



Rialtas na hÉireann  
Government of Ireland

# Spending Review 2021 – Evaluating the State-Supported Loan Schemes: a Framework

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*November 2021*

# Spending Review 2021 – Overview, Aims & Objectives



## Overview

- Rise in the state-supported loan schemes in Ireland in the last years
- Government-supported credit guarantee on loans to firms by covering a share of the default risk
- Target SMEs unable to access commercial loans due to lack of collateral or risky business
- Introduced in response to ‘crisis’ periods, as well as strategic policy purposes including access to finance and longer-term lending for SMEs

## Aims and Objectives

- Developing a framework for the evaluation of all the state-supported schemes currently running in Ireland
- Based on the international literature
- Application of the framework to the Irish case (data available, timing, steps for the evaluation)

# Spending Review 2021 – Key Findings



## Key Policy Relevant Findings

- Theory of change identifies causality links among scheme components: input and activities generate outputs, outcomes and impacts
- Three core areas identified:
  1. financial additionality: has the credit guarantee improved the provision of finance to relevant firms
  2. economic additionality: has this resulted in improved economic performance of those firms
  3. financial sustainability: examines ability of the guarantee to cover its costs
- Appropriateness of the scheme, continued relevance and efficiency of implementation
- Use of linked data set
- Timing