



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Report on Deductions of State Support Payments from Business Interruption Claim Awards 2020-2024

National Claims
Information Database

April 2026

Key Findings

Between 2020 and 2024:

- 6,832 business interruptions claims were reported as settled with a total cost of approximately €257m. Claims were both COVID and non-COVID related.
- 2,787 claims (41%) had the claim award adjusted because of state supports received by the claimant.
- Total deductions from claim awards, due to state support payments received, by claimants was approximately €50m.
- The reduction in compensation awarded aligns with the principle of indemnity, whereby a claimant should be restored to their exact financial position before the claim event occurred.

Introduction to the NCID State Supports Collection

The National Claims Information Database (NCID) is a repository for aggregate insurance data. Its purpose is to increase transparency regarding the cost of claims and support data driven policy.

The Insurance (Miscellaneous Provisions) Act 2022 amended the Central Bank (National Claims Information Database) Act 2018 to require the NCID to collect data and obtain insight on the impact of claimant's state support payments on claim award amounts.

The driver for this legislative change was the COVID-19 pandemic and a significant increase in business interruption claims made during this time. Lockdowns impacted on business's ability to trade. Some of these businesses had business interruption insurance in place. This is insurance designed to protect businesses financially if an event, covered by the policy, prevented them from trading.

The analysis in this report is based on settled business interruption claims for COVID and non-COVID related events settled between 1 January 2020 and 31 December 2024.

There are still business interruption claims outstanding which had not been settled by the reporting date of 31 December 2024. The NCID will consider the materiality of the remaining open business interruption claims and evaluate if a further data collection is required.

The purpose of this report

This report examines how state support payments received by claimants impacted business interruption claims and the extent to which compensation awards were reduced.

Concept of Indemnity in Insurance

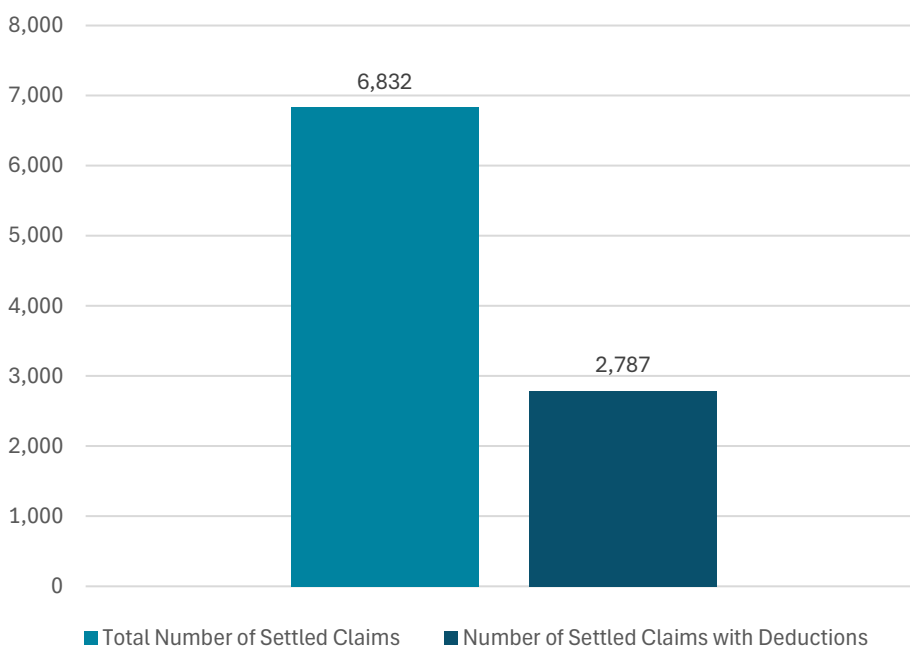
It is important to highlight the intended function of insurance. Insurance exists to manage risk and provide financial protection against unexpected losses. A key principle of insurance is indemnity. Insurance is designed to restore policyholders to the same financial position they had before the loss occurred, leaving them "no worse off". Equally, a policyholder should not be "better off" after receiving a claim payment than they had been before the loss occurred.

Findings

Number of settled claims

Figure 1 shows that 6,832 business interruption claims were settled between 2020 and 2024. Of these, 2,787 claims had their award reduced because the claimant had received a COVID-19 state support payment. This represented 41% of all business interruption claims in this period.

