

# IRELAND

## 1. Introduction




Small and medium-sized enterprises (SMEs) in Ireland have been significantly affected by the ongoing COVID-19 pandemic and by the policy measures taken in response. In 2020, SME value added dropped sharply by 11.5%, while SME employment fell by 2.3%<sup>1</sup>. Although large firms experienced a similar decline in employment, by 3.0%, they generated strong growth in value added, at 17%.

A number of sectors were hit particularly hard, most notably the *accommodation and food services* sector, declining by 46.8% in SME value added and 15.5% in SME employment. Other particularly affected sectors were the *transportation and storage* sector, dropping by 25.7% in SME value added and 3.5% in SME employment, and the *construction* sector, declining by 18.8% in SME value added and 5.5% in SME employment. In contrast, the *information and communication* sector generated strong growth in 2020, with SME value added rising by 20.2% and SME employment increasing by 4.6%. The strong overall performance of large firms compared to SMEs in terms of value added is mainly due to the *manufacturing* sector, in which large firms generated 24.8% in value added growth in 2020, compared to 2.7% growth for SMEs.

In 2021, a partial recovery is expected for SMEs. SME value added is forecast to grow by 4.7%, whereas SME employment is forecast to drop by 2.9%. Overall, in 2021, SME value added and employment are predicted to remain below their 2019 levels, by 7.3% and 5.2% respectively.

SMEs play an important role in the 'non-financial business economy' of Ireland. In 2020, they generated a share of approximately 70% of total employment in the 'non-financial business economy', which was higher than the EU average of 65.2%. However, the SME share of 28.9% of total value added was significantly lower than the EU average of 53.0%. This was due to the greater contribution of large firms, which generated more than two thirds of overall value added. On average, SMEs employed 3.9 people in 2020, roughly consistent with the EU average of 3.7. SME productivity, measured as value added per person employed, was EUR 74 900, almost double the EU average of EUR 40 000<sup>2</sup>.

Figure 1: Number of enterprises, persons employed and value added in 2020

|                     |  Number of enterprises |               |               |  Number of persons employed |               |               |  Value added |               |               |
|---------------------|---|---------------|---------------|--|---------------|---------------|---|---------------|---------------|
|                     | Ireland   |               | EU-27         | Ireland  |               | EU-27         | Ireland   |               | EU-27         |
|                     | Number  | Share         | Share         | Number   | Share         | Share         | € Billion   | Share         | Share         |
| <b>Micro</b>        | 243 172   | 91.8%         | 93.3%         | 396 864  | 26.5%         | 29.6%         | 37.2  | 13.9%         | 18.7%         |
| <b>Small</b>        | 17 980  | 6.8%          | 5.7%          | 348 588  | 23.2%         | 19.7%         | 19.9  | 7.4%          | 17.0%         |
| <b>Medium-sized</b> | 3 063   | 1.2%          | 0.9%          | 294 337  | 19.6%         | 15.8%         | 20.7  | 7.7%          | 17.3%         |
| <b>SMEs</b>         | <b>264 215</b>  | <b>99.8%</b>  | <b>99.8%</b>  | <b>1 039 789</b>   | <b>69.3%</b>  | <b>65.2%</b>  | <b>77.8</b>   | <b>28.9%</b>  | <b>53.0%</b>  |
| <b>Large</b>        | 614   | 0.2%          | 0.2%          | 459 709  | 30.7%         | 34.8%         | 191.1   | 71.1%         | 47.0%         |
| <b>Total</b>        | <b>264 829</b>  | <b>100.0%</b> | <b>100.0%</b> | <b>1 499 498</b>   | <b>100.0%</b> | <b>100.0%</b> | <b>268.9</b>  | <b>100.0%</b> | <b>100.0%</b> |

