### InvestEU Scoreboard

**Presentation of the financing or investment operation:**

**Implementing Partner:** Council of Europe Development Bank (CEB)

**Name of the Operation:** Social Finance in Ireland

**Type of approval:**

- [x] Individual financing or investment operation or
- [ ] Framework Operation

**Name of the final recipient (for direct operations):** Social Finance Foundation (SFF)

**Name of the financial intermediary (for intermediated operations):**

For Framework Operations: Type of Final recipients/Financial Intermediaries

**Country(-ies) of implementation:** Republic of Ireland

**Short description of the financing or investment operation:**

The purpose of the operation is to contribute to (i) enhancing economic and social inclusion of vulnerable groups and (ii) promoting sustainable community development with a focus on rural communities, by meeting the expected increase in demand for affordable finance in the sector of Community, Voluntary and Social Enterprise (CVSE) organisations.

To achieve this objective, CEB will lend up to EUR 20 million to the Social Finance Foundation (SFF) to co-finance up to 50% of SFF’s wholesale on-lending through its partner Social Lending Organizations (SLOs) to CVSE organisations in the period 2022-2024. These SLOs fully on-lend SFF funding to end-borrowers in the CVSE sector. Key categories of end-borrowers supported by SFF include social enterprises, community-based sports clubs as well as community and voluntary organizations. Currently, the loan amounts to end-borrowers range from ca. EUR 5,000 up to a maximum allowed of EUR 500,000. With an overall amount of investment of at least EUR 40 million to be mobilized, the operation will benefit an estimated 170,000 end-beneficiaries in the communities served by CVSEs, with an estimated 60% of end-borrower loans targeting vulnerable and marginalized populations.

**Public Statement**

By scaling up lending to Community, Voluntary and Social Enterprise (CVSE) organisations, this operation will contribute to a number of EU and national policy priorities through its substantial social and green impact. Notably, in terms of EU policy the operation will reinforce synergies between the European Pillar of Social Rights and its Action Plan and the European Green Deal. By addressing social and economic exclusion of vulnerable groups, the operation is aligned with the first and third chapters of the European Pillar of Social Rights: (1) equal opportunities and access to the labour market; and (3) social protection and inclusion. At a national policy level, the operation’s support to CVSEs will contribute to Ireland’s Roadmap for Social Inclusion 2021-2025, as well as to reaching specific policy targets such as for Traveller & Roma inclusion, for inclusion of people with disabilities, for rural development and for support to social enterprises, volunteering as well as to sustainable, inclusive and empowered communities in line with national priorities.

The InvestEU guarantee unlocks the operation’s important contributions to the above policy targets by enabling the Council of Europe Development Bank (CEB) to provide substantial, long-term lending on concessional terms to the Social Finance Foundation (SFF). This, in turn, allows SFF to respond to a significant increase in financing demand from CVSE organizations, scaling up SFF lending at affordable
lending rates. This is crucial in a context of rising rates and little willingness by commercial financial institutions to provide affordable financing, given the mismatch between CVSEs business models and commercial banks’ standard corporate approach. Addressing this market failure and thereby providing excellent added-value for end-borrowers is at the core of this operation.

Pillar 3 - Market failure or sub-optimal investment situation addressed by the financing or investment operation (Very Good)

Pillar 4 - Financial and technical contribution by the Implementing Partner (Good)

Pillar 5 - Impact of the financing or investment operation (Good)

Pillar 7 - Complementary indicators

Ex-ante estimated values for the end of the operation are the following (while actual values will depend on the demand-driven portfolio of end-borrowers):

(a) InvestEU Leverage Effect ➔ 3.14
(b) InvestEU Multiplier Effect ➔ 6.28
(c) Amount of investment mobilized ➔ €40 million
(d) Estimated number of targeted final recipients ➔ 170,000
(e) Investment supporting climate objectives ➔ €3 million
(f) Investment supporting environmental objectives ➔ € 1,200,000
(g) Investment supporting just transition ➔ €8 million
(h) Capacity and access to supported social infrastructure by sector: housing ➔ 1,600
(i) Capacity and access to supported social infrastructure by sector: education ➔ 1,400
(j) Capacity and access to supported social infrastructure by sector: health ➔ 1,400
(k) Number of microfinance recipients and social economy enterprises supported ➔ 345 organisations
(l) Number of individuals acquiring new skills or having their skills validated and certified: formal, education and training qualification ➔ 700