

Microfinance Ireland

Report on The Microenterprise Loan Fund Scheme As of the 30th of June 2025



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



Oifig Fiontair Áitiúil 
Local Enterprise Office

Overview of the Microenterprise Loan Fund Scheme

The Microenterprise Loan Fund, administered by Microfinance Ireland was established as part of the Government's Action Plan for Jobs and forms part of a suite of financial programs provided through the Department of Enterprise, Trade and Employment to assist businesses of different sizes and at different stages of development across all industry sectors.

The purpose of the Fund is to provide loans of €2,000 up to €50,000 to Micro-enterprises, both startups and existing businesses with viable businesses, who cannot obtain funding through traditional sources. (Microenterprises are defined as businesses with less than 10 employees and /or Turnover <€2m)

Fund Performance Summary: 1st October 2012 to 30th June 2025

As at end 30th June 2025, Microfinance Ireland has been in business for 13 years. In this time, it has delivered the following key results:

- ✓ **12,653** Applications received.
- ✓ **€98.6M** Value of loans approved
- ✓ **11,628** Net jobs supported in 5,849 micro-enterprises.
- ✓ **47%** Approval rate
- ✓ **€87.9M** Value of loans drawn
- ✓ **5,228** Loans drawn.
- ✓ Average Loan size of **€16.8K**
- ✓ **82%** approvals granted to businesses employing **3 people or fewer**.
- ✓ **42%** of approvals granted to start-ups (in business for less than 18 months)
- ✓ **Wide geographic coverage:** 22% of loans granted to Dublin, 78% to the rest of Ireland

Successful applicants by sector YTD 2025

WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES (22%)	ACCOMMODATION AND FOOD ACTIVITIES (10%)
MANUFACTURING (10%)	HUMAN HEALTH AND SOCIAL ACTIVITIES (9%)
ARTS, ENTERTAINMENT AND RECREATION (9%)	CONSTRUCTION (8%)
PROFESSIONAL, SCIENTIFIC & TECH ACTIVITIES (8%)	OTHER SERVICES (7%)
TRANSPORT AND STORAGE (6%)	ADMINISTRATION AND SUPPORT SERVICES ACTIVITIES (4%)
EDUCATION (3%)	OTHER (3%)
PUBLISHING, BROADCASTING & CONTENT PRODUCTION (2%)	

Assessing applications efficiently:

- ✓ **12,521** Applications processed to full assessment.
- ✓ **132** Applications in progress at reporting date
- ✓ Endeavour to process complete applications within **10 days**.

Promotion and performance of the Fund during 1st January 2025 to 30th June 2025

Key performance indicators YTD 2025

- ✓ **726** Applications received.
- ✓ **€6M** Value of loans approved
- ✓ **541** Jobs supported in 255 micro-enterprises.
- ✓ **36%** Approval rate
- ✓ **€5.7M** Value of loans drawn
- ✓ **234** Loans drawn.
- ✓ Average Loan size of **€24.6K**
- ✓ **82%** approvals granted to businesses employing **3 people or fewer**.
- ✓ **45%** of approvals granted to start-ups (in business for less than 18 months)
- ✓ **Wide geographic coverage:** 21% of loans granted to Dublin, 79% to the rest of Ireland.

Key performance indicators Qtr. 2 2025

- ✓ **364** Applications received.
- ✓ **€2.8** Value of loans approved
- ✓ **320** Jobs supported in 122 micro-enterprises.
- ✓ **36%** Approval rate
- ✓ **€2.8M** Value of loans drawn
- ✓ **113** Loans drawn.
- ✓ Average Loan size of **€25.4K**
- ✓ **78%** approvals granted to businesses employing **3 people or fewer**.
- ✓ **40%** of approvals granted to start-ups (in business for less than 18 months)
- ✓ **Wide geographic coverage:** 23% of loans granted to Dublin, 77% to the rest of Ireland.

During the 2nd quarter of 2025, MFI continued to engage in a range of Marketing and PR initiatives.

Radio Advertising:

We did not run a radio campaign in Q2 but have recently launched a national radio campaign in Q3. We will examine the benefit of further radio campaigns in Q4.

Digital Advertising /social media:

We continue with ongoing promotion through our social media channels, Facebook, Instagram, Twitter, and LinkedIn to maintain strong brand awareness with digital advertising campaigns primarily focussed on Google and Facebook. Our Tik Tok channel while at an early stage is building momentum and we are pleased with its progress.

