



An Roinn Fiontar,  
Trádála agus Fostaíochta  
Department of Enterprise,  
Trade and Employment

# **SME and Entrepreneurship Taskforce 2023**

## Priority Actions Progress Report



## Background

The Programme for Government – Our Shared Future committed to the establishment of an SME and Entrepreneurship Taskforce to design a National SME Growth Plan that would map out an ambitious long-term strategic blueprint beyond COVID-19.

A Taskforce was appointed by the Tánaiste and Minister for Enterprise, Trade and Employment in September 2020. The Taskforce has a membership drawn from a broad range of sectors and regions, and included the national SME representative bodies, Ibec, SFA, ISME, Chambers Ireland, and sectoral representatives including the Irish Hotels Federation, and Scale Ireland. Its work was informed by the comprehensive OECD Review of SME and Entrepreneurship Policy in Ireland, which provided an objective and evidence base for the work in developing the SME Growth Plan.

The SME and Entrepreneurship Taskforce's report, the *National SME and Entrepreneurship Growth Plan*, was published in January 2021. An Implementation Group was established in February 2021 to address these recommendations and work with relevant Government Departments and Agencies to deliver these reforms. The Implementation Group agreed ten priority areas where significant progress could be made in the short term.

In December 2021, Government noted an update on the Taskforce, the resulting Growth Plan, the establishment of an SME and Entrepreneurship Implementation Group. The SME and Entrepreneurship Taskforce has continued to meet regularly and reports on an annual basis to Government on the priorities identified by the implementation group. There are currently eleven priorities with the addition of Ireland's climate ambitions in 2023.

---

## Updates on priority areas for implementation

In 2023, the SME and Entrepreneurship Taskforce met four times (January, May, July and November) to review the progress made across eleven priority areas.

In May, five new members were welcomed to the Taskforce, having responded to an open call for new members with experience in starting and growing a business in Ireland.

In advance of and during each of these meetings, officials from relevant Departments and Agencies provided updates on implementation of the eleven priority areas. Meetings in 2023 also heard focused presentations on topical priority issues including:

- Scaling and Access to Finance
- Budget 2024 priorities
- New Export Accelerator Programme
- Proposed Late Payments Regulation
- Micro Finance Ireland
- AI and Cyber Security

An update on progress made in implementation of the eleven priority areas is set out below including:

1. Access to Finance
2. Digital transformation
3. Increasing first time exporters
4. Enhanced assistance for high-potential businesses
5. Clustering and networks
6. SME management skills
7. Reducing the regulatory burden on SMEs
8. Delivery of a single portal for business information and assistance
9. Ensuring comprehensive enterprise agency coverage for SMEs
10. Promoting SME participation in public procurement
11. Ireland's climate ambitions

## 1. Access to finance

Ensuring an adequate supply of credit to SMEs through State-backed loan schemes and equity investment schemes was highlighted as key to facilitating sustainable growth for the SME sector. Progress made includes:

- In January 2023 as part of the Government's response to assist businesses affected by the Ukraine crisis the Government announced the Ukraine Credit Guarantee Scheme. The €1.2 billion scheme provides low cost working capital for medium-term investment, to SMEs, primary producers, and small mid-caps.
- The Growth and Sustainability Loan Scheme was launched in September 2023 and is a key priority to ensure an adequate supply of credit to SMEs. This is a long-term loan guarantee scheme jointly developed by DETE and the Department of Agriculture Food and the Marine and is underpinned by resources from the European Investment Bank Group and delivered by the SBCI.
- Since the Government decision on 30 May for the approval of the transfer of Microfinance Ireland into State Ownership, legislation is being drafted to provide for ownership of MFI to transfer to the Minister for Enterprise Trade and Employment and to put in place the related governance structures in order to be able to assist more microenterprises to start up, survive and grow.
- The European Commission has made a new proposal for a Late Payments Regulation, which aims to bring about significant changes it believes to be necessary to address shortcomings in the current rules. A public consultation has been undertaken and stakeholder meetings are ongoing, which will inform Ireland's position in the negotiations at EU level. The proposed Regulation will apply to commercial transactions for goods and services between public bodies and business, and to business-to-business commercial transactions.
- Seed & Venture Capital Scheme Investments continue with a budget of €175 million through to 2024 and to inform future policy in this area DETE has commissioned an independent consultant to conduct an external review of State equity finance programmes and initiatives in the Irish Equity Ecosystem, including the SVC programme. The review will be finalised before year end and published in early 2024.
- The Irish Innovation Seed Fund Programme provided an allocation of €35 million to WakeUp Capital who are targeting a fund size of up to €50m. WakeUp Capital is a female lead fund, focussing on sustainable investment in the areas of clean energy & environmentally focussed investments such as innovative technology, agriculture

