

**Islamic Finance Council and Ethical Finance Hub Fo**

**Request**

**Grant letter for £120,00 from 01/04/2018 – 31/03/2019**

**Three payments were made:**

**£60,000**

**£30,000**

**£30,000**

**1. Background report**

**ETHICAL FINANCE HUB - GRANT REQUEST 2018/2019**

This document is provided as requested at meetings with Richard Rollinson and [redacted – s.38(1)(b) personal information] on 8th January and 13th February 2018. It details the grant request for the coming period 2018/19 for furthering the activities of the EFH as per the EFH Business Plan (& addendum) previously submitted to Scottish Government (SG). A summary of our planned activities for 2018 / 2019 and an update on the EFH's progress over the period 2016 / 2017 are included.

[redacted] The remainder of the document has been redacted under Section 33: Commercial Interests.

**2. Grant letter**

Economic Development Directorate  
Innovation, Investment and Industries Division



Richard Rollison, Deputy Director

Omar Shaikh  
Ethical Finance Hub Ltd  
Department of Accountancy,  
Economics & Finance  
School of Management and Languages

30/08/2018

**Dear Omar**

5 Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU [www.gov.scot](http://www.gov.scot)

## OFFER OF GRANT FOR ETHICAL FINANCE HUB LTD

The Scottish Ministers in exercise of their powers under Section 10 of the Social Work (Scotland) Act 1968 hereby offer to give to Ethical Finance Hub Ltd, a company incorporated under the Companies Act with registered number SC534526 ("the Grantee") a grant of up to £120,000 STERLING, payable over the financial year/s 01/04/2018 to 31/03/2019 in connection with development of the Scottish Ethical Finance Hub, which is more particularly described in Part 1 of SCHEDULE 1 ("the Project") and subject to the following terms and conditions:

### 1. Definitions and Interpretation

- 1.1 In these Conditions, the words and expressions set out in **SCHEDULE 4** shall have the meanings ascribed to them in that Schedule.
- 1.2 In these Conditions unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- 1.3 The headings in these Conditions are for convenience only and shall not be read as forming part of the Conditions or taken into account in their interpretation.
- 1.4 Except as otherwise provided in these Conditions, any reference to a clause, paragraph, sub-paragraph or schedule shall be a reference to a clause, paragraph, subparagraph or schedule of these Conditions. The schedules are intended to be contractual in nature. They form part of the Agreement and should be construed accordingly.
- 1.5 This Agreement shall not be varied except by an instrument in writing signed by both parties.

### 2. Purposes of the Grant

- 2.1 The Grant is made to enable the Grantee to carry out the Project.
- 2.2 The Grant shall only be used for the purposes of the Project and for no other purpose whatsoever.
- 2.3 No part of the Grant shall be used to fund any activity or material which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.
- 2.4 The main objectives/expected outcomes of the Grant are:
  - Confirm host partners and secure anchor resident organisations.
  - Develop and commence implementation of a suitable membership model for the EFH.
  - Continue development of awareness raising activity.
  - Development of international internship programme in ethical finance.
- 2.5 The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are:

- Confirmation of host tenants and anchor organisations/
- Development of membership model for the Ethical Finance Hub
- Establishment of revenue stream for Ethical Finance Hub to support future activity.
- Launch and pilot of international internship programme.

2.6 The eligible costs for which the Grant can be claimed are:

- Staff costs
- Operational Costs
- Associated administration costs – travel, recruitment, legal etc.

2.7 The eligible costs exclude:

- Any Value Added Tax (VAT) reclaimable by the Grantee
- The grant cannot be used to fund economic activity.

### 3. Payment of Grant

- 3.1 The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the terms of SCHEDULE 1 attached.
- 3.2 The Grantee shall within 6 weeks following the end of each financial year in respect of which the Grant has been paid and/or of receiving the final instalment of the Grant submit to the Scottish Ministers a statement of compliance with the Conditions of the Grant using the form of words provided in **SCHEDULE 3**. The statement shall be signed by the Grantee's Director of Finance  
<http://www.gov.scot/Topics/Government/Finance/spfm/grants>
- 3.3 In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee at any point in time is found to exceed the amount of the expenses reasonably and properly incurred by the Grantee in connection with the Project, the Grantee shall repay to the Scottish Ministers the amount of such excess within 14 days of receiving a written demand for it from or on behalf of the Scottish Ministers. In the event that the Grantee fails to pay such amount within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest. Guidance Note
- 3.4 The Scottish Ministers shall not be bound to pay to the Grantee, and the Grantee shall have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year as set out in SCHEDULE 1, unless otherwise agreed in writing by the Scottish Ministers.

### 4. Inspection and Information

- 4.1 The Grantee shall keep the Scottish Ministers fully informed of the progress of the Project in the form of regular reports alongside grant claims. Details shall include actual expenditure to date compared with

profiled expenditure and any change to estimated expenditure for the financial year and/or the Project as a whole, the reasons for any such changes and progress in achieving objectives/outcomes.

- 4.2 Revisions to targets/milestones against which progress in achieving objectives/outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.
- 4.3 The Grantee shall, on completion of the Project, submit a report to the Scottish Ministers summarising the outcomes and performance of the Project. Such a report shall include such statistical and other information relating to the impact of the Project as shall be required by the Scottish Ministers.
- 4.4 The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the Project is consistent with the Agreement. The Grantee shall provide the Scottish Ministers with prompt access to any information they reasonably require to ensure compliance with these Conditions.
- 4.5 The Grantee shall keep and maintain for a period of 6 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of the Grant. The Grantee shall afford the Scottish Ministers, their representatives, the Auditor General for Scotland, his/her representatives and such other persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it. The Grantee shall provide such reasonable assistance and explanation as the person carrying out the inspection may from time to time require.
- 4.6 In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Project or on the use of the Grant, or any part of it, the Grantee shall immediately notify the Scottish Ministers of such activity and provide such other information as the Scottish Ministers may reasonably require in relation to the impact on the Project and the use of the Grant.
- 4.7 The grantee shall immediately inform the Scottish Ministers of any change in its constitution for example, but not limited to, a change in status from one type of body corporate to another.

## **5. Confidentiality and Data Protection**

- 5.1 The Grantee will respect the confidentiality of any commercially sensitive information that they have access to as a result of the Project.
- 5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to the Scottish Ministers may need to be disclosed and/or published by the Scottish Ministers. Without prejudice to the foregoing generality, the Scottish Ministers may disclose information in compliance with the Freedom of Information (Scotland) Act 2002, any other law, or, as a consequence of judicial order, or order by any court or tribunal with the authority to order disclosure. Further, the Scottish Ministers may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any other department, office or agency of Her Majesty's Government in Scotland, in right of the Scottish Administration or the United Kingdom, and their servants or agents. When disclosing such information to either the Scottish Parliament or the United Kingdom Parliament it is recognised and agreed by both parties that the Scottish Ministers shall if they see fit disclose such information but are unable to impose any restriction upon the information that it provides to Members of the Scottish Parliament, or Members of the United Kingdom Parliament; such disclosure shall not be treated as a breach of this agreement.
- 5.3 The Grantee shall ensure that all requirements of the Data Protection Laws are fulfilled in relation to the Project.
- 5.4 To comply with section 31(3) of the Public Services Reform (Scotland) Act 2010, the Scottish Ministers publish an annual statement of all payments over £25,000. In addition, in line with openness and

transparency, the Scottish Government publishes a monthly report of all payments over £25,000. The Grantee should note that where a payment is made in excess of £25,000 there will be disclosure (in the form of the name of the payee, the date of the payment, the subject matter and the amount of grant) in the both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

## **6. Disposal of Assets**

The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any asset funded, in part or in whole, with Grant funds during the lifetime of the asset. During that period the Scottish Ministers shall be entitled to the proceeds of the disposal – or the relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. The Scottish Ministers shall also be entitled to the relevant proportion of any proceeds resulting from any provision included as a condition of sale. Recovery by the Scottish Ministers shall not be required where the value of the asset is less than £5,000.