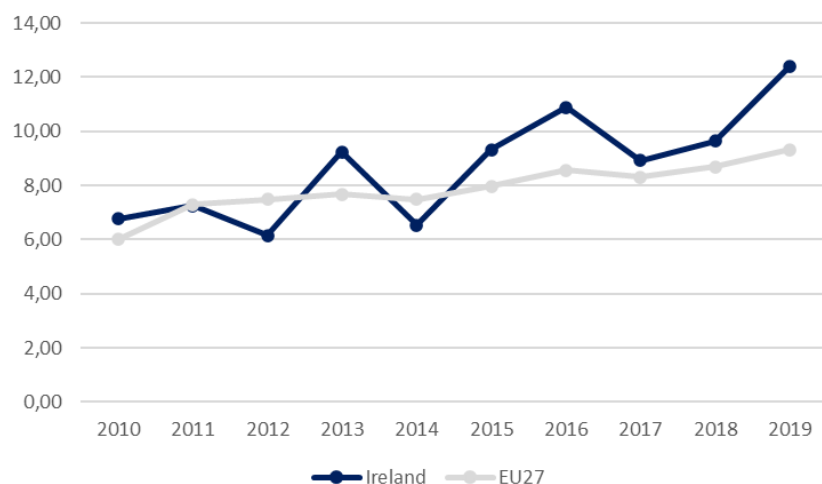
Source: These are estimates for 2020 produced by DIW Econ, based on 2008-2018 figures from the Structural Business Statistics Database as well as provisional data for 2019-2020 from the National Accounts Database and the Short-Term Business Statistics Database (Eurostat). The data cover the 'non-financial business economy', which includes industry, construction, trade, and services (NACE Rev. 2 sections B to J, L, M and N), but not enterprises in agriculture, forestry and fisheries and the largely non-market service sectors such as education and health. The following size-class definitions are applied: micro firms (0-9 persons employed), small firms (10-49 persons employed), medium-sized firms (50-249 persons employed), and large firms (250+ persons employed).

## 2. Key strengths

### Ireland performs strongly in some key 'Entrepreneurship' indicators

Ireland consistently performs above the EU average in terms of its share of high-growth enterprises<sup>3</sup>, the employment share of high-growth enterprises<sup>4</sup> and its job creation expectation rate, despite a significant decrease since 2018<sup>5</sup>. According to the most recent Global Entrepreneurship Monitor (GEM) report on Ireland (2019<sup>6</sup>), over 3 000 people started a new business every month in Ireland in 2019. Early-stage entrepreneurial activity in 2019 reached its highest rate since GEM tracking began.

Figure 2: Total early-stage entrepreneurial activity



Source: Global Entrepreneurship Monitor, 2019<sup>7</sup>

The GEM<sup>8</sup> also reports that Ireland is ranked 10th across the OECD, in terms of early-stage entrepreneurs, and 4th in Europe. The entrepreneurial pipeline in Ireland appears to be strong, with 1 in 5 aspiring or planning to start a business in the next 3 years. Ireland provides a favourable business environment, supported by a solid and comprehensive set of programmes targeted at SMEs and entrepreneurs. Entrepreneurship education is also improving in Ireland, although it is mainly limited to higher education programmes. However, there is still significant room for improvement in other indicators, such as the status and attention associated with entrepreneurship.

### **Ireland's regulatory environment is business and SME-friendly**

According to the World Bank's annual 'Ease of Doing Business' worldwide ranking, Ireland's business environment ranks among the best in the world. It scores particularly well on the regulatory ease of starting a business, paying taxes, protecting minority investors and resolving insolvencies<sup>9</sup>.

Ireland's favourable regulatory environment is especially important for smaller businesses, as they tend to have fewer resources at their disposal to deal with administrative burden, red tape and regulatory complexities. Regulatory impact assessments (RIAs) are compulsory for all primary laws and major subordinate regulations in Ireland. They are an important tool for identifying where and how new regulations may adversely affect SMEs and for remedying issues identified. However, there is a lack of information available on how effective RIAs have been<sup>10</sup>.

### **Ireland offers a favourable tax environment for business**

At just 12.5%, Ireland's corporation tax rate is lower than all other OECD countries, except for Hungary. This low rate provides strong incentives for business investment and economic activity in Ireland. It plays a particularly important role in Ireland's success in attracting foreign direct investment (FDI) from multinational companies. Although Irish SME participation in FDI value chains that are hosted domestically is limited, there are opportunities for Irish SMEs and entrepreneurs to benefit from the low corporation tax regime<sup>11</sup>.

Many other tax reliefs and schemes are also available to provide incentives for entrepreneurship and innovation, and to provide alternative sources of finance. However, greater SME take-up of these incentives is needed. The National SME and Entrepreneurship Growth Plan<sup>12</sup> (2021) highlights the need to evaluate whether current tax incentive schemes aimed at increasing equity investment are effective. The Plan also recommends introducing tax schemes to provide incentives to SMEs to invest in process and organisational innovation, retain personnel and fulfil their export potential.