solutions, waste treatment and energy technology as well as services and technologies that support financial inclusion.

- A recent second announcement of minimum of €20 million funding to Resolve Ventures through the Irish Innovation Seed Fund Programme, will mean the release of up to €55 million joint funding between EI EIF and ISIF.
- A third allocation of up to €35 million funding under this programme is expected in early 2024. In addition to a €90 million investment, the programme with crowd in significant levels of private investment to high growth innovative companies.
- DETE are finalising a report recommending future policies and initiatives aimed at increasing scale-up activity in the Irish equity ecosystem by improving access to appropriate finance.

## 2. Digital transformation

Equipping our small and medium businesses for the rapidly accelerating transition to digital ways of working is a crucially important part of building a resilient, competitive SME sector. Progress made in this area includes:

- Work is under way on the design of a Digital Portal to help businesses to identify the next steps of their digital transformation, signposting to appropriate supports to help with that process. The Digital Portal is now in the final stages of development with a targeted launch of Q1 2024.
- An Enterprise Digital Advisory Forum has been established to advise Government on digital transformation of businesses, in accordance with the National AI Strategy and the National Digital Strategy.
- To help make digital technology more readily available to SMEs, Ireland is part of a network of European Digital Innovation Hubs (EDIHs). These hubs will play a critical role in facilitating the digitalisation of Irish SMEs across industries and regions.
- All four of Ireland's designated EDIHs have passed the Commission threshold and are eligible to become part of the EDIH network. Two EDIHs will be funded jointly through the Digital Europe Programme and the Recovery and Resilience Facility.
- The remaining two hubs have been awarded a 'Seal of Excellence', which permits them to become full EDIH network members subject to national funding being made available. All four EDIHs have now been established.

### 3. Increasing first time exporters

The White Paper on Enterprise 2022-2030 reaffirmed the target of 2,000 additional SMEs to begin exporting by the end of 2030. Progress on this includes:

- Work is underway to build a new exporter accelerator in Enterprise Ireland which will focus on building ambition, capability and market entry for potential first-time exporters to accelerate market entry and fast track more companies on the export journey. The new accelerator will work closely with the Local Enterprise Offices and will enable further progress with regard to the expansion of the LEO framework to extend direct financial assistance to small companies employing more than 10 and less than 50 employees in the manufacturing and internationally traded sectors with export potential. It is expected that the accelerator will be in place in Q1 2024.

### 4. Enhanced assistance for high-potential businesses

This priority area focuses on helping very high potential businesses through the appropriate funding instruments to accelerate investment, a targeted approach to drive capability development, and developing pathways for SMEs to access strategic skills. Progress made so far includes:

- DETE commenced a study in 2023, in collaboration with the OECD, on the ‘Globalisation of Irish StartUps – the Role of Incubation and Acceleration’.
- The White Paper on Enterprise includes the target of a 20% increase in the number of High-Potential Start-Ups (HPSUs) supported by Enterprise Ireland (EI).
- Each year EI supports a cohort of new startups. In addition to funding at PreSeed and Seed Stage, EI works closely with these new companies to help them to begin international expansion and build their team capability.
- Additionally, the White Paper recognises the importance of accelerating the commercialisation of research to increase the generation of HPSUs from cutting-edge research, and we will promote this commercialisation by continuing to develop deeper links between research performing organisations and enterprises.
- The White Paper implementation Plan identifies the roll out of European Regional Development Funds, through a variety of schemes, including KT Boost Programme and Innovator’s Initiative, as central to driving commercialisation of technologies on a regionally balanced basis.