## **7. Publicity**

The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

## **8. Intellectual Property Rights**

- 8.1 All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.
- 8.2 The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

## **9. Default and Recovery etc. of Grant**

- 9.1 The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:

9.1.1 The Grantee commits a Default;

9.1.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant;

9.1.3 The Grantee fails to carry out the Project;

9.1.4 In the Scottish Ministers' opinion, the progress on the Project is not satisfactory; or

9.1.5 In the Scottish Ministers' opinion, the future of the Project is in jeopardy.

- 9.2 If, in the Scottish Ministers' opinion, the Grant or any part of it is state aid and they consider that they are required to recover such sum in order to ensure compliance with their obligations under EU law Scottish Ministers may require immediate repayment of the Grant or any part of it together with interest at such rate and on such basis as may be determined from time to time by the Commission of the European Union.
- 9.3 The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:
- 9.3.1 The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise than for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;
- 9.3.2 Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of his estate or a criminal bankruptcy order is made against the Grantee; or the Grantee makes any composition or arrangement with or for the benefit of creditors, or makes any conveyance or assignation for the benefit of creditors, or if an administrator or trustee is appointed to manage his affairs; or
- 9.3.3 A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or any part of the Grantee's property, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.
- 9.4 In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 9.1, the Grantee shall pay the Scottish Ministers the appropriate sum within 14 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and interest.
- Guidance Note
- 9.5 Notwithstanding the provisions of this clause 9, in the event that the Grantee is in breach of any of the Conditions, the Scottish Ministers may, provided that the breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of clause 9 for such period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in the notice. In the event of the Grantee failing to remedy the breach within the period specified, the Grantee shall be bound to pay the sum to the Scottish Ministers in accordance with the foregoing provisions.
- 9.6 Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 9.1 to 9.3 shall not be construed as a waiver of such right or remedy.

## **10. Assignation**

The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

## **11. Termination**

The Agreement may be terminated by the Scottish Ministers giving not less than 3 months' notice in writing from the date of the notice being sent.

## **12. Corrupt Gifts and Payments of Commission**

The Grantee shall ensure that its employees shall not breach the terms of the Bribery Act 2010 in relation to this or any other grant. The Grantee shall ensure that adequate controls are in place to prevent bribery.

### **13. Continuation of Conditions**

- 13.1 These Conditions, except for Condition 6, shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.
- 13.2 Condition 6 shall continue to apply until the end of the period referred to in that Condition.

### **14. Compliance with the Law**

The Grantee shall ensure that in relation to the Project, they and anyone acting on their behalf shall comply with the relevant law, for the time being in force in Scotland.

### **15. Governing Law**

This contract is governed by the Law of Scotland and the parties hereby prorogate to the exclusive jurisdiction of the Scottish Courts

If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date both copies of the Grant Acceptance below and return one copy of the offer of Grant and Schedules to me at Innovation, Investment & Industries Division, Scottish Government, 5 Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU You should retain the second copy of the offer of Grant and Schedules for your own records.

Yours sincerely

Richard Rollison, Deputy Director, Innovation, Investment & Industries

15/06/2018

### **GRANT ACCEPTANCE**

On behalf of Ethical Finance Hub Limited I accept the foregoing offer of Grant by the Scottish Ministers dated 15/06/2018 on the whole terms and conditions as set out in the letter and annexed Schedules. I confirm that Ethical Finance Hub Limited is solvent. I confirm that I hold the relevant signing authority.

Signed: [redacted: s.38 – personal informaton]

«Director/Company Secretary/Authorised Signatory»

redacted: s.38 – personal informaton]Print Name:

Date: [Click here to enter a date.](#)

Place of Signing:

Signed:

redacted: s.38 – personal informaton]

«Witness»

redacted: s.38 – personal informaton]Witness Name:

Address:

Place of Signing:

CCB[redacted: s.38 – personal informaton]

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If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date both copies of the Grant Acceptance below and return one copy of the offer of Grant and Schedules to me at Innovation, Investment & Industries Division, Scottish Government, 5 Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU You should retain the second copy of the offer of Grant and Schedules for your own records.

Yours sincerely

[redacted: s.38 – personal information]

Richard Rollison, Deputy Director, Innovation, Investment & Industries 30/08/2018

Signed:



## SCHEDULE 1

### PART 1: THE PROJECT

The Ethical Finance Hub will continue to develop its business model confirming host partners and securing anchor resident organisations. It will continue activities to raise awareness of ethical finance, including hosting events, developing educational materials and a training programme, and further development of its international internship proposal.

### PART 2: PAYMENT OF GRANT

1. The total Grant of up to £120,000 STERLING shall be payable by the Scottish Ministers to the Grantee monthly in arrears on receipt of a completed claim for Grant in the form set out in SCHEDULE 2 together with the associated monitoring information set out in paragraph 4.1 of the Offer of Grant.
2. The total Grant shall be payable over the financial year/s 2018 to 2019. The Scottish Ministers shall not be bound to pay any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year, unless otherwise agreed in writing by the Scottish Ministers.
3. The Grantee shall provide a monthly profile of expenditure of the Grant before the start of the financial year. Any change to the profile or to the overall costs of the Project/Programme shall be notified to the Scottish Ministers at the earliest opportunity via the claims for Grant and monitoring reports.
4. Each claim shall be for an amount equal to the actual reasonable and proper costs and expenses incurred by the Grantee in connection with the project since the submission by it of the last claim for instalment of the Grant.
5. Each claim shall be submitted together with such explanatory or supplementary material as the Scottish Ministers may from time to time require whether before or after submission of the claim.

«Unexpended grant»: «Amount» (*where grant is paid in advance*)

«Claim for grant» or «Estimate of grant required» **for the period from**  
Click here to enter a date. **to** Click here to enter a date. **or to** Click here to  
enter a date.: «Amount»

**We hereby claim «total» grant of «£XX» in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 15/06/2018 and the Schedules attached thereto.**

**Completed by:**

**Position:**

**Contact Details:**

**Date:**

### **Items of Expenditure**

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that «X has been submitted» or «X will be made available on request» to substantiate each amount.

| A             | B          | C                     | D  |
|---------------|------------|-----------------------|--|
| Item          | Amount (£) | Paid Invoice<br>[Y/N] | Other (please specify, e.g.<br>certificate of payment in kind) |
|               |            |                       |  |
|               |            |                       |  |
|               |            |                       |  |
| <b>TOTAL*</b> |            |                       |  |

\* Note the total should add up to the total expenditure claimed for the period.

### SCHEDULE 3

#### STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

ETHICAL FINANCE HUB

This is to confirm that the grant claimed by Ethical Finance Hub Ltd in relation to the above Project/Programme during the financial year ended 31 March 2019 was properly due and was used for its intended purpose(s) in accordance with the terms and conditions of the Grant. This statement is supported by the records of Ethical Finance Hub Ltd.

