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airson Eaconamaidh agus Gàidhlig
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Karen Adam MSP, Convener
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Scottish Parliament
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SCOTTISH ENTERPRISE REVIEW: HUMAN RIGHTS DUE DILIGENCE CHECKS

25 June 2025

Dear Karen,

I am writing to you in your capacity as the Convener of the Equalities, Human Rights and Civil Justice Committee, given the Committee's work on human rights matters. This letter provides an update regarding Scottish Enterprise's review of its human rights due diligence checks.

As you may be aware, following the Scottish Green Party's Opposition Business debate on Scottish Enterprise Funding for Arms Companies on 26 February, the motion as amended from the debate stated that the Parliament: *"calls on Scottish Enterprise to review its human rights due diligence checks to ensure that they take account of where products' end use is, and that they fully comply with legal obligations under the Export Control Act 2002 and international law"*.

Scottish Enterprise wrote to me on 19 June to provide an update on its review and, as you may also be aware, Parliament was updated on this via a Government Initiated Question (GIQ) on 25 June ([Written question and answer: S6W-38968 | Scottish Parliament Website](#)).

Scottish Enterprise confirmed that it recognises there are opportunities to strengthen its approach, and has committed to implementing the following:

- Establishing more explicit customer checks and assurance relating to the Export Control Act 2002, as informed by international law. These will include specific customer declarations on items, activities and end use that are controlled under the UK export control regime. Scottish Enterprise will have the right to clawback grants where false declarations have been made.

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- Updating its policy to enhance the existing checks it undertakes on companies who might be in receipt of Scottish Enterprise funds or other assistance. This will include reduced exemptions from checks, increased frequency of checks, and more explicit requirements to ensure these checks address changes in risk.
- Establishing an internal Senior Review Group to provide greater strategic input and support risk-based decision-making.
- Developing a new digital platform for all due diligence checks which will improve reporting and oversight more generally.

Scottish Enterprise confirmed that these steps will be elaborated on and rolled out incrementally over 2025/26.

I have written to Scottish Enterprise to thank it for its work so far, and to ask for a further report after the summer recess, once it has developed detailed operational guidance. I have asked that Scottish Government officials are involved in that work, and will provide a further update to Parliament in due course. Finally, Scottish Government officials will discuss with its other Enterprise Agencies any potential implications Scottish Enterprise's review might suggest for their processes.

Yours sincerely,

KATE FORBES

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