## 5. Clustering and networks

The development of an overarching National Clustering Policy and Framework is a key deliverable by DETE under the Economic Recovery Plan and including consideration of the recommendations on clustering outlined in the SME and Entrepreneurship Growth Plan. Progress made on this includes:

- The White Paper on Enterprise sets out that there will be a National Clustering Programme (NCP), funding five national cluster organisations by 2025, to be coordinated by a central coordination mechanism.
- This will prioritise areas of existing strength to sustain competitive advantage and areas of national potential to drive future growth, increase interlinkages across the enterprise ecosystem (including MNC`s and SME`s), as well as support the twin transitions. As the NCP is developed and rolled out, the national coordination entity will be located in the DETE. It is anticipated that implementation of the national clustering programme will commence by year end and the first call for proposals under the NCP will be in H2 of 2024.

## 6. SME management skills

SME management development is fundamental to improving the productivity of SMEs, and managers that adopt best practice management skills and practices are better placed to formulate clear strategy, adopt modern methods, develop better teams, and to innovate and grow. Progress made in this area includes:

- In November 2022, DETE launched Skills for Better Business to help SME owners and managers to assess their own management skills and identify the right education and training to improve their management and leadership capabilities. To October 2023, the tool has been viewed by nearly 1,300 people and has been completed by almost 500 people.

## 7. Reducing the regulatory burden on SMEs

The SME Test is a regulatory impact assessment tool that encourages policymakers across Government to consider the impact that any new regulations or laws will have on SMEs. Progress made on this includes:

- In 2022 DETE established a cross-Government network to facilitate engagement and provide training and support to Departments on the application of the SME Test.

- Through the network, up to November 2023, a total of 10 Departments have applied the SME Test to 21 pieces of legislation. DETE will continue to monitor and work with other Departments to support the application of the SME Test
- In September 2023 the European Commission published the SME Relief Package it sets out 19 action points with goals to make things easier for SMEs.

## **8. Delivery of a single portal for business information and assistance**

DETE committed to delivering a single hub for SME information and assistance that would be more comprehensive, up to date and be easily accessible for SMEs. Progress made here includes:

- A new National Enterprise Hub has been designed by Enterprise Ireland and will act as a single-entry point with information on business supports. Once fully operational businesses will have access to a dedicated Hub Advisor via Live Chat or Dedicated Phone Line, where necessary the Advisor can put the business owner in direct contact with the relevant government agency.
- The Hub will track key issues, insights and support pipeline development and will also inform policy development by providing insights into the issues that businesses are encountering.
- Work is ongoing to ensure the National Enterprise Hub is operational by Q1 2024.

## **9. Ensuring comprehensive enterprise agency coverage for SMEs**

DETE is committed to a more comprehensive and joined-up range of assistance for all SMEs by the State, public bodies and our enterprise agencies. Progress made includes:

- The extension of the LEO mandate, as outlined in the White Paper on Enterprise, will ensure training, consultancy, and mentoring services will be made available to more locally trading business with over 10 and up to 50 employees.
- The Energy Efficiency Grant was announced in Budget 2023. The objective of the scheme, which is open to all enterprises, is to support capital investment by businesses to reduce carbon emissions based on energy efficiency projects.



## 10. Promoting the participation of SMEs in public procurement

The focus here was to review the barriers to SME participation in public procurement opportunities. Progress made includes:

- The Office of Government Procurement (OGP) launched a new eTenders platform on 15 May 2023. This was the first change of the eTenders service platform in more than 10 years, so a comprehensive communication campaign was developed, which included radio advertising and direct messaging to eTenders users.
- The OGP has facilitated a number of training webinars, they also developed interactive walkthroughs and user manuals, which are available on [www.etenders.gov.ie](http://www.etenders.gov.ie). A dedicated helpdesk has also available.
- The OGP will continue to facilitate meetings of the SME Advisory Group to allow SME representative bodies to highlight issues affecting SME participation in public procurement.

