



Global Insolvency: 2025 Reflections and 2026 Projections

Ireland

February 2026



Ireland

Ireland – Insolvency Year in Review 2025

Insolvency volumes

In 2025, Ireland recorded 848 insolvencies, a slight drop from 868 in 2024, yet still above the 736 seen in 2023. Our analysis at PwC shows an average of 204 insolvencies each quarter since 2023 began. These consistent figures underscore that, despite some quarterly shifts, insolvency levels have remained stable over the past three years. This stability is a testament to Ireland's strong economic performance and the resilience of its businesses in tackling current macro-economic challenges.

Our Insolvency Barometer at PwC Ireland offers valuable insights into insolvency levels by calculating the rate per 10,000 companies. Since 2021, this has become the industry standard, providing a reliable metric for comparing sectors and historical periods, and is widely adopted in the Irish insolvency market.

Our findings indicate that the insolvency rate for 2025 stands at 27 per 10,000 companies. This is significantly below the 21-year average of 49 per 10,000 businesses, which would translate to about 1,500 insolvencies annually. It's also much lower than the previous peak of 109 per 10,000 businesses recorded in 2012, equating to over 3,400 insolvencies per year.

Sector trends

Retail continues to lead in insolvencies, with 151 cases in 2025. But this represents a 25% drop from 201 cases in 2024. The decline persisted throughout 2025, averaging 38 cases per quarter compared to 50 in 2024. This ongoing reduction might signal better trading conditions, stronger consumer sentiment, and successful restructuring to date within the sector. While retail shows higher absolute numbers, its insolvency rate is 23 per 10,000 businesses for 2025, below the overall rate of 27 per 10,000.

The hospitality sector saw 141 insolvencies in 2025, slightly down from 154 in 2024. Its insolvency rate stands at 68 per 10,000 businesses for the year, significantly above the average of 27 per 10,000. The final quarter of 2025 recorded just 30 cases, continuing the downward trend from 43 in Q1, 38 in Q2, and 30 in Q3. Notably, only six of the 141 cases involved accommodation businesses, showing resilience in that segment, while food and beverage activities remain the main contributors to failures. Yet, ongoing cost and inflation pressures mean the hospitality industry needs close monitoring as we move into 2026.

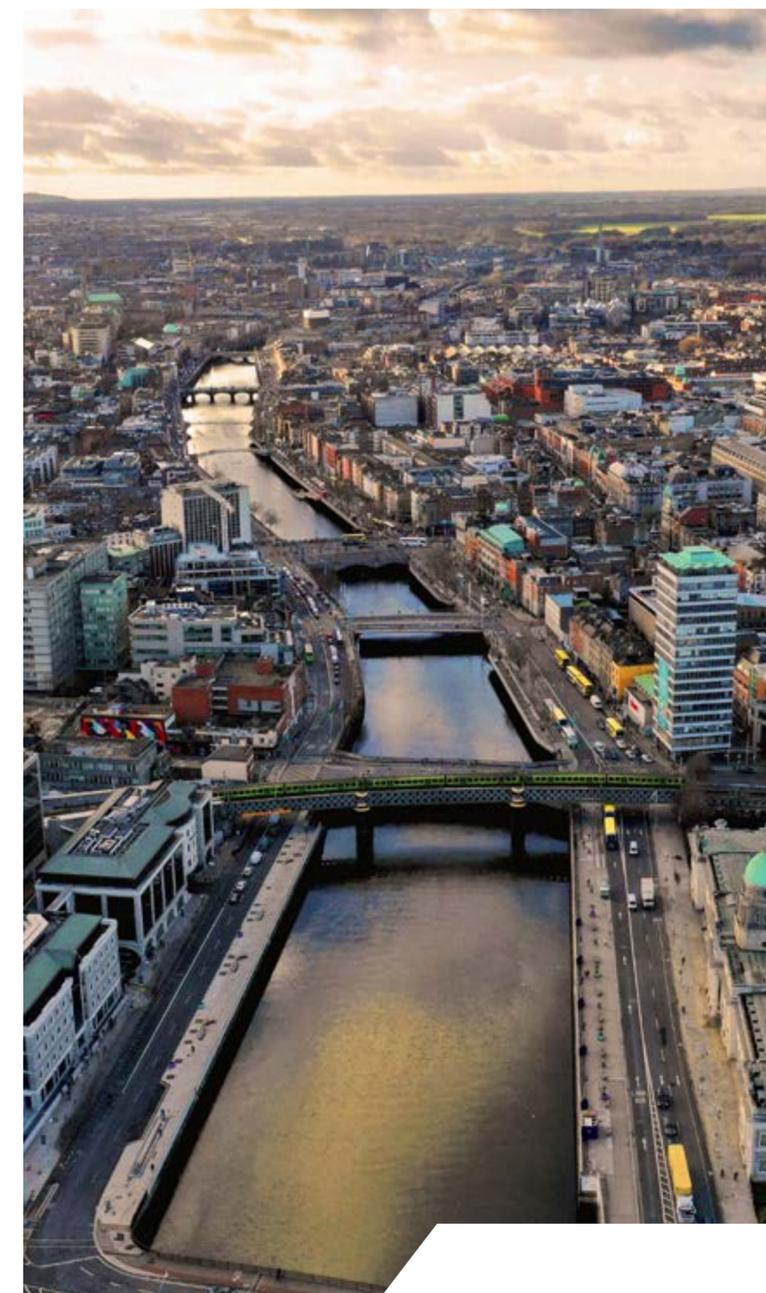
Construction, Finance and Insurance, and Real Estate also reported high insolvency numbers this year.