Events/Webinars/Sponsorships:

We continue our representation at in person events and webinars.

In Q2 we continued our collaboration on webinars with the Local Enterprise Offices which have been well attended.

We continue to have monthly webinars for anyone interested in Microfinance Ireland. These webinars continue to be well attended with good engagement from participants.

The revitalised resource hub on our website is a central repository for helpful information for businesses.

Performance:

Applications continued to be strong in Q2 with good interest in the loans above €25k reflecting the unmet demand in that sector. We had 364 applications in the quarter which compares favourably to the corresponding period in 2024 with the majority of the increased demand coming from the loans above the old €25k limit.

Our approval rate for the quarter at 36% is running below the long-term average but is continuing to be impacted by an increase in applications where not all the documentation is submitted and need to be withdrawn without being assessed. We have an outreach program to encourage and assist applicants submit documentation and are reviewing other methods of assisting applicants with their applications. Our approval rate for loans that are assessed is in the mid 60% which is in line with long term averages.

Start Up's accounted for c. 40% of approvals in the quarter.

In the year to date, applications from Female business owners accounted for c. 33% of all applications.

Year to date loans to businesses located outside of Dublin accounted for c. 79% of all loans which is in line with historic numbers.

Microenterprise Loan Fund Scheme Analysis

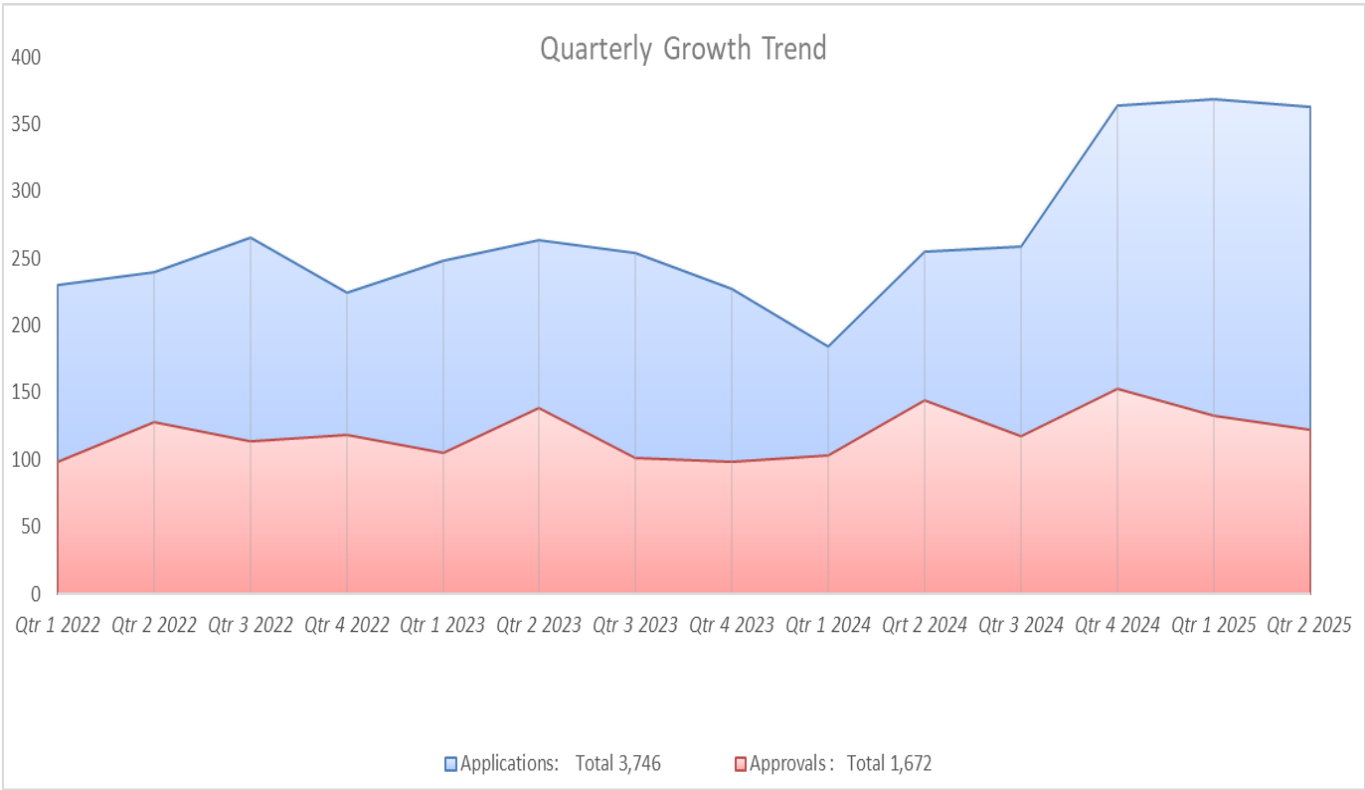
January 2022 – 30th June 2025

	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
Total Applications No.	959	994	1062	362	364	726
Total Applications Amt.	€16.873M	€16.841M	€21,558M	€9.609M	€9.929M	€19.538

	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
Applications Processed	961	965	998	369	335	704
Approved	458	442	517	133	122	255
Approval Rate	48%	46%	52%	36%	36%	36%
Approved (€'000)	€6.931M	€6.600M	€9.099M	€3,206M	€2.821M	€6.027M
Loans Drawn	401	397	450	121	113	234
Loans Drawn (€'000)	€6.004M	€6.009M	€7.482M	€2.875M	€2.871M	€5.746M
Loans Declined	335	263	217	60	76	136
Loans Declined (€'000)	€6.073M	€4.661M	€4.388M	€1.791M	€2.228M	€4.019M

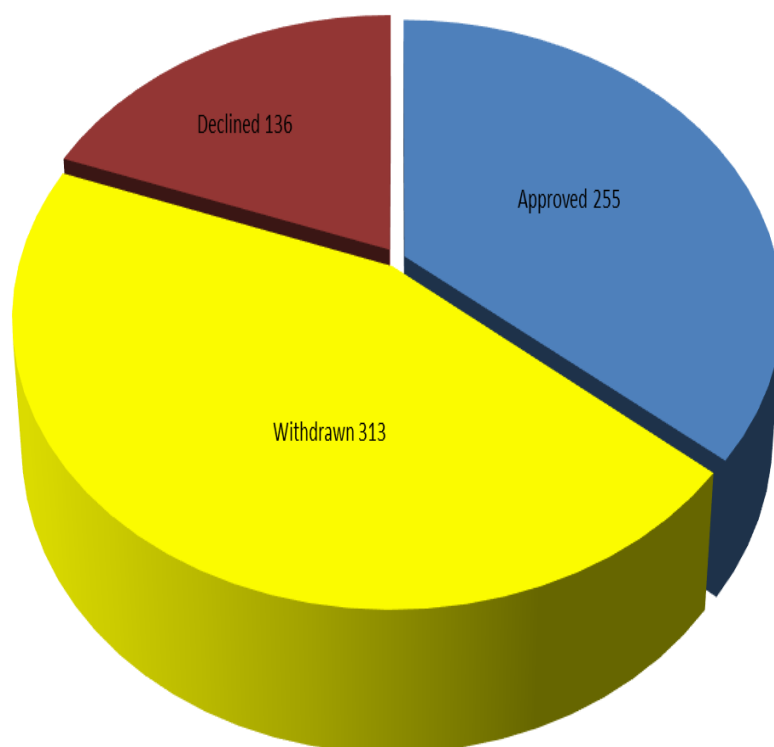
Quarterly Growth Trend

Application and approval activity levels by Quarter are displayed in the graph below:



Applications processed (1st January 2025 - 30th June 2025)