### **Ireland's innovation system and SME innovation performance continue to be strong**

The European Innovation Scoreboard 2020 ranks Ireland as a 'strong innovator'. Ireland's innovation performance is ranked within the upper bracket of the 'strong innovator' category – 120% relative to the EU average – and just below the 'innovation leaders' category<sup>13</sup>.

A relatively high proportion of Irish SMEs engage in innovation activities (34.5%), although that proportion is down by nearly 7 percentage points since 2014 (41.33%<sup>14</sup>). However, Irish SME R&D and innovation activity does not translate into high levels of SME productivity growth. This could reflect a number of other issues related to capital (human and physical), low adoption of digital technologies, access to foreign markets, externalities and business dynamism<sup>15</sup>.

### **Ireland provides good SME skills development support, although gaps remain.**

The National Training Fund (NTF) supports SME skills development in Ireland through a range of initiatives, including the Skillnet Ireland programme, and the further education and training system operated by SOLAS (the state agency in charge of further education and training) and the Education and Training Board (ETB). Skillnet Ireland and its 70 Skillnet networks provide upskilling support to over 18 000 businesses and 70 000 employees each year<sup>16</sup>. The SOLAS/ETB framework also supports SME skills development and the upskilling of lower skilled workers<sup>17</sup>. There are concerns, however, about the NTF's annual underspend, which had been expected to reach EUR 230 million in 2020<sup>18</sup>.

Although support measures for skills development are in place, productivity and skills gaps persist. For instance, the Flash Eurobarometer 486<sup>19</sup> survey in 2020 (500 responses from Irish companies) found that just over one third of SMEs (37%) in Ireland identified lack of skills (including in managerial skills) as their main problem area, compared to an average of 17% in the EU.

The challenges posed by skills gaps, to SMEs in particular, are further exacerbated by other potentially disruptive challenges in 2021 and beyond. They include Brexit and a rapidly changing business environment driven by the accelerated growth of digitalisation and automation<sup>20</sup>.

The most recent evaluation<sup>21</sup> of Skillnet Ireland highlights the need to provide: i) greater support for SME innovation, digital transformation and productivity growth; ii) more effective promotion of workforce development benefits and e-learning opportunities; iii) more frequent, varied and thematic support programmes and calls; and iv) greater collaboration with industry.

Current support measures, such as Skillnet Ireland, are not sufficient on their own to address the skills and productivity challenge. Therefore, a more comprehensive package of measures is needed to enable SMEs to navigate the range of challenges they face. Skillnet Ireland's new strategy – 'Transforming Business Through Talent 2021-2025'<sup>22</sup> – is an important part of the solution. It aims to expand the range and reach of Skillnet Ireland's activities and will introduce two new initiatives to support digital and green transformation<sup>23</sup>.

### 3. Key challenges

#### **The COVID-19 crisis poses very acute challenges to SME business continuity and recovery**

The pandemic and the resulting restrictions imposed on businesses are continuing to have a very significant impact on economic activity. The extent of that impact varies from sector to sector and the impact of the shock appears to be uncorrelated with past firm performance. Those sectors that are more reliant on close personal contact are particularly affected by the pandemic, such as *hospitality, tourism, culture, retail* and other tertiary sectors<sup>24</sup>.

The business challenges facing SMEs are particularly acute, with over half facing severe losses in revenue. Many operate in the service sectors that are most directly impacted by shutdowns imposed by government. They tend to have lower resilience due to their size. It may also be relatively more expensive for them to change their working processes, e.g. to digitally transform their businesses and/or shift to remote working. Depending on the nature of their businesses, the ability of SMEs to adapt to new conditions may also be limited or not financially viable<sup>25</sup>.

Recent estimates point to over 70% of firms experiencing some fall in turnover with a median fall of 25%. 40% of firms cut spending, over 30% of businesses incurred losses and a further 30% just broke even. 61% of SMEs received wage subsidies, 20% of firms used tax warehousing<sup>26</sup> while fewer than 6% of firms used lending initiatives. The smallest firms appear less likely than larger firms to have used policy support<sup>27</sup>.