Signed:

Name in block capitals:

Position:

Date: [Click here to enter a date.](#)

## SCHEDULE 4

### DEFINITIONS

**“Agreement”** means the agreement constituted by the Scottish Ministers’ invitation to apply for a grant, the Grantee’s Application, these Conditions and the Grantee’s acceptance of these Conditions;

**“Conditions”** means these grant conditions;

**“Data Protection Laws”** means any law, statute, subordinate legislation, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body including the Data Protection Act 1998, the Data Protection Act 2018 and any statutory modification or re-enactment thereof and the GDPR.

**“Default”** means:

- a) Any breach of the obligations of either party under this Agreement (including, but not limited to, any breach of any undertaking or warranty given under or in terms of this Agreement);
- b) Any failure to perform or the negligent performance of any obligation under this Agreement;
- c) Any breach of any legislation; or
- d) Any negligence or negligent or fraudulent mis-statement or misappropriation of Grant, or any other default,

In all cases by either party, its employees, agents or representatives;

**“Financial Year”** means a period from 1 April in one year until 31 March in the next;

**“Grant”** means the grant offered by the Scottish Ministers to the Grantee as specified in the Award Letter, as varied from time to time in accordance with these Conditions;

**“Grantee”** means the person, organisation or body to which the Grant will be payable as specified in these Conditions. Where two or more persons, organisations or bodies are the Grantee, references to the “Grantee” are to those persons, organisations or bodies collectively and their obligations under the Agreement are undertaken jointly and severally;

**“Intellectual Property Rights”** means all copyright, patent, trademark, design right, database right and any other right in the nature of intellectual property whether or not registered, in any materials or works in whatever form (including but not limited to any materials stored in or made available by means of an information technology system and the computer software relating thereto) which are created, produced or generated as part of the Project by or on behalf of the Grantee.

**“Project/Programme”** means the purpose for which the Grant has been awarded as described in the Offer of Grant;

**“Payment”** means each of the payments specified in Schedule 1 hereto.

3. **60,000**

SCHEDULE 2

GRANT CLAIM FORM - April 2018 to sept 2018 (inclusive)

Organisation: Ethical Finance Hub Limited (EFH), c/o Heriot Watt University, Edinburgh, EH14 4AS Bank details: [redacted] s.33 – commercial interests].

Project: Ethical Finance Hub Limited (EFH)

Total agreed grant for: 2018-19 — total: £120k

Latest forecast of expenditure of grant for: 2018-19 — total: £120k

Grant claimed to date: £0k

1.1 Nil (where gram is paid in advance)

Claim for grant for the period from 1<sup>st</sup> April 2018 to 30<sup>th</sup> September 2018: £60k

We hereby claim a grant of £60k in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 30/08/2018 and the Schedules attached thereto. We note this amount is outstanding from prior claim for the same period.

Completed by: Omar Shaikh (EFH Director) Confirmed by: Graham Burnside (EFH Director) Position: Directors  
Contact Details: [redacted]@ethicalfinancehub.org

Date: 25 Sept 18

Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that (staff/contractors agreements available on request) to substantiate each amount.

|  |             | C               |  |
|--|-------------|-----------------|--|
| Item   | Amount (£)  | Paid<br>Invoice | Other (please specify, e.g.<br>certificate of payment in kind) |
| Staff, content (digital), travel and equipment | £60k        |                 |  |
|  |             |                 |  |
|  |             |                 |  |
| <b>TOTAL*</b>                                  | <b>£60k</b> |                 |  |

\* Note the total should add up to the total expenditure claimed for the period.

4. **£30,000 22 Jan 2019**

**From:** Omar Shaikh (EFH) <[redacted – s38: personal information]@ethicalfinancehub.org>

**Sent:** Friday, January 4, 2019 10:29 AM

**To:** [redacted – s38: personal information] [redacted – s38: personal information]@gov.scot]

**Cc:** [finance@ethicalfinancehub.org](mailto:finance@ethicalfinancehub.org); [redacted – s38: personal information]@ethicalfinancehub.org; [redacted – s38: personal information]@blueyonder.co.uk>

**Subject:** EFH - SG Grant claim form for Q3

Dear [redacted – s38: personal information] – HNY! Trust you are well and had an enjoyable break.

Plz find attached for Q3 for EFH covering the period Oct to Dec end 2018.

Kindly let us know when this has been processed.

Best wishes,

Omar

**SCHEDULE 2**

**GRANT CLAIM FORM – October 2018 to Dec 2018 (inclusive)**

Organisation: [Ethical Finance Hub Limited \(EFH\)](#), c/o Heriot Watt University, Edinburgh, EH14 4AS

Bank details: [redacted – s.38 – personal information]

Project: [Ethical Finance Hub Limited \(EFH\)](#)

Total agreed grant for: 2018-19 – total: £120k

Latest forecast of expenditure of grant for: 2018-19 – total: £120k

Grant claimed to date: £60k

Nil (*where grant is paid in advance*)

Claim for grant for the period from 1<sup>st</sup> Oct 2018 to 31<sup>st</sup> December 2018: £30k

We hereby claim a grant of £30k in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 30/08/2018 and the Schedules attached thereto. We note this amount is outstanding from prior claim for the same period.

Completed by: Omar Shaikh (EFH Director) Confirmed by: Graham Burnside (EFH Director)

Position: Directors

Contact Details: [redacted]@ethicalfinancehub.org

Date: 4 Jan 19

### Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that (staff/contractors agreements available on request) to substantiate each amount.

| A  | B           | C                     | D  |
|--|-------------|-----------------------|--|
| Item   | Amount (£)  | Paid Invoice<br>[Y/N] | Other (please specify, e.g.<br>certificate of payment in kind) |
| Staff, content (digital), travel and equipment | £30k        | Y                     |  |
|  |             |                       |  |
|  |             |                       |  |
| <b>TOTAL*</b>                                  | <b>£30k</b> |                       |  |

\* Note the total should add up to the total expenditure claimed for the period.

### 5. **£30.000 April 2019**

#### SCHEDULE 2

#### GRANT CLAIM FORM -Jan 2019 to March 2019 (inclusive)

Organisation: Ethical Finance Hub Limited (EFH), c/o Heriot Watt University, Edinburgh, EH14 4AS

Bank details: [redacted – s.38 – personal information]

Project: Ethical Finance Hub Limited (EFH)

Total agreed grant for: 2018-19 — total: E120k

Latest forecast of expenditure of grant for: 2018-19 — total: E120k

Grant claimed to date: E90k

Nil (where grant is paid in advance)

Claim for grant for the period from 1<sup>st</sup> Jan 2019 to 31<sup>st</sup> March 2019: E30k

We hereby claim a grant of E30k in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 30/08/2018 and the Schedules attached thereto. We note this amount is outstanding from prior claim for the same period.

Completed by: Omar Shaikh (EFH Director) Confirmed by: Graham Burnside (EFH Director) Position: Directors  
Contact Details: [redacted – s38: personal information]@ethicalfinancehub.org

Date: 18 April 19

*Items of Expenditure*

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that (staff/contractors agreements available on request) to substantiate each amount.

|  |            | C            |   |
|--|------------|--------------|---|
| Item   | Amount (E) | Paid Invoice | Other (please specify, e.g. certificate of payment in kind) |
| Staff, content (digital), travel and equipment | E30k       |              |   |
|  |            |              |   |
|  |            |              |   |
| TOTAL*   | E30k       |              |   |

\* Note the total should add up to the total expenditure claimed for the period.