Total Applications Processed 704



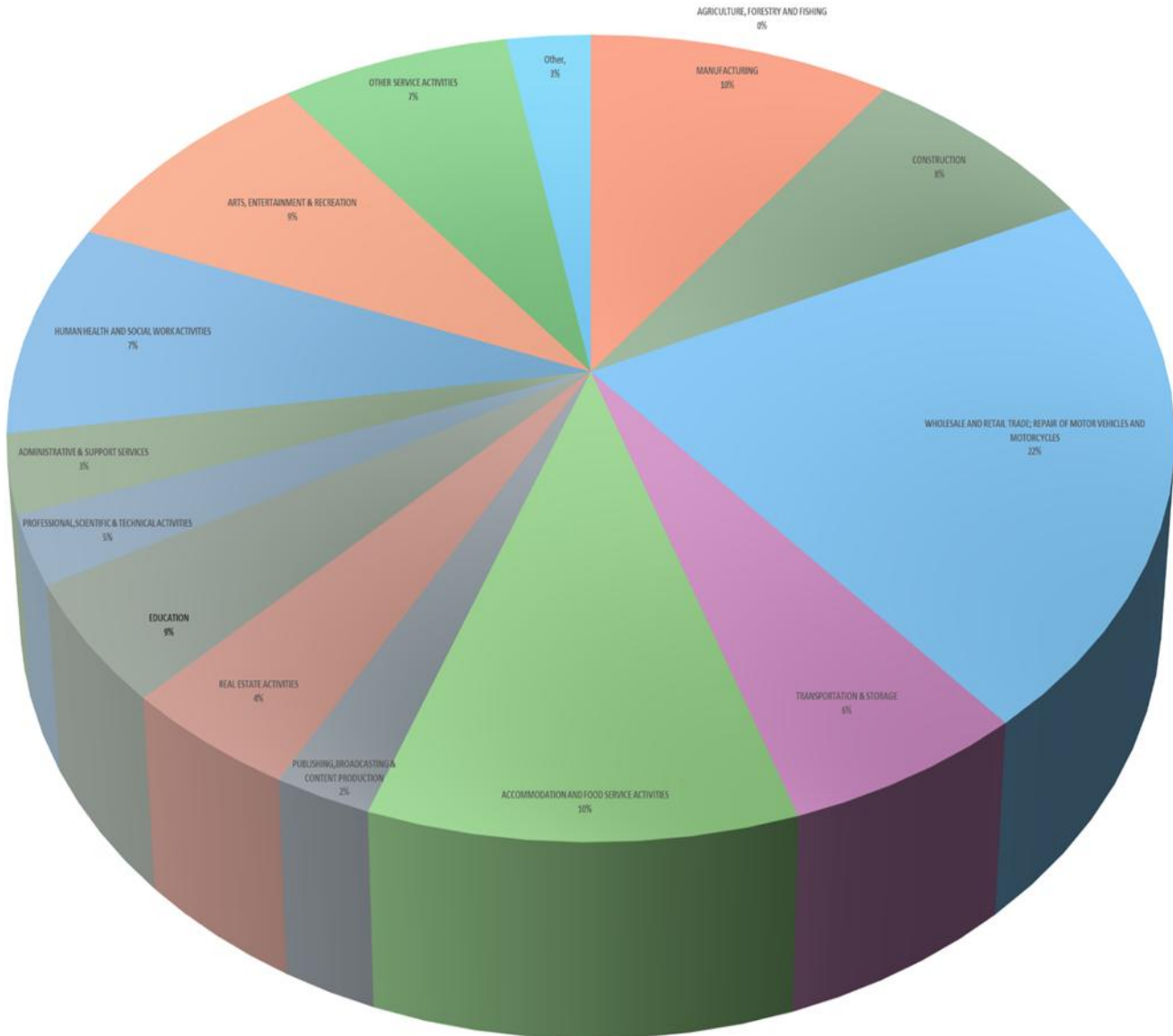
Number of Loans by Sector

Number of Loans						
	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
Wholesale and retail trade; Repair of motor	96	88	99	31	24	55
Accommodation and food service activities	41	32	53	16	10	26
Construction	38	26	57	10	10	20
Manufacturing	50	49	38	12	13	25
Arts, Entertainment & Recreation	22	26	31	10	12	22
Real Estate Activities					-	-
Human Health & Social Work Activities	29	34	35	9	13	22
Professional, Scientific and Technical Activities	39	41	46	11	9	20
Transport/storage	19	19	32	10	5	15
Administrative & Support Service	25	25	24	3	7	10
Publishing, Broadcasting, And	22	17	20	4	2	6
Agriculture, forestry & fishing	16	12	0	-		-
Education	14	19	25	4	4	8
Other Service Activities	42	49	53	12	7	19
Others	5	5	4	1	6	7

