

PRESS RELEASE

Monday, 5th October 2020

Decision to reject move to Level 5 is welcome but there will be no recovery for SMEs while Ireland remains in emergency mode

[SME Recovery Ireland](#) has today (05.10.20) welcomed the Government's decision to reject NPHET's recommendation to move the entire country to Level 5 of the 'Plan for Living with Covid-19' but has expressed grave concern that there will be no recovery for Ireland's small business sector while the country remains in emergency phase.

Commenting, Chair of SME Recovery Ireland, John Moran said: "We welcome the measured decision taken by Government to move to Level 3 and reject an all-out economic lockdown. There still however remains deep uncertainty among the country's small business owners, who feel they were left on tender hooks over the past 24 hours in fear of the devastating impact a move to Level 5 would have had on them. These are not normal times and our small businesses have been through an extraordinarily difficult six months already. For those that have survived to date, the very least they deserve is to be communicated with appropriately and not subjected to further scare mongering.

"Over the past weeks and months, we have highlighted with our political leaders the precarious position the small business sector finds itself in. This was further emphasised last week by the Central Bank which released a financial note estimating operating losses for the SME sector between €10.3bn and €11.7bn from when the pandemic set in, to year end. These losses are in line with what we put forward back in May when we launched our National Small Business Recovery Plan and are also echoed by an ESRI study published in September which shows Irish SMEs may have lost between €6 and €10 billion from March-June.

"These financial losses demonstrate the urgency for additional grant aid support. The introduction of further restrictions across the country under Level 3 will be catastrophic for the businesses that have come through the last few months. The growing uncertainty that now exists within an already decimated SME sector will inevitably mean that further viable businesses will end up closing for good resulting in additional job losses. It is essential that communications on advancing restrictions are clearer and that the right measures are provided to help business owners get through the unprecedented challenge over the next couple of weeks."

For further information on SME Recovery Ireland, visit: www.smerecovery.ie.

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Notes to editors:

- Chair of SME Recovery Ireland, John Moran is available for interview upon request.
- Small business cases studies are available upon request.
- Follow SME Recovery Ireland on social media:
 - Twitter: [@SMERecoveryIrl](https://twitter.com/SMERecoveryIrl)

About SME Recovery Ireland

SME Recovery Ireland is a platform representing Ireland's small and medium business sector to ensure that policy response to Covid-19 is designed to succeed for SMEs. The small

business sector has and will continue to be disproportionately affected by the Covid-19 crisis. Small businesses provide most employment in Ireland and are critical to our social fabric. Small businesses were under-capitalised before the crisis and so lack the financial resilience to survive the force majeure crisis they are facing. Every small business owner is in need of hope and a Government plan to help them restart their business.