6. **From:** [redacted – s38: personal information]

**Sent:** Friday, January 26, 2018 5:14 PM

**To:** Cabinet Secretary for Economy, Jobs and Fair Work <CabSecEJFW@gov.scot>

**Cc:** Minister for Business, Innovation and Energy <Ministerbie@gov.scot>; McAllan M (Mary)

<Mary.McAllan@gov.scot>; Economic Development Business Management Unit <EDBMU@gov.scot>;

Rollison R (Richard) <Richard.Rollison@gov.scot>; [redacted – s38: personal information]@gov.scot>;

[redacted – s38: personal information]@gov.scot>; [redacted – s38: personal information]@gov.scot>;

Maxwell S (Stewart) (Special Adviser) <Stewart.Maxwell2@gov.scot>

**Subject:** Ethical Finance Festival Proposal

PS/Cab Sec

Please see attached short submission on ethical finance for Mr Brown's consideration.

[redacted – s.38 – personal information]

The attached PDF should be included with the submission as Annex A.

[redacted – s.38 – personal information]

[redacted – s.38 -personal information]



[redacted – s38: personal information] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted – s38: personal information] | Blackberry: [redacted – s38: personal information] | email: [redacted – s38: personal information]@gov.scot

From: [redacted – s.38 -personal information]

Innovation, Industries & Investment, Economic Development Directorate 26 January 2018

Cabinet Secretary for Economy, Jobs and Fair Work

## **ETHICAL FINANCE FESTIVAL PROPOSAL**

### **Purpose**

1. To provide advice on proposal received from Omar Shaikh of the Ethical Finance Hub (EFH) and Islamic Finance Council (UKIFC)

### **Priority**

2. Routine

### **Background**

3. Following the second Global Ethical Finance Forum (GEFF) held in Edinburgh in September 2017 you asked Mr Shaikh to develop proposals for a festival style programme of activity around future GEFF events.

4. UKIFC has developed a proposal for a new festival-style event, and is inviting Scottish Government to provide significant financial support for development of the event and to secure hosting rights in Edinburgh. (Proposal at Annex A)

### **Global Ethical Finance Forum**

5. GEFF was organised by a third party events planner [redacted – s.33: commercial interests] with UKIFC instrumental in bringing this event to Edinburgh. Scottish Government was a main sponsor of the event in both 2015 and 2017, providing [redacted – s.33: commercial interests] in sponsorship in 2017 and hosting a reception at Edinburgh Castle for conference attendees and a private dinner for senior delegates at the Scottish Parliament

6. 2017's event attracted more than 250 delegates from Scotland and from the international ethical finance sector, with particular interest from Middle East and Far East regions.

### **Festival Proposal**

7. [redacted – s.33: commercial interests]  
[redacted – s.33: commercial interests]

[redacted – s.33: commercial interests]

- Plan to hold initial event in September 2018.
- UKIFC will identify international partners who could move events to be part of Ethical Finance Festival
- Confirm international political leaders as keynote participants (with SG input)
- [redacted – s.33: commercial interests]

8. UKIFC have indicated that they are aware of other cities who would like to host this type of event, but are offering ‘first-refusal’ to Edinburgh, rather than inviting bids from other potential hosts, given Edinburgh, and Scottish Government’s previous commitment and involvement in ethical finance agenda.

### **Costs and Support**

8. This section has been redacted under s.33: commercial interests.

11. In addition to financial support UKIFC are also requesting:

- Commitments on Ministerial attendance (preferably including First Minister)
- Assistance in Government to Government engagement to secure senior speakers and attendees.
- Minister-hosted reception at Edinburgh Castle
- Ministerial hosting/presence at private dinners, meetings and events.
- [redacted – s.33: commercial interests]

### **Advice**

12. The proposal set out by UKIFC is very ambitious, and goes beyond your request to consider how existing GEF event could grow over time.

13 – Sections 13 – 17 have been redacted under s 30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation.

### **Recommendation**

18. UKIFC have indicated that there are other potential host cities who may be interested in this proposal and that if Scottish Government is unable to offer a commitment, the proposed Festival may be hosted elsewhere. If UKIFC open a formal bid process then at that point we could consider what might constitute an appropriate bid from Scotland and on what terms.

[redacted – s.38 -personal information]

Economic Development Directorate; Innovation, Investments & Industries Division

| Copy List:   | For Action | For Comments | For Information    |                  |                   |
|--|------------|--------------|--------------------|------------------|-------------------|
|  |            |              | Portfolio Interest | Constit Interest | General Awareness |
| Cabinet Secretary for Economy, Job & Fair Work<br>Minister for Business, Innovation & Energy | X          |              | X                  |                  |                   |

Mary McAllan – Director, Economic Development  
 Economic Development Directorate  
 Business Management Unit  
 Richard Rollison – Deputy Director, Innovation, Industries & Investment  
 [redacted – s.38 -personal information]–  
 Financial Services & SME Finance Policy  
 [redacted – s.38 -personal information  
 Financial Services & FinTech Policy  
 [redacted – s.38 -personal information  
 Financial Services & Fintech Policy  
 Stewart Maxwell – Special Adviser

9. **From:** [redacted – s.38 -personal information]  
**Sent:** Friday, February 9, 2018 1:53 PM  
**To:** Omar Shaikh (UKIFC) <[redacted]@ukifc.com> ([redacted]@ukifc.com) <[redacted]@ukifc.com>  
**Cc:** Rollison R (Richard) <Richard.Rollison@gov.scot>; [redacted]<[redacted]@gov.scot>; [redacted]@ukifc.com; Chris Tait ([redacted]@ethicalfinancehub.org) <[redacted]@ethicalfinancehub.org>  
**Subject:** Ethical Finance Festival (Davos Proposal)

Omar

Thank you for your proposal to develop an ethical finance festival event ('Davos' of ethical finance) for Scotland and associated funding request to the Scottish Government [redacted – s.33 commercial interests]. I apologise for the delay in responding.

The Cabinet Secretary is very supportive of the aims of the EFH and is keen to see the GEFH develop and grow. The existing timetable – for events held every two years - fits with that view. 2017's event, building on the inaugural conference in 2015, demonstrated that more can be done in support of the main conference – with reception, ministerial hosted dinner and your own roundtable event being held in parallel - and we would be willing to explore what further activities can be added to this programme. However, we are unable to commit to financial support on the scale and for the time period proposed [redacted: s.33 – commercial interests].

In taking that view we have considered the competing priorities for limited budgets as well as the financial risks and possible, though unproven, benefits. We have also taken advice from tourism policy colleagues who advised that they are unable to provide any financial support [redacted: s.33 – commercial interests].

We would be willing to consider some financial support for a 2018 event on a similar basis to our previous support for GEFH but would have to be clear on the respective roles of SG and UKIFC/Hub (and any other sponsors) and the level of funding required, without commitment to funding in future years. In addition, as we are already providing significant funding to the Hub for an agreed programme of work it will be important to ensure that the proposed event does not detract from that.

I know this will be disappointing to you. Richard and I will of course be happy to discuss.

Regards

[redacted – s.38 -personal information]

[redacted – s.38 -personal information] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry: [redacted] | email: [redacted]@gov.scot

10.