Values of Loans by Sector

Value of Loans						
	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
Wholesale and retail trade; Repair of motor	1452	1434	1711	766	545	1,311
Accommodation and food service activities	724	471	1034	445	218	663
Construction	620	445	1069	256	274	530
Manufacturing	759	796	808	303	287	590
Arts, Entertainment & Recreation	324	402	601	228	286	514
Real Estate Activities					0	0
Human Health & Social Work Activities	482	435	619	271	297	568
Professional, Scientific and Technical Activities	503	515	713	253	186	439
Transport/storage	363	317	692	272	134	406
Administrative & Support Service	251	403	386	73	166	239
Publishing, Broadcasting, And	367	264	343	75	17	92
Agriculture, forestry & fishing	283	187	0	0	0	0
Education	158	340	399	51	112	163
Other Service Activities	575	516	654	193	84	277
Others	70	75	70	20	215	235

Loan By Sector YTD



Approvals by Size of Borrower

From 1st January 2022 to 30th June 2025

Loans were approved to micro-enterprises with the following number of jobs at time of approvals:

No. of Employees	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
1	289	327	304	66	58	124
2-3	118	84	144	48	37	85
4-5	31	13	42	9	14	23
6-9	19	18	27	10	13	23
10	1	0	0			0
Total No. of Loans	458	442	517	133	122	255

Approvals by Loan Size

From 1st January 2022 to 30th June 2025, loans were granted in the following size range

Loans by Size						
Euro	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
≤50k			22	18	13	31
≤45k			1	3	1	4
≤40k			6	10	9	19
≤35k			9	6	8	14
≤30k			9	12	13	25
≤25k	122	125	130	17	15	32
≤20k	79	62	72	16	16	32
≤15k	100	93	103	19	17	36
≤10k	71	84	89	18	17	35
≤5k	86	78	76	14	13	27
Average Loan Size	€15.1K	€14.9K	€17.6K	€24.1K	€23.1K	€23.6K

Purpose for which Microfinance Loans were granted.

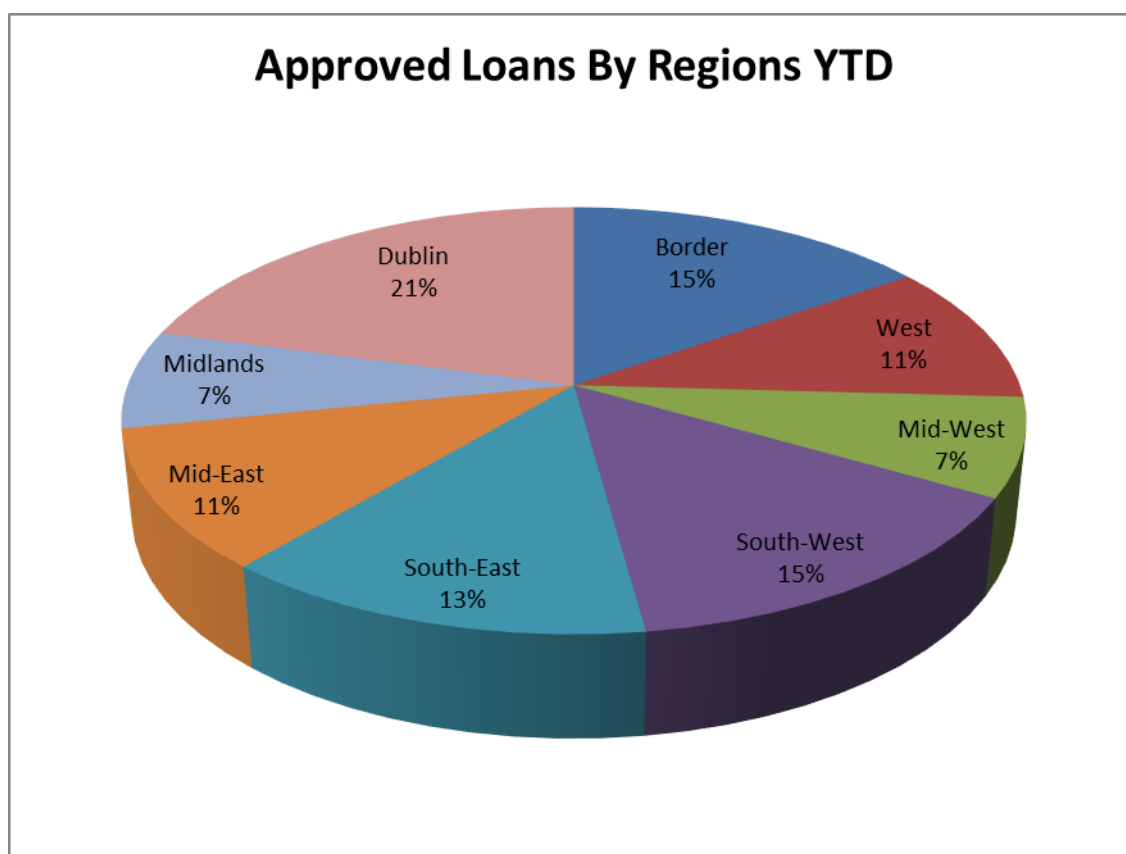
Number of Loans						
Purpose	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
Working Capital	136	108	140	31	43	74
Tangible and Intangible Assets	138	131	169	51	27	78
Mixed Financing for tangible, intangible assests and working capital	127	158	208	51	52	103