#### **Irish SMEs are not very active in external markets by international comparison, and will face the impact of Brexit for years to come**

Stimulating growth in SME exports, internationalisation and market diversification is an ongoing and significant challenge. Irish SMEs account for just 6% of total extra-EU national exports, compared to the EU average of 10%. Intra-EU national exports, at 1%, also perform below the EU average of 16.7%<sup>28</sup>.

Figure 3: SMEs extra and intra EU exports of goods (% of SMEs in industry)



Source: Comext, *International trade by enterprise characteristics*, 2017<sup>29</sup>

Limited Irish SME participation in global value chains that are hosted domestically, typically by foreign-owned multinationals, was highlighted as a challenge by the OECD SME and Entrepreneurship Policy Review commissioned by the Irish government<sup>30</sup>. Extending the scope of

export support programmes to encourage SME involvement in these value chains could help to stimulate SME export growth.

Addressing these challenges is made all the more urgent by the UK's decision to leave the EU. The UK is one of Ireland's largest export markets and has been used by 24% of Irish SMEs to transit goods. According to an SME survey conducted by Enterprise Ireland, Brexit had already begun to impact Irish SMEs, with exporting/importing SMEs, medium-sized companies, those operating in the food industry and those in the north west and border regions being the most affected. The survey reported that 72% of SMEs expected to be impacted, even in the case of an orderly Brexit<sup>31</sup>. By 18 December 2020, over half of the companies surveyed were considered fully or significantly prepared for Brexit, while 1 out of 5 were still understanding what they needed to do concerning their top priority area. Customs as well as logistic and supply chains were identified as key priorities.

Given the challenges posed by Brexit, it is important that Ireland reduces its dependency on the UK market and seek more diverse export market opportunities<sup>32</sup>. The 'Prepare for Brexit'<sup>33</sup> website gives SMEs access to a range of Brexit preparedness support measures provided by Enterprise Ireland, InterTrade Ireland and other agencies. Examples include customs training and grants, insight and mentoring, and vouchers and financial aid to cover the cost of technical assistance.

### **The Irish SME productivity gap is widening**

Productivity in Ireland varies significantly across sectors and between companies, and the gap between the most and least productive is widening. A small number of sectors dominated by large multinationals account for most of Ireland's productivity gains. In contrast, Irish SME productivity is relatively low and has declined over the last decade. In a number of domestic sectors such as *construction, retail, accommodation and food services*, productivity is below the EU average. These sectors feature large numbers of SMEs and tend to be labour-intensive<sup>34</sup>.

The development of digital skills and capacities across all regions, especially in more traditional and labour-intensive sectors, is an important part of the solution to the challenges SMEs face in productivity and competitiveness.

### **Irish SMEs are facing a cash flow challenge**

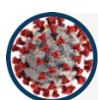
Ensuring sufficient cash flow is a major and ongoing challenge for most Irish SMEs. Cash flow irregularities make it difficult for many SMEs to forecast and build up the resilience they need to overcome more challenging times. Due to their size, they are also less resilient than larger companies<sup>35</sup>. In 2020, SMEs were borrowing for liquidity needs (59%) over investment (26%), especially since the pandemic began<sup>36</sup>.

Many factors can have a direct or indirect impact on SME cash flow. Common issues include late payments<sup>37</sup> and difficulties accessing financial support (e.g. bank loans)<sup>38</sup>. External factors such as international/global crises (e.g. COVID-19, 2008 financial crisis, recessions) or changes to international trade (e.g. Brexit) also pose a major threat. Combined, they pose a particularly acute challenge for many SMEs regarding cash flow.

## Ireland has been slow in rolling out the SME Test

The 2019 OECD Review of SME and Entrepreneurship Policy in Ireland<sup>39</sup> reported slow progress in the roll-out and application of the SME Test across government departments. Furthermore, the review found that Ireland has been slow to report the extent to which regulatory impact assessments are applied to legislation. Although the government does regularly consult SME representative organisations on new legislation, for several years those organisations have been pushing for both instruments to be applied as standard practice. More than a decade after the launch of the Small Business Act, the Irish government began trialling the SME Test in 2019, following a consultation process that took place in 2017.

## 4. Other key SME-related brief insights



### IMPACT OF COVID-19 CRISIS ON SMES

The COVID-19 pandemic has had a significant impact on SMEs in Ireland. It contributed to a sharp fall of 11.5% in SME value added in 2020, as well as a 2.3% fall in SME employment<sup>40</sup>.