Legislative changes

In 2021, Ireland rolled out the Small Company Administrative Rescue Process (SCARP) to simplify and reduce the cost of restructuring for SMEs. Yet the uptake has been lower than anticipated, suggesting the process isn't fully meeting its goals. In 2025, only 23 SCARP processes were initiated, a drop from 30 in 2024 and 33 in 2023, showing a downward trend from an already modest start. Since its inception, just 108 SCARPs have been launched.

In contrast, the Personal Insolvency Arrangements (PIAs), introduced in 2012 to help individuals manage debt of around €3 million, saw a strong initial response with about 2,500 cases in the first four years. Currently, PIAs average between 1,100 and 1,300 cases annually, underscoring the difference in adoption rates between PIAs and SCARPs among SMEs.

For more, read our recent report [here](#).

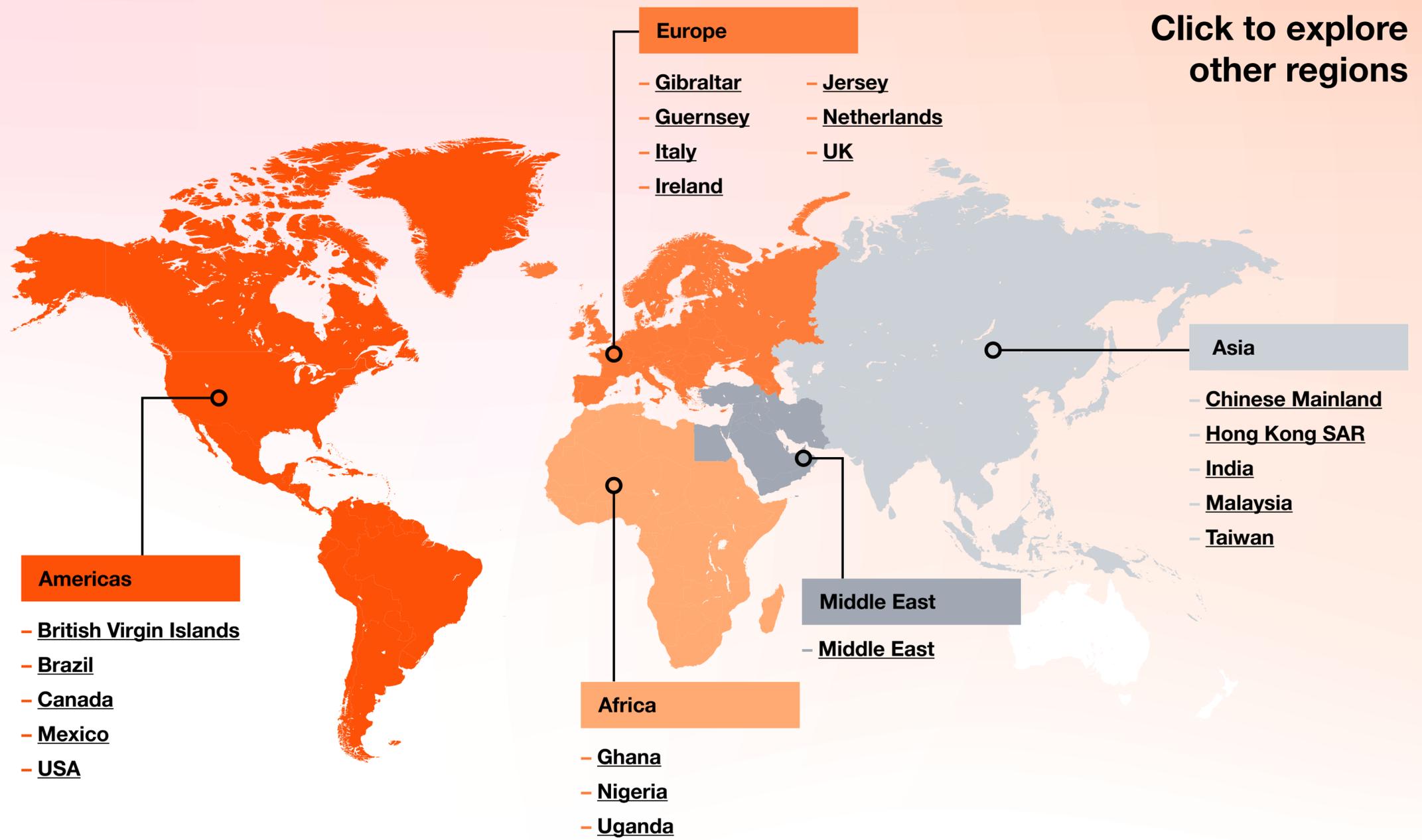


Large insolvencies and our role

In 2025, the hospitality sector faced several major insolvencies. We at PwC Ireland were pivotal in guiding restructuring and advisory efforts. Our work included an Examinership for a prominent hospitality group in Dublin, a SCARP for another hospitality firm, and managing a Corporate Receivership for a significant distillery in Co. Kerry. We also conducted independent business reviews for stakeholders and coordinated cross-border efforts for companies with global operations.

Looking ahead to 2026

Our analysis from early 2026 reveals a strong link between Ireland's unemployment and insolvency rates per 10,000 companies. A 1% rise in unemployment could lead to 245 more insolvencies. With unemployment climbing from 4% in January to 4.9% in November 2025, historical patterns suggest a likely increase in insolvency rates in 2026.



Click to explore other regions

Territory lead



Declan McDonald
 Partner, PwC Ireland (Republic of)
 E: declan.mcdonald@pwc.com
 M: +353 87 285 9980

Contributors

Kevin Byrne
 Ken Tyrell

© 2026 PwC. All rights reserved. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity.

Please see www.pwc.com/structure for further details.