**From:** [redacted][redacted]@gov.scot <[redacted]@gov.scot> **On Behalf Of** Cabinet Secretary for Economy, Jobs and Fair Work  
**Sent:** Thursday, March 1, 2018 10:50 AM  
**To:** Rollison R (Richard) <Richard.Rollison@gov.scot>; Cabinet Secretary for Economy, Jobs and Fair Work <CabSecEJFW@gov.scot>; [redacted][redacted]@gov.scot>  
**Cc:** Minister for Business, Innovation and Energy <Ministerbie@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; Economic Development Business Management Unit <EDBMU@gov.scot>; [redacted][redacted]@gov.scot>; [redacted] <[redacted]@gov.scot>; <redacted [redacted]@gov.scot>; Maxwell S (Stewart) (Special Adviser) <Stewart.Maxwell2@gov.scot>; [redacted] [redacted]@gov.scot>; Tynte-Irvine C (Claire) <Claire.Tynte-irvine@gov.scot>; [redacted] [redacted]@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; [redacted] [redacted]@gov.scot>  
**Subject:** RE: Ethical Finance Festival Proposal and UN faith based Faith based investment unit

Thanks Richard, Mr Brown is content with suggested approach.

[redacted – s.38 -personal information]

[redacted] | Private Secretary to Keith Brown MSP, Cabinet Secretary for Economy, Jobs and Fair Work  
The Scottish Government | Web: www.gov.scot  
Tel: [redacted] | Mob: [redacted] | Email: CabSecEJFW@gov.scot

---

**From:** Rollison R (Richard)

**Sent:** 28 February 2018 21:52

**To:** Cabinet Secretary for Economy, Jobs and Fair Work; [redacted – s.38 -personal information]

**Cc:** Minister for Business, Innovation and Energy; McAllan M (Mary); Economic Development Business Management Unit; McCall I (Ian); [redacted][redacted]Maxwell S (Stewart) (Special Adviser); [redacted] Tynte-Irvine C (Claire); [redacted]Quinlan K (Kevin); [redacted]

**Subject:** RE: Ethical Finance Festival Proposal and UN faith based Faith based investment unit

[redacted – s.38 -personal information]

Further to Mr Brown's response below we have discussed with Omar. He is disappointed that we were unable to provide the level of funding and long term commitment he is looking for at this point but understands our position.

[redacted under s 30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation]

**Grateful if you could confirm Mr Brown is happy with that approach.**

Separately, I attended an Ethical Finance Hub dinner on Monday where I [redacted – s.38 -personal information]. He is leading work for the UN on establishing a Unit to support ethical faith investment by different world religions. Those religions have an investment portfolio of around \$5 trillion and are increasingly focusing their investment not only on what they won't invest in (i.e investment bads) but also on how their investment can deliver economic/social/environmental benefits (i.e investment goods). The Unit, (probably around 2-3 staff) has the support of the UN and the Norwegian Government and there is a possibility that, with SG support, it might locate in Edinburgh with the Ethical Finance Hub which we already support. This would potentially deliver investment benefits but also enhance Scotland's international and inter-faith reputation. **I assume Mr Brown is happy for us to explore this and to come back once we have a better idea of potential costs?**

(Copying in Claire Tynte Irvine, [redacted – s.38 -personal information] and [redacted – s.38 -personal information]re international, equalities and SNIB connections)

Richard Rollison  
Deputy Director  
Innovation, Industries and Investment Division  
Directorate for Economic Developemnt  
Scottish Government

T: [redacted: s.38 - personal information]

M: [redacted: s.38 - personal information]

---

**From:** [redacted – s.38 -personal information] **On Behalf Of** Cabinet Secretary for Economy, Jobs and Fair Work  
**Sent:** 31 January 2018 14:30  
**To:** [redacted] Cabinet Secretary for Economy, Jobs and Fair Work  
**Cc:** Minister for Business, Innovation and Energy; McAllan M (Mary); Economic Development Business Management Unit; Rollison R (Richard); [redacted]; [redacted]; Maxwell S (Stewart) (Special Adviser)  
**Subject:** RE: Ethical Finance Festival Proposal

[redacted – s.38 -personal information]

Mr Brown has read the submission and is partially content with the recommendation.

His main comments are as follows:

- His view is that we should mention the tight timescale involved in making such an event a success in September this year so he would not be keen on supporting a full bid.
- He would however suggest we look at some sort of interim arrangement for this year if that is feasible. Have there been thought on asking the council to help fund the event or could the SG offer some support but not in full?
- An interim arrangement this year could pave a way for future years.

Hopefully this makes sense but please let me know if you have any further question.

Regards,

[redacted – s.38 -personal information]

[redacted – s.38 -personal information]  
Deputy Private Secretary  
Cabinet Secretary for Economy, Jobs and Fair Work  
The Scottish Government,  
Edinburgh  
Web: [www.gov.scot](http://www.gov.scot)  
Phone: [redacted]  
Email: [CabSecEJFW@gov.scot](mailto:CabSecEJFW@gov.scot)

---

**From:** [redacted]  
**Sent:** 26 January 2018 17:14  
**To:** Cabinet Secretary for Economy, Jobs and Fair Work  
**Cc:** Minister for Business, Innovation and Energy; McAllan M (Mary); Economic Development Business Management Unit; Rollison R (Richard); [redacted]; [redacted]; [redacted] (Francis); Maxwell S (Stewart) (Special Adviser)  
**Subject:** Ethical Finance Festival Proposal

PS/Cab Sec

Please see attached short submission on ethical finance for Mr Brown's consideration.

<< File: Ethical Finance Festival Submission.docx >>

The attached PDF should be included with the submission as Annex A.

<< File: Davos - SG Host -FINAL.PDF >>

[redacted – s.38 -personal information]

[redacted] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry: [redacted] | email: [redacted]@gov.scot

11. **From:** [redacted]

**Sent:** Monday, April 9, 2018 11:13 AM

**To:** [redacted] [redacted]@parliament.scot>

**Cc:** [redacted]<[redacted]@gov.scot>; Rollison R (Richard) <Richard.Rollison@gov.scot>

**Subject:** RE: Scottish Government funding

[redacted – s.38 -personal information]

Apologies for the delay in replying to your request for information on Scottish Government's funding of the Ethical Finance Hub. The attached information should address your query, if you need anything further, please let me know

Best regards

[redacted – s.38 -personal information]

[redacted] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry: [redacted] | email: [redacted]@gov.scot

**From:** [redacted – s.38 -personal information] [mailto:[redacted]parliament.scot]

**Sent:** 04 April 2018 14:17

**To:** [redacted]

**Subject:** FW: Scottish Government funding

Sorry I missed your call. I just sent an email to [redacted – s.38 -personal information] with a bit more detail about my enquiry, see below. Is this something you could help with?

Regards,

[redacted – s.38 -personal information]

[redacted – s.38 -personal information]

Enquiries Officer

Rm CG.01

Scottish Parliament Information Centre

Scottish Parliament

Edinburgh

EH99 1SP

Tel: [redacted]

Email: [redacted]@parliament.scot

Calls via RNID Typetalk [redacted – s.38 -personal information]

**From:** [redacted] [mailto:[redacted]@parliament.scot]

**Sent:** 04 April 2018 14:07

**To:** [redacted]

**Subject:** Scottish Government funding

I think I spoke to you earlier and you said you would get someone to phone me back but I thought it might be useful for me to supply some information on what I'm looking for and also provide my email address.

I work in the Scottish Parliament Information Centre (SPICe), We handle enquiries from MSPs and their staff. We have received an enquiry in relation to the Ethical Finance hub. [redacted: s.30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation].

[redacted: s.30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation]

I would appreciate a response by midday on Friday.

