	€ 1,429,267.00	1%	€ 52,935.81
Wicklow	64	€ 3,208,860.00	3%	€ 50,138.44
Total	1890	€ 98,187,867.00	100%	€ 51,951.25

2.03 Activity by Industry Sector

Total Loans Drawn By Sector - As at December 2020				
Industry Sector	Number	% by Number	Value	% by Value
Accommodation & Food Services	244	13%	€ 12,338,810	13%
Activities of Extraterritorial Organisations	2	0%	€ 52,500	0%
Administrative Services	77	4%	€ 4,631,537	5%
Agriculture, Forestry & Fishing	312	17%	€ 11,811,667	12%
Arts, Entertainment & Recreation	58	3%	€ 3,306,913	3%
Construction	181	10%	€ 9,918,254	10%
Education	32	2%	€ 1,565,423	2%
Electricity, Gas and Steam	2	0%	€ 150,000	0%
Financial & Insurance Activities	19	1%	€ 1,179,026	1%
Human Health and Social Work	50	3%	€ 2,381,184	2%
Information and Communication	62	3%	€ 4,623,860	5%
Manufacturing	140	7%	€ 7,995,407	8%
Mining & Quarrying	4	0%	€ 392,900	0%
Other Services	144	8%	€ 6,746,100	7%
Professional, Scientific & Technical Activities	111	6%	€ 6,019,856	6%
Public Administration and Defence	1	0%	€ 30,000	0%
Real Estate	9	0%	€ 464,713	0%
Transportation & Storage	89	5%	€ 4,517,478	5%
Water Supply, Waste Management & Sewerage	6	0%	€ 487,000	0%
Wholesale/Retail Trade & Repairs	347	18%	€ 19,575,239	20%
Total	1890	100%	€ 98,187,867	100%

2.04 Activity by Legal Form

Legal Form for Loans Drawn - As at December 2020				
Legal Form	Number	% of Total	Value	% of Total
Private Limited Company	1080	57%	€ 68,898,093	70%
Sole Trader	766	41%	€ 26,498,722	27%
Partnership	31	2%	€ 2,039,889	2%
Limited Liability Partnership	1	0%	€ 15,000	0%
Club	1		€ 63,163	
Other	11	1%	€ 673,000	1%
Total	1890	100%	€ 98,187,867	100%

2.05 Eligibility Criteria

Eligibility Criteria for Loans Drawn - As at December 2020	Number of Loans	% by Volume of Portfolio	Value of Loans	% by Value of Portfolio
I - Loans does not exceed Double the Annual Wage Bill of Participating Enterprise	551	29%	€ 29,199,550	30%
II - Does not Exceed 25% of Total Turnover for prevoius Year	1291	68%	€ 64,862,548	66%
III - To cover the Liquidity needs of Participating Enterprise for the coming 18 months - SME & 12 months in respect of large enterprise	48	3%	€ 4,125,769	4%
Total	1890	100%	€ 98,187,867	100%

2.06 Year of Establishment of Borrowing SMEs

Year of Establishment	Value of Loans Drawn	% of Total	Drawn Number	% of Total
2020	€405,000	0%	8	0%
2019	€3,178,300	3%	89	5%
2018	€6,910,865	7%	150	8%
2017	€7,262,830	7%	141	7%
2016	€5,790,138	6%	116	6%
2015	€5,685,801	6%	117	6%
2014	€4,803,048	5%	96	5%
2013	€4,128,103	4%	83	4%
2012	€4,129,323	4%	73	4%
2011	€3,624,269	4%	59	3%
2010	€3,627,260	4%	68	4%
2000-2009	€24,018,604	24%	434	23%
1945-1999	€24,624,326	25%	456	24%
Total	€98,187,867	100%	1890	100%

2.07 Term of Commercial Facility

The term or duration of each facility is decided by the participating Lender. However, irrespective of the term of the facility, the maximum period for which the Guarantee is available is six years from the date of acceptance of the Lender's offer by the borrower.

