

Ireland Update – 26 May 2015

In a further effort to assist SMEs a new €10 million fund to support start-ups across the country was announced last week by the Government.

Half of the funds are to be allocated to Local Enterprise Offices around the country who come together to bid for funding for projects to support job creation in their region. Applicants can apply for a maximum of €250,000 per project.

The remaining funds will go to the Community Enterprise Initiatives Fund, which is also open to organisations that come up with ideas for projects to create more jobs. The new initiative forms part of the Government's €250 million Regional Action Plan for jobs.

It follows on from the recent rolling-out of a tax refund programme aimed at encouraging more people to start up their own businesses.

The StartUP refunds for Entrepreneurs (SURE) initiative allows individuals to obtain a refund from the Government of up to 41% of the capital they invest in establishing their own company over a six year period.

A recent research study found reluctance to invest by private investors, not banks, the single biggest source of frustration for small businesses. Investment funding can take the form of long term debt, but for most involves equity and shareholders. Non-financial barriers primarily related to staff. Difficulties were encountered by getting staff with the right talents and skills and thereafter retention of these people.

Irish ProShare – (IPSA) - have committed to supporting an Irish Small & Medium Enterprises Association – (ISME) – initiative that will focus on Alternative Sources of Finance for SMEs. Some 8 Roadshows will take place around the country with representation by IPSA Council Members.