Kind regards,

[redacted – s.38 -personal information]

[redacted]

Enquiries Officer

Rm CG.01

Scottish Parliament Information Centre

Scottish Parliament

Edinburgh

EH99 1SP

Tel: [redacted – s.38 -personal information]

Email: [redacted]@parliament.scot

[redacted]

## 12. Background

The Scottish Government awarded grant funding of up to £150,000 to the Scottish Ethical Finance Hub (EFH) in 2017/18 to continue to develop their work to develop the ethical finance sector in Scotland.



The EFH is intended to raise awareness, develop new ethical finance products and services and increase access to finance for individuals and organisations with the overall aim to create a fairer, more inclusive and socially responsible financial system.

The Scottish Government provided £50,000 in grant support to the UK Islamic Finance Council in 2016 to develop a business case for the creation of an Ethical Finance Hub. Additional funding was requested to support the establishment of the Ethical Finance Hub as set out in the business case and to deliver a range of activities including providing a hub for ethical finance activities in Scotland, managing an online portal and facilitating collaboration and research.

**The eligible costs included:**

- Staff costs
- Operational costs
- Associated administration costs – travel, recruitment, legal etc.

**The eligible costs exclude:**

- Any Value Added Tax (VAT) reclaimable by the Grantee
- Rental costs for hub accommodation – as these to be met through third party support.
- The grant cannot be used to fund economic activity – e.g. consultancy activity carried out on behalf of, and paid for, by a third party.

13. **From:** Chris Tait <[redacted – s.38 -personal information]@ethicalfinancehub.org>

**Sent:** Friday, February 23, 2018 3:10 PM

**To:** [redacted][redacted]@gov.scot>

**Cc:** Rollison R (Richard) <Richard.Rollison@gov.scot>; [redacted]@ethicalfinancehub.org

**Subject:** EFH Grant Funding Request

Hi [redacted – s.38 -personal information]

Hope you are well and have had a good week.

Further to recent conversations we have produced the attached in support of our grant application for 2018/19. We trust this is in line with your expectations and if not, or you require further information, please let me know.

I note that you will be with us for the EFRT on Monday and Richard will be joining us for dinner in the evening so happy to pick up in person on Monday if required.

Best regards,

Chris

**Chris Tait** | Project Manager

M: [redacted – s.38 -personal information]

[www.ethicalfinancehub.org](http://www.ethicalfinancehub.org)

\*\*\*\*\* Registered in: Scotland  
Registration No. SC534526  
Registered Office: Department of  
Accountancy, Economics & Finance, School of  
Management and Languages  
Heriot-Watt University, Riccarton, Edinburgh, EH14  
4AS

**12. From:** Chris Tait <[redacted – s.38 -personal information]@ethicalfinancehub.org>  
**Sent:** Wednesday, May 16, 2018 11:58 AM  
**To:** [redacted][redacted]@gov.scot>  
**Cc:** [redacted]@ukifc.com  
**Subject:** RE: EFH Funding

Morning [redacted – s.38 -personal information]

Hope you are well.

Please see attached in relation to your email below.

We are now settled in our new office at Edinburgh Business School but it would be helpful to remove the accommodation clause should our position change.

Best regards,

Chris

**From:** [redacted – s.38 -personal information]@gov.scot [redacted]@gov.scot>  
**Sent:** 30 April 2018 11:39  
**To:** [redacted]@ethicalfinancehub.org  
**Subject:** RE: EFH Funding

Chris

Apologies, I've been out of the office.

To complete our records for the 2017/18 financial year can you arrange for the attached Schedule 3 form to be completed (as set out in the offer of grant).

For the 2018/19 financial year can you send me:

- An estimated breakdown of costs for the 2018/19 period (monthly), with categories e.g. staff, travel, admin, accommodation etc
- Statement of accounts for 2017/18 – income (from all sources) and outgoings.
- Predicted income (all sources) for 2018/19 e.g. training provision, consultancy, external sponsorship, SG funding etc.
- Estimate of cashflow, income over next financial years indicating when/how Hub expects to become self-sustaining

And can you update me on the accommodation situation for the hub? In previous year, we excluded accommodation costs from eligible grant as we understood these were being met by third party, but I understand that there may be a change in arrangements for this/future financial years?

Best regards

[redacted – s.38 -personal information]

[redacted] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry [redacted] | email: [redacted]@gov.scot

**From:** Chris Tait [mailto:[redacted – s.38 -personal information]@ethicalfinancehub.org]

**Sent:** 26 April 2018 11:58

**To:** [redacted]

**Subject:** EFH Funding

Hi [redacted – s.38 -personal information]

Just checking in as I have not received the email you mentioned relating to the additional information you require for the EFH's 2018/19 grant.

Best regards,

Chris

**Chris Tait** | Project Manager

M: [redacted – s.38 -personal information]

www.ethicalfinancehub.org

#### 14. Directors' Report and

#### Unaudited Financial Statements for the Period 4 May 2016 to 31 March 2017

for

#### Ethical Finance Hub Limited

#### Contents of the Financial Statements for the period 4 May 2016 to 31 March 2017

[redacted] The remainder of the document has been redacted under Section 33: Commercial Interests.

#### NOTE

In line with Section 4 (Inspection and Information) of the "Offer of Grant for Ethical Finance Hub Ltd" sent by Richard Rollison on 4<sup>th</sup> May 2017 the EFH team has kept Scottish Government fully informed in terms of the progress of the project. In lieu of submitting a final report the EFH team has summarised the outcomes and performance of the project.

15. **From:** [redacted – s.38 -personal information]> [redacted]@gov.scot> **On Behalf Of** Cabinet Secretary for Finance and the Constitution  
**Sent:** Wednesday, May 9, 2018 5:37 PM  
**To:** Rollison R (Richard) <Richard.Rollison@gov.scot>; Cabinet Secretary for Economy, Jobs and Fair Work <CabSecEJFW@gov.scot>; [redacted] [redacted]@gov.scot>  
**Cc:** Minister for Business, Innovation and Energy <Ministerbie@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; Economic Development Business Management Unit <EDBMU@gov.scot>; [redacted] [redacted] @gov.scot>; [redacted] [redacted] @gov.scot>; [redacted] [redacted] @gov.scot>; Maxwell S (Stewart) (Special Adviser) <Stewart.Maxwell2@gov.scot>; [redacted] [redacted] @gov.scot>; Tynte-Irvine C (Claire) <Claire.Tynte-irvine@gov.scot>; [redacted] [redacted] @gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; [redacted] [redacted] @gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Cabinet Secretary for Finance, Economy and Fair Work <CabSecFEFW@gov.scot>; [redacted] [redacted] @gov.scot>; Dornan B (Brian) <Brian.Dornan@gov.scot>  
**Subject:** RE: Ethical Finance Festival Proposal and UN faith based Faith based investment unit

Richard

The Cabinet Secretary has noted.

