Irish Rural Link

29th March 2017

**Irish Rural Link Make Submission to DAHRRG on Local Public Banking**

Irish Rural Link (IRL) – the national network representing the interest of rural communities have today, 29th March 2017, made a detailed submission on Local Public Banking

to the Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs following an earlier meeting with this department and the Department of Finance.

Irish Rural Link welcome that the Government have agreed to look at the development of Local Public Banking as an alternate to the traditional banking model and we now ask that this, and more specifically the German Sparkassen model is thoroughly investigated as set out in the Programme for a Partnership Government and Action Plan for Rural Development.

Following the financial crash in 2008, funding and credit lending to SME’s decreased and many SME’s are still facing barriers and obstacles to accessing credit from pillar banks. SME’s are the backbone and a key employer in rural areas. During the crash, German Sparkassen saving bank was unaffected. IRL are working with the SBFIC (Sparkassen Foundation for International Cooperation) on an ongoing basis to explore how this model could be introduced in Ireland and the wider Sparkassen Group has expressed support for such a model to be established in Ireland to bring added value for regional development.

With the publication of the Action Plan for Rural Development and a new National Planning Framework for new Regions being published later this year, an alternate banking structure needs to be part of these strategic plans in order for SME’s in rural areas to grow and create employment while at the same time building local communities.

IRL are now calling on the Government to thoroughly investigate this model of banking and that the offer of expertise and support from SBFIC and the German Sparkassen Group should not become a missed opportunity.

**For further information, please contact (anytime):**

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**About Irish Rural Link:**

Irish Rural Link represents the interests of locally based rural groups in disadvantaged and marginalised rural areas by highlighting problems, advocating appropriate policies, sharing experiences and examples of good practice. It has a membership of almost 1200 rural community groups dedicated to sustainable rural development and represents rural communities at a national and international level.