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Daniel Johnson MSP  
Convener, Economy and Fairwork Committee  
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02 March 2026

Dear Daniel,

I am writing to inform the Committee that the Scottish Government will launch a new bidding round of the Just Transition Fund for the North East and Moray today.

Building on over £85 million in funding allocated to the JTF so far, the Scottish Government (SG) has made up to £15.9 million in new capital funding and £1.1 million in new resource funding available for the financial year 1 April 2026 to 31 March 2027. £1 million capital and £0.2 million resource will be committed to continue the work of the Just Transition Participatory Budgeting Fund, which is managed and delivered by regional stakeholders. The remainder of the funding will be made available through competitive bidding rounds, split into three pots as follows:

- **Commercial and public sector projects:** up to £10 million capital funding available in 2026/27, for projects that deliver positive impact against our Jobs, Skills and Economic Opportunities Just Transition Outcome, including evidence of the long-term potential for future job creation as part of the business case. Given this will go beyond the timescale of grant funding it will not be part of the reporting, but it will help inform our judgement about potential economic and employment impact. For this pot, we are also offering limited multi-year funding on an exceptional basis, with up to £5 million capital funding available for financial years 2027/28 through to 2029/2030. We are inviting bids with a minimum value of £0.5 million and a maximum value of £20 million for multi-year bids.
- **Community and social enterprise projects:** up to £2 million capital and £0.5 million resource funding, available for projects that **provide positive impact to tackle Child Poverty or Fuel Poverty** (delivering against our 'People and Equity' Just Transition Outcome), or provide **positive impact for Adaptation or Biodiversity** (delivering against our 'Adaptation, Biodiversity and Environment' Just Transition Outcome). A definition of capital spend and resource spend respectively is included in section 3.2.2 of this guidance. We are inviting bids with a value between £0.1 million and £0.5 million, including resource, with no multi-year funding available.

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- **Development grants:** we will also be providing up to £0.3 million resource funding for communities and social enterprises this year, for projects that are at development stage. To access this funding, applicants should submit an expression of interest (EOI) to [JustTransitionFund@gov.scot](mailto:JustTransitionFund@gov.scot), using the template included alongside this guidance. There is no closing date, but SG reserve the right to close the process during the financial year as and when the funding is fully allocated. We are open to projects that meet any of our four just transition outcomes, but we will **not** be supporting EOIs on community energy at this time as we do not want to displace the EOI process being undertaken by GB Energy. This includes installing renewable energy systems on buildings as well as community energy generation projects. Retrofit projects and battery storage proposals will be permitted if they are outwith the scope of the GB Energy funding. If you have a community energy generation proposal, you can apply for the GB Energy Community Fund [here](#).

We will also be providing up to £3 million capital from the £15.9 million capital budget for this year, to continue the work of the [Supply Chain Pathway and Challenge Fund](#), which has successfully delivered for the past four years. This funding strengthens the capability and capacity of the regional energy supply chain to diversify into low-carbon markets, delivering measurable improvements in productivity, turnover, and employment.

Collectively, this approach will help the JTF to respond to the needs of the region and will continue to maximise the impact of our investment to deliver benefits for businesses, workers and communities as we transition to a net zero future. We will work with partners to ensure delivery of innovative, cross-cutting projects which will help inform the roll out of Just Transition across the region.

Yours sincerely,



**GILLIAN MARTIN**

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