Thanks

[redacted – s.38 -personal information]

**Private Secretary to Derek Mackay MSP, Cabinet Secretary for Finance and the Constitution  
The Scottish Government**

St Andrew's House | Regent Road | Edinburgh | EH1 3DG | **T:** [redacted] | **M:** [redacted]

---

**From:** Rollison R (Richard)

**Sent:** 08 May 2018 20:50

**To:** Cabinet Secretary for Economy, Jobs and Fair Work; [redacted – s.38 -personal information]

**Cc:** Minister for Business, Innovation and Energy; McAllan M (Mary); Economic Development Business Management Unit; [redacted] [redacted] [redacted] Maxwell S (Stewart) (Special Adviser); [redacted]; Tynte-Irvine C (Claire); [redacted] Quinlan K (Kevin); [redacted] McCaig C (Callum); Cabinet Secretary for Finance and the Constitution; [redacted] Dornan B (Brian)

**Subject:** RE: Ethical Finance Festival Proposal and UN faith based Faith based investment unit

[redacted – s.38 -personal information]

A quick follow up to my e-mail below re work to with the Ethical Finance Hub (EFH) to potentially attract a UN Development Programme (UNDP) supported Unit focused on ethical faith investment to Edinburgh.

Myself and [redacted – s.38 -personal information] of International Development met [redacted – s.38 -personal information], who has been leading work on the Unit, and Omar Shaik and Chris Tait of the EFH again on 30 April. They updated us on the proposal, now operating under the label of the Faith Consistent Investment Alliance (FCIA), following their meeting with the UNDP in New York the previous week. As a result of that, a proposal is taking shape which would involve a research unit at Princeton University and a faith based investment, not-for-profit 'brokerage' service in Edinburgh. This service, housed within the

existing Ethical Finance Hub at Herriot Watt Business School, would essentially match faith based investment funds with other investment funds and investment propositions and provide a focal point for faith based and 'normal' investors to connect. Over time, this could deliver the following high-level benefits for Scotland:

- Bringing faith based investment to Scottish investment houses
- Providing a new and additional point of difference between Edinburgh's financial services sector and its competitors
- Potentially bring new investment to Scotland
- Reputational benefits for Edinburgh and Scotland in terms of attracting a UNDP sponsored Unit and a potential 'market leader' for wider work being developed through Scotland House London on attracting international not for profits to Scotland
- Strengthening our approach to One Scotland in terms of Scotland valuing and appreciating diverse faith communities

We are expecting a worked up proposal from the NCIA by mid-June and anticipate a funding ask of approx. £100k per annum which would be matched by the UNDP. It is likely that funding would be required for 3-5 years though the intention is that the NCIA would become self-financing during that time.

We'll update you further when we receive the worked up proposal but in the meantime any initial feedback would be help us set expectations with NCIA and the EFH.

I trust this is helpful

Richard

[redacted – s.38 -personal information]

Richard Rollison  
Deputy Director  
Innovation, Industries and Investment Division  
Directorate for Economic Developemnt  
Scottish Government

T: [redacted: s.38 - personal information]

M: [redacted: s.38 - personal information]

---

**From:** [redacted – s.38 -personal information] **On Behalf Of** Cabinet Secretary for Economy, Jobs and Fair Work

**Sent:** 31 January 2018 14:30

**To:** [redacted] Cabinet Secretary for Economy, Jobs and Fair Work

**Cc:** Minister for Business, Innovation and Energy; McAllan M (Mary); Economic Development Business Management Unit; Rollison R (Richard); [redacted] [redacted] [redacted] Maxwell S (Stewart) (Special Adviser)

**Subject:** RE: Ethical Finance Festival Proposal

[redacted – s.38 -personal information]

Mr Brown has read the submission and is partially content with the recommendation.

His main comments are as follows:

- His view is that we should mention the tight timescale involved in making such an event a success in September this year so he would not be keen on supporting a full bid.
- He would however suggest we look at some sort of interim arrangement for this year if that is feasible. Have there been thought on asking the council to help fund the event or could the SG offer some support but not in full?
- An interim arrangement this year could pave a way for future years.

Hopefully this makes sense but please let me know if you have any further question.

Regards,

[redacted – s.38 -personal information]

[redacted – s.38 -personal information]

Deputy Private Secretary

Cabinet Secretary for Economy, Jobs and Fair Work

The Scottish Government,

Edinburgh

Web: [www.gov.scot](http://www.gov.scot)

Phone: [redacted]

Email: [CabSecEJFW@gov.scot](mailto:CabSecEJFW@gov.scot)

---

**From:** [redacted – s.38 -personal information]

**Sent:** 26 January 2018 17:14

**To:** Cabinet Secretary for Economy, Jobs and Fair Work

**Cc:** Minister for Business, Innovation and Energy; McAllan M (Mary); Economic Development Business Management Unit; Rollison R (Richard); [redacted] [redacted] [redacted] Maxwell S (Stewart) (Special Adviser)

**Subject:** Ethical Finance Festival Proposal

PS/Cab Sec

Please see attached short submission on ethical finance for Mr Brown's consideration.

<< File: Ethical Finance Festival Submission.docx >>

The attached PDF should be included with the submission as Annex A.

<< File: Davos - SG Host -FINAL.PDF >>

[redacted – s.38 -personal information]

[redacted] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry: [redacted] | email: [redacted] @gov.scot

16. **From:** [redacted – s.38 -personal information]

**Sent:** Friday, August 3, 2018 3:47 PM

**To:** Cabinet Secretary for Finance, Economy and Fair Work <CabSecFEFW@gov.scot>

**Cc:** Minister for Trade, Investment and Innovation <MinisterTII@gov.scot>; Rollison R (Richard) <Richard.Rollison@gov.scot>; [redacted] <[redacted] @gov.scot>; [redacted] <[redacted] @gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>

**Subject:** Briefing for Cab Sec meeting with Ethical Finance Hub 7 August

PS/Cab Sec,

Please see attached light briefing for next week's meeting with Omar Shaikh and Chris Tait of the Ethical Finance Hub.

Best regards

[redacted – s.38 -personal information]

[redacted] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry: [redacted] | email: [redacted] @gov.scot

#### 17. MINISTERIAL ENGAGEMENT BRIEFING: DEREK MACKAY

|   |  |   |  |
|---|--|---|--|
| <b>Engagement title</b>                                     |  | Meeting with Scottish Ethical Finance Hub   |  |
| <b>Engagement timings</b>                                   |  | 7 August 2018 14:00-14:45   |  |
| <b>Organisation</b>   |  | Scottish Ethical Finance Hub  |  |
| <b>Venue and full address</b>                               |  | Atlantic Quay   | Minister's office, 7 <sup>th</sup> Floor |
| <b>Background/Purpose</b><br>(including invitation history) |  | Part of meeting series to engage with stakeholders across financial services policy area.   |  |
| <b>Relevance to core script</b>                             |  | It is essential that we seek out new opportunities to diversify our financial services industry, so that the industry can continue to prosper and grow.   |  |
| <b>Meeting attendees</b>                                    |  | <b>Omar Shaikh, Islamic Finance Council and Scottish Ethical Finance Hub</b><br><br>Omar is a Chartered Accountant by profession and specialises in Islamic finance and private equity. He is an Executive Board Member of the Islamic Finance Council UK (IFC) and leads the |  |

|  |  |   |
|--|--|---|
|  |  | <p>organisation's activities in the arena of government policy advisory. He has advised multiple governments on their capital markets, banking, pension and takaful regulation. Omar has been actively involved in the UK Government's development of Islamic finance through CityUK, UKTI and HM Treasury Committees. He has lectured at multiple global conferences and universities and is involved in development initiatives relating to Waqf, shariah governance and Islamic microfinance.</p> <p><b>Chris Tait, Islamic Finance Council and Scottish Ethical Finance Hub</b></p> <p>Chris is an experienced Chartered Institute of Marketing and PRINCE 2 qualified marketing, business development and project manager. Specialising in B2B marketing Chris has occupied roles, across the UK, within the construction, facilities management, education, professional and financial services sectors. During his time at a Scottish law firm Chris developed an interest and expertise in ethical finance and he has since helped to grow the Ethical Finance Round Table series into winners of the prestigious EFICA Awards.</p> |
| <b>Supplementary information</b>                                 |  | You have agreed to host a reception as part of the Scottish Government sponsored Ethical Finance Festival in October 2018.  |
| <b>Twitter handles of main representatives and organisations</b> |  | Ethical Finance Hub: @EF_Hub<br>Islamic Finance Council: @uk_ifc  |
| <b>Official support:</b>   |  | [redacted – s.38 -personal information]<br>Financial Services & Fintech Policy<br>[redacted – s.38 -personal information]<br>Richard Rollison, Deputy Director,<br>Innovation, Investment & Industries  |

## **ETHICAL FINANCE**

The term 'ethical finance' has no single definition, it can include activity from a range of sectors including retail banking (through credit unions and savings banks), investment management or social investment.