### SCALE-UP ENVIRONMENT

Ireland has the highest share of high-growth enterprises<sup>41</sup> and employment in high-growth enterprises in the EU<sup>42</sup>. Strong levels of FDI and a wide range of scale-up supports (e.g. through Enterprise Ireland) may be contributing factors.



### GREEN TRANSITION OF SMES

Ireland has mixed results in this area. The vast majority of Irish SMEs (93%) have introduced resource efficiency measures; however, SME turnover from green product/service sales is very low by international comparison, at less than half the EU average<sup>43</sup>.



### SOCIAL ASPECTS OF SUSTAINABILITY

Ireland performs above the EU average in terms of providing a second chance to entrepreneurs. Insolvency resolutions are faster in Ireland than in any other EU Member State (0.4 years)<sup>44</sup>. Ireland is also one of the Member States where giving entrepreneurs a second chance is more widely supported<sup>45</sup>.



### MARKET ACCESS

Irish SMEs are not very active in external markets by international comparison<sup>46</sup>. Export-orientated supports are available, including a new Trade Finance product for SMEs and a range of Brexit-related financial and business preparedness supports, but more are needed.



### REGULATORY BURDEN

Irish SMEs are less affected by administrative procedures<sup>47</sup> and changing legislation<sup>48</sup> than their counterparts in many other EU Member States. The cost and number of procedures to start a business, the amount of paid-in minimum capital, as well as the time it takes to pay taxes per year, are among the lowest in the EU<sup>49</sup>.



### START-UP ENVIRONMENT

The number of new start-ups reached a high point in 2019, with over 3 000 started per month<sup>50</sup>. In contrast, 2020 saw a noticeable decline in new business creation, 4% down on 2019 with the lowest figures recorded since 2016<sup>51</sup>.



### DIGITALISATION OF SMES

Irish SMEs are slower to adopt digital solutions than larger companies, with more than two thirds (70%) operating in more traditional sectors, such as construction, manufacturing and services<sup>52</sup>. The Flash Eurobarometer 486 survey in 2020 received 500 responses from Irish



## ACCESS TO FINANCE

companies. Just over one third view the lack of skills (including managerial skills) as a barrier to digitalisation, against an average of 20% in the EU<sup>53</sup>.

The combined challenges of COVID and Brexit are further exacerbating the ongoing challenges faced by Irish SMEs in access to finance, particularly smaller/micro firms. Over a third of Irish SMEs have unpaid invoices, according to the Central Bank of Ireland's SME Market Report 2020. That equates to about one fifth of a typical firm's 2019 revenue<sup>54</sup>.