Term of Facility - Months	Number of Loans - Drawn	Value of Loans - Drawn	Percentage of Overall Portfolio
24 - 36	359	€ 16,013,831	16%
37 - 48	136	€ 4,826,146	5%
49 - 60	729	€ 37,253,337	38%
61 - 66	666	€ 40,094,553	41%
Total	1890	€ 98,187,867	100%

2.08 Purpose of the CGS Facility

Purpose of Loan for Drawn Loans - By Volume - December 2020	Number of Loans	%	Enterprise Type	No of Loans	%
Working Capital	1032	55%	Micro	870	46%
			Small	159	8%
			Medium	3	0%
Purchase of Equipment	346	18%	Micro	313	17%
			Small	30	2%
			Medium	3	0%
New Product or Process	182	10%	Micro	166	9%
			Small	16	1%
			Medium	0	0%
Fit out of Premises	252	13%	Micro	210	11%
			Small	41	2%
			Medium	1	0%
Other	78	4%	Micro	58	3%
			Small	18	1%
			Medium	2	0%
Total	1890	100%		1890	100%

Purpose of Loan for Drawn Loans - By Value - December 2020	Number of Loans	%	Enterprise Type	Value of Loans	%
Working Capital	€ 58,493,306	60%	Micro	€ 41,508,606	42%
			Small	€ 16,084,700	16%
			Medium	€ 900,000	1%
Purchase of Equipment	€ 14,124,763	14%	Micro	€ 11,643,000	12%
			Small	€ 2,291,763	2%
			Medium	€ 190,000	0%
New Product or Process	€ 9,466,905	10%	Micro	€ 7,671,905	8%
			Small	€ 1,795,000	2%
			Medium	€ 0	0%
Fit out of Premises	€ 11,585,893	12%	Micro	€ 8,469,488	9%
			Small	€ 2,966,405	3%
			Medium	€ 150,000	0%
Other	€ 4,517,000	5%	Micro	€ 2,697,500	3%
			Small	€ 1,569,500	2%
			Medium	€ 250,000	0%
Total	€98,187,867	100%		€98,187,867	100%

2.09 Debt Product Type

Classification of Debt Type for Loans Drawn - As at December 2020	Total Number of Loans	Total Value of Loans	% by Overall Volume of Portfolio	% by Overall Value of Portfolio
New Debt	1858	€ 96,475,011	98%	98%
Debt Transferred from Another Lender	32	€ 1,712,856	2%	2%
Refinance of Covid Expenses	-	€ 0	0%	0%
New Debt related to Covid	-	€ 0	0%	0%
Total	1890	€ 98,187,867	100%	100%

2.10 Interest Rate To SME

Lender Rates for Loans Drawn - As at December 2020	Number of Loans - Drawn	Value of Loans - Drawn	Percentage of Overall Portfolio
2.00% - 2.49%	3	€ 1,196,000	1%
2.50% - 2.99%	1873	€ 95,979,367	98%
3.00% - 3.49%	11	€ 817,500	1%
3.50% - 3.99%	3	€ 195,000	0%
Total	1890	€ 98,187,867	100%

2.11 Contingent Liability

I - Overall Portfolio As at December 2020				
Year	Total Portfolio Value	Maximum Exposure	Total Value of Claims Submitted	Maximum Exposure on Claims against Remaining Live Lending as at 31st December 2020
2020	€ 98,187,867	€ 78,550,294	€ 0.00	€ 78,550,294
2021	€ 0.00	€ 0.00	€ 0.00	€ 0.00
2022	€ 0.00	€ 0.00	€ 0.00	€ 0.00
Total	€ 98,187,867	€ 78,550,294	€ 0.00	€ 78,550,294

The Minister's liability under CGS is based upon an **80% Guarantee** on individual loans and is **NOT** subject to a portfolio cap.

2.12 Claims

Overall Claims Under CGS 2020 To Date: -

I - Portfolio

Guarantee Calls By Year as at December 2020	Number of Claims	Claim Value	% of Portfolio Year - by Start Date of Loan
2020	-	€ 0.00	0%
2021	-	€ 0.00	0%
2022	-	€ 0.00	0%
2023	-	€ 0.00	0%
2024	-	€ 0.00	0%
2025	-	€ 0.00	0%
2026	-	€ 0.00	0%

3 Marketing Engagements - Monthly Update

I - From a Marketing and Communication perspective:

2nd December – SBCI Webinar “Risk Sharing Instruments and the Irish Finance Market”

18th December – CPA Ireland Webinar “Covid-19 Funding Supports”

II - From a Network perspective (i.e. Engagement with the new selected lenders):

The SBCI continues to engage with potential Lending Partners, in particular with those who should be shortly announced (appointed) by the Government as additional scheme providers, ensuring that their marketing assets are in line with the Scheme’s requirements.