Value of Loans						
Purpose	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
Working Capital	1,980	1,578	2,323	677	1,045	1,722
Tangible and Intangible Assets	2,129	2,126	3,037	1,276	697	1,973
Mixed Financing for tangible, intangible assests and working capital	1,895	2,305	3739	1,253	1,079	2,332

Geographical Analysis of Approval – from 1st January 2025 to 30th June 2025

County	Applications Received YTD	Approved Q1	Approved Q2	Approved YTD	Approved Amount 2025 €000
Dublin	198	25	28	53	1,430
Cork	72	19	12	31	607
Galway	48	8	8	16	362
Meath	41	4	8	12	266
Donegal	32	8	8	16	427
Wexford	28	2	6	8	216
Kildare	27	4	4	8	160
Waterford	26	8	2	10	274
Tipperary	25	8	4	12	212
Wicklow	25	6	1	7	143
Limerick	25	3	7	10	170
Louth	22	5	5	10	248
Kerry	20	2	4	6	108
Mayo	19	4	4	8	203
Clare	17	5	4	9	220
Westmeath	16	4	3	7	150
Laois	12	4	4	8	221
Offaly	12	3	1	4	100
Carlow	12	0	2	2	70
Kilkenny	12	2	0	2	30
Monaghan	9	2	1	3	75
Sligo	8	0	3	3	87
Cavan	6	4	1	5	141
Roscommon	6	3	0	3	53
Longford	3	0	0	0	0
Leitrim	3	0	2	2	54
Non Eligible Outside Jurisdiction	2	0		0	0

Approval by Business Sector January 2025 to 30th June 2025



Demographical Analysis

Approved Applications	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
Start Up	191	181	239	67	49	116
Existing	267	261	278	66	73	139
Female	166	168	167	51	50	101
Male	292	274	350	82	72	154
No. of Ltd Co.	170	157	208	54	56	110
No. of Unltd Co.	1					
No. of Sole Traders	273	281	300	73	63	136
No. of Partnerships	14	4	9	6	3	9
Youth (Aged 18-25)	9	9	16	1	2	3

Source of Loan Referrals

Channels	2022	2023	2024	Q1 2025	Q2 2025	Total 2025
LEO	220	222	280	82	76	158
Direct	224	214	229	43	40	83
Bank	12	3	6	6	6	12
Údarás	0	0	0			-
Other	2	3	2	2		2

Appeals Process

The purpose of the Microfinance Ireland appeals process is to support an applicant who wishes to have a review of an MFI decision to declining a loan application.

MFI will appoint an Appeal Assessor to carry out an independent review of the original loan decision. The assessor who was involved in the original decision will not be involved in the appeals process. The outcome of this review is communicated in writing to the applicant within 15 business days of receipt of the written appeal. The credit decision of the Appeal Assessor is independent of MFI management and is final. There have been 20 appeals in 2025 and 5 of these cases have been approved on appeal. These figures are included in the YTD approval figures.

Complaints

No complaints were received by the business in Quarter 1 2025

Business Failures

During 2025, 34 businesses of our borrowers have failed. While any business failure is regrettable, it was anticipated from the outset that a not insignificant proportion of projects supported by the Microfinance Ireland might fail. It is a feature of microfinance (given the higher risk profile) that even with strong business supports, failures will occur.

On an ongoing basis, Microfinance Ireland, in conjunction with other agencies, works with every customer at risk to minimise business failure.