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- <sup>1</sup> The data for 2020 are estimates produced by DIW Econ, based on 2008-2018 figures from the Structural Business Statistics Database, as well as provisional data for 2019-2020 from the National Accounts Database and the Short-Term Business Statistics Database (Eurostat).
- <sup>2</sup> All figures use headcount as proxy for the size of the business. Financial parameters and ownership criteria are not considered.
- <sup>3</sup> Eurostat (2017), *Share of high growth enterprises measured in employment*, available at: <http://ec.europa.eu/eurostat/web/structural-business-statistics/data/database>
- <sup>4</sup> Ibid.
- <sup>5</sup> Global Entrepreneurship Monitor (2019), *Global Entrepreneurship Report*, available at: <http://www.gemconsortium.org/data/key-aps>
- <sup>6</sup> Global Entrepreneurship Monitor (2020), *Entrepreneurship in Ireland 2019*, available at: <https://www.gemireland.com/wp-content/uploads/2020/06/GEM-2019.pdf>
- <sup>7</sup> See Note 5.
- <sup>8</sup> See Note 5.
- <sup>9</sup> The World Bank (2020), *Ease of Doing Business 2020, Ireland*, available at: <https://www.doingbusiness.org/en/data/exploreconomies/ireland#>
- <sup>10</sup> OECD, Department of Enterprise, Trade and Employment (DBEI) (2019), *OECD Studies on SMEs and Entrepreneurship – SME and Entrepreneurship Policy in Ireland*, available at: <https://enterprise.gov.ie/en/Publications/OECD-SME-and-Entrepreneurship-Policy-in-Ireland.html>
- <sup>11</sup> Ibid.
- <sup>12</sup> Department of Enterprise, Trade and Employment. SME Growth Taskforce: National SME and Entrepreneurship Growth Plan (2021), available at: <https://enterprise.gov.ie/en/Publications/Report-of-the-SME-Taskforce-National-SME-and-Entrepreneurship-Growth-Plan.html>
- <sup>13</sup> European Commission (2020), *European Innovation Scoreboard 2020*, available at: [https://ec.europa.eu/commission/presscorner/detail/en/QANDA\\_20\\_1150](https://ec.europa.eu/commission/presscorner/detail/en/QANDA_20_1150)
- <sup>14</sup> Eurostat (2016), *Community Innovation Survey*, available at: [http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards\\_en](http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_en)
- <sup>15</sup> See Note 10.
- <sup>16</sup> Skillnet Ireland (2020), *Funding for Upskilling*, available at: <https://www.skillnetireland.ie/about/funding-for-upskilling/>
- <sup>17</sup> Department of Education and Skills (2019), *National Training Fund Expenditure Report 2019*, available at: <https://assets.gov.ie/24754/c42908b6a02a4d9298418f9cdf129d4.pdf>
- <sup>18</sup> Irish Times (2020), *Surplus in State training fund set to climb to € 1 BN in 2020*, available at: <https://www.irishtimes.com/news/education/surplus-in-state-training-fund-set-to-climb-to-1bn-in-2020-1.4131228>
- <sup>19</sup> European Union (2020), EU Open Data Portal, Flash Eurobarometer 486: SMEs, start-ups, scale-ups and entrepreneurship, available at: [https://data.europa.eu/euodp/en/data/dataset/S2244\\_486\\_ENG](https://data.europa.eu/euodp/en/data/dataset/S2244_486_ENG)
- <sup>20</sup> Skillnet Ireland (2020), *Skillnet Ireland welcomes increase in Government funding in Budget 2021 to help businesses recover from impact of Covid-19 pandemic*, available at: <https://www.skillnetireland.ie/budget-2021-increase-in-government-funding-to-help-businesses-recover/>
- <sup>21</sup> Skillnet Ireland (2018), *Evaluation of Skillnet Ireland in 2018*, available at: <https://www.skillnetireland.ie/publication/evaluation-of-skillnet-ireland-programmes-2018/>
- <sup>22</sup> Skillnet Ireland (2020), *Transforming Business Through Talent 2021-2025*, available at: <https://www.skillnetireland.ie/strategy2025/>
- <sup>23</sup> Skillnet Ireland (2020), *Skillnet Ireland launches 5-year strategy to Transform Irish Business Through Talent*, available at: <https://www.skillnetireland.ie/skillnet-ireland-launches-5-year-strategy-to-transform-irish-business-through-talent/>