Figure 1: Total number of settled business interruption claims, and those settled with deductions for state support payments received by claimants between 2020 and 2024.



Cost of settled claims

The total cost of the 6,832 business interruption claims settled from 2020 to 2024 was approximately €257m. Figure 2 shows that between 2020 and 2024 the total cost to insurers of settling the 2,787 business interruption claims that had deductions to claim awards was approximately €128m. In this period approximately €50m (28% of the initial claims cost before deductions) was deducted from claim awards because the claimants received state support payments.

Figure 2: Total amount paid by insurers in settling business interruption claims with deductions for state support payments, and total amount deducted from those claims between 2020 and 2024.



State support type

Figure 3 shows the deductions to claim awards between 2020 and 2024, broken down by wage subsidy schemes and all other schemes. Wage subsidy schemes accounted for slightly less than half the total amounts deducted. More details on the state supports available at this time can be found in Appendix 3.

Figure 3: Total cost of deductions to settled business interruption claims between 2020 and 2024 by wage subsidy schemes and all other schemes.



Appendix 1 – Supporting Documentation

Background to the NCID reports and data releases can be found here:

- [Background to the National Claims Information Database](#)

An explanation NCID key terms and concepts used in this data release can be found here:

- [Key Terms - National Claims Insurance Database](#)

Appendix 2 - Methodology & Approach

To identify which insurance firms were in scope to provide business interruption data, the European Insurance and Occupational Pensions Authority (EIOPA) register and the Central Bank of Ireland's Register of Life and Non-Life Insurance Undertakings were examined. The review focused on the following classes of cover:

- General liability
- Fire and other damage to property

An initial data specification was circulated to firms in scope, who were invited to provide feedback. Firms were asked to outline what types of claims they may have had where the claimant had received state supports. Following this consultation phase, the following emerged:

- Firms confirmed that before the COVID-19 pandemic, no deductions were made from business interruption claims for state support payments.
- At the time of consultation, several test cases relating to COVID-19 business interruption claims were still before the courts. It was decided to commence data collection after these test cases had concluded and the majority of claims had been settled.

The analysis in this report is based off the business interruption claims data submissions received from firms by the NCID for claims settled by 31 December 2024. There is still a number of open business interruption claims outstanding which had not been settled by the reporting date of 31 December 2024. The NCID will continue to consider the materiality of the remaining open business interruption claims and evaluate if another data submission is required.

Appendix 3 – State Support Schemes

The unprecedented nature of the COVID-19 pandemic prompted the Government to introduce financial support measures for businesses. Examples include:

- Employer COVID-19 Refund Scheme
- Temporary Covid Wage Subsidy Scheme (TWSS)
- Employment Wage Subsidy Scheme (EWSS)
- Commercial Rates Waiver
- Covid restrictions support scheme (CRSS)

The total level of support provided by the wage subsidy schemes (TWSS and EWSS) was over €10.66 billion; €2.8 billion in respect of TWSS and €7.86 billion in relation to EWSS. The TWSS supported 67,000 employers in respect of almost 690,000 employees. The EWSS supported 51,900 employers in respect of almost 744,000 employees.¹

The Covid Restrictions Support Scheme (CRSS) was available to companies, self-employed individuals and partnerships who carried on a trade or trading activities from a business premises that was subject to restrictions that prohibited or considerably restricted customer access. The scheme was designed to help traders meet their costs at a time when they could not provide goods or services to their customers from their business premises, or could only do so to a limited extent, due to COVID-19 related restrictions. The total cost of the CRSS was €727m and the scheme ended in early 2022².

During the pandemic, significant support was provided to ratepayers by Government, in the form of commercial rate waivers. Waivers were applied to ratepayers' accounts as credits in lieu of commercial rates. A total of approximately €1.3 billion was provided by Government to local authorities to implement rates waivers during the pandemic period³.

¹ <https://www.gov.ie/en/department-of-finance/press-releases/wage-subsidy-scheme-ends-after-2-years-of-unprecedented-support-to-employers/>

² <https://www.oireachtas.ie/en/debates/question/2023-02-16/206/>

³ <https://www.gov.ie/en/department-of-housing-local-government-and-heritage/publications/support-for-businesses-impacted-by-covid-19-through-the-commercial-rates-waiver/>

Employer COVID-19 Refund Scheme⁴

In March 2020, the Government announced the implementation of exceptional measures, administered through the Department of Employment Affairs and Social Protection (DEASP), to enable workers who were temporarily laid off due to the COVID-19 pandemic to claim a special support payment.