## 11. Climate action, SMEs, and transition to a low carbon future

While not one of the priority areas identified initially the Taskforce through their work recognised the critical role that SMEs will play in enabling our society to make the transition to a low carbon future – requiring both resilience against this change in our economic activities, as well as agility to identify and pursue the significant opportunities that come with this transformation. Progress made here includes:

- The latest iteration of the Climate Action Plan, Climate Action Plan 2023 (CAP23) was published in December 2022.
- CAP24 is currently under development, and it will build on the progress made by previous climate action plans. The Action Plan is due to be published before the end of the year.
- DECC established the Heat and Built Environment Taskforce in January 2023. DECC chairs a workstream of this group on decarbonising industrial heat. A key output of this workstream, as set out in CAP23, will be the development of a roadmap for decarbonising industrial heat.
- The Industrial Heat Decarbonisation Roadmap is currently at drafting stage and will be published in Q4 of this year, it will clearly set out the pathway to decarbonisation of industry.

- A Biomethane strategy is currently at drafting stage and will be published by the Department of Food, Agriculture and the Marine by the end of this year.
- The Green Transition Fund is part of Ireland's National Recovery and Resilience Plan. The total budget for the fund is split into two streams, the Enterprise Emissions Reduction Investment Fund (€30 million) and the Climate Planning Fund for Business (€25 million) which will both run from 2022 through to 2026.
- The Local Enterprise Offices also continue to provide support through the Green for Business scheme and the Energy Efficiency Grant in helping prepare small businesses for the low carbon, more resource efficient economy of the future.
- A roadmap is being developed that will set out the key policy interventions to achieve the objectives set out for decarbonising our commercial building stock.

---

## Membership of SME Growth Taskforce

Minister Simon Coveney	Minister for Enterprise, Trade and Employment
Minister Dara Calleary	Minister of State for Trade Promotion, Digital and Company Regulation
Minister Neale Richmond	Minister of State for Employment Affairs and Retail Business
Kevin Buckley	Senior Vice President of CYARA
DC Cahalane	Partner, Sure Valley Ventures
Alison Cowzer	Founder, East Coast Bakehouse
Paula Fitzsimons	Going for Growth Initiative
Ciaran Murtagh	MD, Shay Murtagh Precast Concrete
Oonagh O'Hagan	MD, Meaghers Pharmacy
Helen Ryan	Former CEO Creaganna Medical, strategic advisor to Atlantic Bridge Ventures on University Bridge Fund
Leo Clancy	CEO, Enterprise Ireland
Oliver Tattan	Experienced Entrepreneur, and angel investor
John Cunningham	Commercial Director, Morgan McKinley recruitment group
Tom McDonnell	ICTU
Tommy Gill	CEO, Play Activity and Leisure Ireland
ClIr Seamus Butler	Managing Director, BMS
Gina Quinn	President, National College of Ireland
Brian Caulfield	Venture Partner, Draper Esprit
Elaina Fitzgerald	Director, Fitzgeralds House Hotel and Spa
Elizabeth Bowen	CEO, SFA
Ian Talbot	CEO, Chambers Ireland
Neil McDonnell	CEO, ISME
John Donoghue	CEO, IFAC Ireland

Erik Jentetics	Chief Operating Officer, Grafton Digital
Carol Lynch	Partner, BDO Ireland
Veronica Murphy	Consulting Partner, The Discovery Partnership
Anne Cusack	Non-Executive Director, Bord na Móna
John Magee	Head of Enterprise, Mayo LEO
Sharon Higgins	Executive Director, IBEC

Secretariat (Department of Enterprise, Trade and Employment)

Pauline Mulligan, Ross Church, Patrick Sinnott, Ashley Long, Hazel Carroll, Cecile Lhullier.