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- <sup>24</sup> National Competitiveness Council (2020), *Ireland's Competitiveness Challenge 2020*, available at: <https://enterprise.gov.ie/en/Publications/Publication-files/Ireland-Competitiveness-Challenge-2020.pdf>
- <sup>25</sup> Ibid.
- <sup>26</sup> [Warehousing tax \(wobh.ie\)](https://www.wobh.ie/warehousing-tax)
- <sup>27</sup> Central Bank of Ireland (2021), *New Survey Evidence on COVID-19 and Irish SMEs: Measuring the Impact and Policy Response*, available at: <https://www.centralbank.ie/docs/default-source/publications/research-technical-papers/new-survey-evidence-on-covid-19-and-irish-smes.pdf?sfvrsn=5>
- <sup>28</sup> European Commission (2017), *Comext, International trade by enterprise characteristics*, available at: <http://epp.eurostat.ec.europa.eu/newxtweb/setupdimselection.do>
- <sup>29</sup> See Note 5.
- <sup>30</sup> See Note 10.
- <sup>31</sup> Department of Business, Enterprise and Innovation (2019), *Brexit: A National SME study*, available at: <https://enterprise.gov.ie/en/Publications/Publication-files/Brexit-A-National-SME-Study.pdf>
- <sup>32</sup> See Note 10.
- <sup>33</sup> Enterprise Ireland (2020), Prepare for Brexit website, available at: <https://www.prepareforbrexit.com/>
- <sup>34</sup> Merrion Street, Irish Government News Service (2019), *Government announces the development of a major new SME policy as part of Future Jobs Ireland*, available at: <https://merrionstreet.ie/merrionstreet/en/news-room/releases/government-announces-the-development-of-a-major-new-sme-policy-as-part-of-future-jobs-ireland.html>
- See Note 10.
- <sup>35</sup> Tax Cloud (2019), *10 Biggest issues facing small Irish businesses today*, available at: <https://www.taxcloud.ie/blog/2019/10-biggest-issues-facing-small-irish-businesses-today>
- National Competitiveness Council (2020), *Ireland's Competitiveness Challenge 2020*, available at: <https://enterprise.gov.ie/en/Publications/Publication-files/Ireland-Competitiveness-Challenge-2020.pdf>
- Houses of Oireachtas (2019), *Seanad Public Consultation Committee Report on Small and Medium Sized Businesses in Ireland*, available at: [https://data.oireachtas.ie/ie/oireachtas/committee/dail/32/seanad\\_public\\_consultation\\_committee/reports/2019/2019-05-16\\_small-and-medium-sized-businesses-in-ireland\\_en.pdf](https://data.oireachtas.ie/ie/oireachtas/committee/dail/32/seanad_public_consultation_committee/reports/2019/2019-05-16_small-and-medium-sized-businesses-in-ireland_en.pdf)
- <sup>36</sup> Central Bank of Ireland (2021), *SME Market Report*, available at: <https://www.centralbank.ie/docs/default-source/publications/sme-market-reports/sme-market-report-2021.pdf?sfvrsn=4>
- <sup>37</sup> Intrum Justitia (2020), *European Payment Index 2019*, available at: [www.intrumjustitia.com](http://www.intrumjustitia.com)
- <sup>38</sup> European Central Bank (2019), *Interest rates*, available at: <https://sdw.ecb.europa.eu/browse.do?node=9484266>
- <sup>39</sup> See Note 10.
- <sup>40</sup> The data for 2020 are estimates produced by DIW Econ, based on 2008-2018 figures from the Structural Business Statistics Database, as well as provisional data for 2019-2020 from the National Accounts Database and the Short-Term Business Statistics Database (Eurostat).
- <sup>41</sup> See Note 3.
- <sup>42</sup> Eurostat (2017), *Employment share of high growth enterprises measures in employment*, available at: <http://ec.europa.eu/eurostat/web/structural-business-statistics/data/database>
- <sup>43</sup> European Commission (2017), *Eurobarometer survey of SMEs and the environment*, available at: [http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/performance-review/index_en.htm)
- <sup>44</sup> See Note 9.

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- <sup>45</sup> European Commission (2012), *Flash Eurobarometer on Entrepreneurship*, available at: [https://ec.europa.eu/commfrontoffice/publicopinion/flash/fl\\_354\\_en.pdf](https://ec.europa.eu/commfrontoffice/publicopinion/flash/fl_354_en.pdf)
- <sup>46</sup> See Note 10.
- <sup>47</sup> European Commission (2019), *Flash Eurobarometer 'Businesses' attitudes towards corruption in the EU*, available at: <https://data.europa.eu/euodp/data/dataset/>
- <sup>48</sup> Ibid.
- <sup>49</sup> See Note 9.
- <sup>50</sup> Enterprise Ireland (2020), *Global Entrepreneurship Monitor (GEM) 2019*, available at: <https://www.gemireland.com/wp-content/uploads/2020/06/GEM-2019.pdf>
- <sup>51</sup> CRIF Vision-net (2021), *Business Barometer – Annual Review 2021*, available at: [https://www.vision-net.ie/emails/2021/2021\\_Annual\\_Review.pdf](https://www.vision-net.ie/emails/2021/2021_Annual_Review.pdf)
- <sup>52</sup> Advisory Hub of the European Investment Bank, Department of Business, Enterprise and Innovation (2019), *The digitalisation of small and medium enterprises in Ireland*, available at: <https://enterprise.gov.ie/en/Publications/The-digitalisation-of-small-and-medium-enterprises-in-Ireland.html>
- <sup>53</sup> European Union (2020), EU Open Data Portal, *Flash Eurobarometer 486: SMEs, start-ups, scale-ups and entrepreneurship*, available at: [https://data.europa.eu/euodp/en/data/dataset/S2244\\_486\\_ENG](https://data.europa.eu/euodp/en/data/dataset/S2244_486_ENG)
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