Eligibility

Employers could apply for the scheme if they:

- Temporarily laid off staff as a result of the impact on their business due to the COVID-19 pandemic.
- Kept their staff on the payroll and did not cease the employee(s) with Revenue.
- Were unable to make top-up payments over and above the emergency payment of €203 per week.

Employees qualified if:

- Their employer made a payroll submission in the period from 1 February 2020 to 15 March 2020.

Temporary Covid Wage Subsidy Scheme (TWSS)⁵

The TWSS supported employers with employees laid off without pay due to the COVID-19 pandemic. All companies, including SMEs, were able to avail of the scheme. Revenue operated the TWSS from 26 March 2020 to 31 August 2020, replacing the Employer COVID-19 Refund Scheme.

It enabled employers that were affected by the pandemic to:

- Give significant supports directly to their employees.
- Keep their employees on the payroll throughout the pandemic. This meant employers could retain links with employees for when business picked up after the crisis.

Employers who were able to do so could make an additional payment with each wage subsidy to employees. Revenue reimbursed the employer for the wage subsidy they paid to employees after receipt of the payroll submission. The TWSS ended on 31 August 2020 and was replaced by the Employment Wage Subsidy Scheme.

⁴ <https://www.revenue.ie/en/employing-people/documents/pmod-topics/guidance-on-operation-of-employer-covid-refund-scheme.pdf>

⁵ <https://www.revenue.ie/en/employing-people/twss/information-about-twss/index.aspx>

Employment Wage Subsidy Scheme (EWSS)⁶

The EWSS replaced the TWSS from 1 September 2020, providing economy-wide support to businesses with eligible employees. The scheme ended on 30 April 2022 for most employers and 31 May 2022 for remaining employers. The scheme provided a flat-rate subsidy to qualifying employers, calculated based on the number of eligible employees on their payroll and the employees' gross pay.

While the TWSS was considered a payment to the employee (albeit administered by the employer), under the new EWSS, the subsidy to be paid to the employer was more akin to an employment support grant.

To qualify for EWSS employers needed to:

- Have tax clearance from Revenue.
- Demonstrate that they had at least a 30% reduction in either turnover or in customer orders received during the period 1 July 2020 to 31 December 2020, as compared to the same period in 2019.

Where the business suffered hardship in the first half of 2020 but recovered in the second half of the year, they no longer qualified for EWSS even where the business had substantial losses from the first half of the year.

Commercial Rates Waiver⁷

Commercial Rates Waivers due to Covid-19

Commercial rates waivers in Ireland, primarily used to support businesses during COVID-19, provided targeted relief for sectors like hospitality and retail, with the last major national waiver ending in Q1 2022. Local authorities automated these credits, meaning no application was required for eligible businesses.

During the COVID-19 pandemic three waivers were used:

- 2020: a waiver was in place for nine months of 2020. A total of €729m of commercial rates were waived for over 120,000 ratepayers.
- 2021: The Q1-Q3 2021 rates waiver scheme was a separate scheme with more limited eligibility criteria than the 2020 rates

⁶ <https://www.revenue.ie/en/employing-people/employment-wage-subsidy/ewss/index.aspx>

⁷ <https://www.gov.ie/en/publication/3ac02-support-for-businesses-impacted-by-covid-19-through-the-commercial-rates-waiver/>

waiver scheme. A total of €424m of commercial rates were waived for over 70,000 ratepayers.

- 2022: In December 2021 the government decided to extend the 2021 waiver on the same terms to cover Q1 2022. A total of €61.7m of commercial rates was waived for over 20,000 ratepayers in 2022.

Covid Restrictions Support Scheme (CRSS)⁸

The CRSS ended on 22 January 2022.

The CRSS was introduced to support businesses significantly affected by restrictions introduced to combat the COVID-19 pandemic.

The support was available to eligible businesses who carried on a business activity that was impacted by COVID-19 restrictions. The business was required to have prohibited, or considerably restricted, customers from accessing their business premises. Generally, this refers to COVID-19 restrictions at Level 3, 4 or 5 as explained in the Government's Plan for Living with COVID-19. Certain businesses may have qualified for the support where lower levels of restrictions were in operation. The specific restrictions applying to businesses were provided for in regulations made by the Department of Health.

Eligible businesses could make a claim to Revenue for a payment known as an Advance Credit for Trading Expenses (ACTE). An ACTE was payable for each week a business was affected by the restrictions.

The ACTE was subject to a maximum weekly payment of €5,000.

Publication

Revenue published a list of businesses which availed of the CRSS at the end of the scheme.⁹

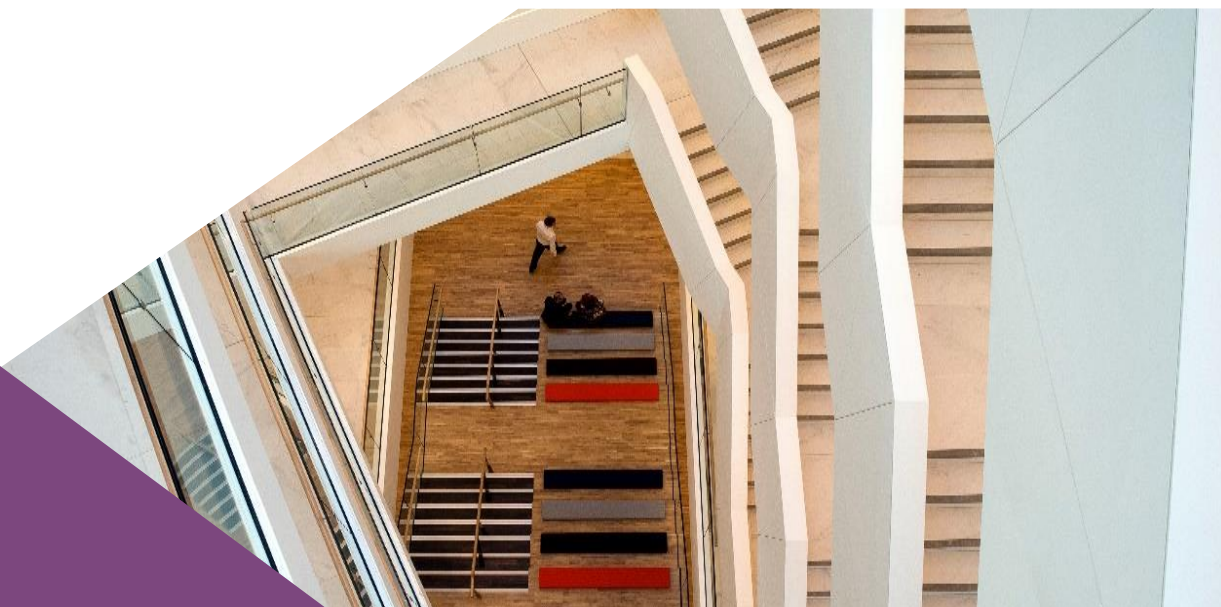
⁸<https://www.citizensinformation.ie/en/employment/types-of-employment/self-employment/covid-restrictions-support-scheme/>

⁹<https://www.revenue.ie/en/search.aspx?q=CRSS%20Publication%20List>

Appendix 4 – Participating Insurers

Table 1: Firms who contributed to this report.

Authorisation Status	Undertaking Name
Irish Authorised	Allianz PLC
	Aviva Insurance Ireland DAC
	AXA Insurance DAC
	AXIS Specialty Europe SE
	Berkshire Hathaway European Insurance DAC
	Everest Insurance (Ireland) DAC
	FBD Insurance PLC
	IPB Insurance CLG
	Intact Insurance Ireland DAC
	Travelers Insurance DAC
	XL Insurance Company SE
EU/EEA Authorised, Freedom of Establishment basis	AIG Europe S.A. (Irish Branch)
	Chubb European Group SE (Irish Branch)
	Ecclesiastical Insurance Office PLC
	HDI Global SE
	Hiscox S.A (Irish Branch)
	Generali Seguros y Reaseguros S.A.U - Ireland Branch
	Zurich Insurance Europe AG
EU/EEA Authorised, Freedom of Services basis	ArgoGlobal SE
	CNA Insurance Company (Europe) S.A. (UK)
	Generali Espana S.A. de Seguros y Reaseguros
	If P&C Insurance Ltd (publ)
	QBE Europe SA/NV
	Sava Insurance Company d.d.



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