### **Top lines on ethical finance**



- Despite the challenges which continue to exist within the financial services sector in Scotland, the industry remains in a strong position and it is crucial that we continue to maintain its proud legacy and reputation.
- It is essential that we seek out new opportunities to diversify our financial services industry, so that the industry can continue to prosper and grow.
- Providers of ethical finance have the potential to position themselves as a viable alternative to mainstream institutions within the financial services sector in Scotland which will inevitably benefit consumers and the industry itself as increased competition drives up standards and promotes innovation.

### **Scottish Ethical Finance Hub (SEFH)**

Following on from an ethical finance roundtable event in February 2015, hosted by John Swinney, a steering group was established in April 2014 to develop the idea of a Scottish Ethical Finance Hub (SEFH). The SEFH is intended to address the challenges faced in the ethical finance sector including:

- lack of experience and knowledge about ethical finance,
- potential to develop more available and accessible products and
- the lack of market awareness regarding ethical finance.

The Steering Group was chaired by Graham Burnside of Shepherd and Wedderburn LLP, with membership including representatives from Scottish Government, the Islamic Finance Council UK, Heriot Watt University/Church of Scotland, Standard Life, Edinburgh Business Forum and Ethical Futures, all of whom have provided support and advice as the hub project has developed.

SG has provided funding to support establishment of the hub, with the intention that the Hub will become self-funding through its research, events and training activities.

- 2015/16 - £50,000
- 2017/18 - £150,000
- 2018/19 - £120,000

A further request for funding is expected for financial year 2019/20.

The Hub is now established at Heriot-Watt University in Edinburgh.

### **Ethical Finance Festival**

The Islamic Finance Council (IFC) have supported two international conferences on ethical finance in Edinburgh in 2015 and 2017. Mr MacKay hosted a dinner for a group of conference speakers and attendees.

With the support of Mr Brown, IFC and the Ethical Finance Hub are developing an expanded festival-style programme, with the first event Edinburgh Ethical Finance Festival due to take place in October 2018, supported by Scottish Government (£40k sponsorship). IFC are keen to see this event grow into an annual programme of world-class events on ethical finance.

Mr MacKay will host a reception at Edinburgh Castle for conference delegates and speakers.

This year's conference programme will include keynote speakers on topics including: the opportunity for the financial services industry in the face of its ethical challenges; making ethical investment more accessible; Islamic finance and its approach in regulating ethically focused banking; and lessons for responsible finance.

## **Joint Venture – Islamic Finance Council and Church of Scotland – ‘The Edinburgh Declaration’**

In 2016, the IFC and Church of Scotland launched a partnership with the aim of creating a new financial model available to everyone regardless of religious or ethnic background and drawing on the shared values of the two faith traditions.

A working group was established and held a series of workshops to develop a shared values framework, to support development of ethical financial solutions open to those of all faiths and none. IFC intend to formally launch the framework as ‘The Edinburgh Declaration’ during the Ethical Finance Festival in October.

## **Edinburgh Ethical Finance Roundtable Series**

The IFC and the Ethical Finance Hub organise a regular series of well-attended, award-winning, roundtable events with participation from academics, banks, asset managers, government and third sector groups. These have attracted international speakers and are well-regarded in the sector.

## **United Nations Development Programme (UNDP)**

The Ethical Finance Hub is working with the UNDP and the Alliance of Religions and Conservation (ARC) to explore the possibility of establishing an ethical investment centre in Edinburgh. SG officials are involved in discussions on this proposal which includes a research unit based at Princeton University and a faith-based ‘brokerage’ service located in Edinburgh at the EFH base at Heriot-Watt University. The service would connect faith-based and mainstream investors to support development projects. Anticipated benefits:

- Bringing faith-based investment to Scottish investment houses
- Providing a new and additional point of difference between Edinburgh’s financial services sector and its competitors
- Potentially bring new investment to Scotland
- Reputational benefits for Edinburgh and Scotland in terms of attracting a UNDP sponsored Unit and a potential ‘market leader’ for wider work being developed through Scotland House London on attracting international not-for-profits to Scotland
- Strengthening our approach to One Scotland in terms of Scotland valuing and appreciating diverse faith communities

A full proposal will be prepared for Ministerial approval as discussions progress. Anticipated funding request is for £100k per annum over 3-5 years, match-funded by the UNDP with the centre becoming self-financing through its activities.

As part of the Ethical Finance Festival in October the Scottish Government and IFC will host a roundtable discussion on the UN Sustainable Development Goals and the role of blended capital, with Mr Macpherson hosting for SG.

[redacted – s.38 -personal information] **Financial Services &SME Finance Policy August 2018**

18. **From:** [redacted – s.38 -personal information]

**Sent:** Thursday, October 4, 2018 12:56 PM

**To:** Cabinet Secretary for Finance, Economy and Fair Work <CabSecFEFW@gov.scot>

**Cc:** Cabinet Secretary for Culture, Tourism and External Affairs <CabSecCTEA@gov.scot>; Minister for Public Finance and Digital Economy <MinisterPFDE@gov.scot>; Minister for Trade, Investment and Innovation <MinisterTII@gov.scot>; Minister for Europe, Migration and International Development <MinisterEMID@gov.scot>; DG Economy <DGEconomy@gov.scot>; Rollison R (Richard) <Richard.Rollison@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; McCaig C (Callum)

<Callum.Mccaig@gov.scot>; Maxwell S (Stewart) (Special Adviser) <Stewart.Maxwell2@gov.scot>; [redacted] <[redacted]@gov.scot>; [redacted] [redacted] @gov.scot>; [redacted] <[redacted]@gov.scot>; Watt K (Karen) (Director for External Affairs) <Karen.Watt@gov.scot>; [redacted] <[redacted]@gov.scot>; Dornan B (Brian) <Brian.Dornan@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; Pathirana S (Stephen) (Dr) <Stephen.Pathirana@gov.scot>; [redacted] [redacted] @gov.scot>; Halliday R (Roger) <Roger.Halliday@gov.scot>; Economic Development Business Management Unit <EDBMU@gov.scot>; [redacted] <[redacted]@gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>

**Subject:** Submission: Funding For Ethical Finance Hub and Collaboration with United Nations Development Programme of Ethical Finance

PS/Cab Sec

Please see attached submission on funding for the Ethical Finance Hub and for a collaboration programme in partnership with the United Nations Development Programme (UNDP). [redacted – s.30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation].

[redacted – s.38 -personal information]

Financial Services & Fintech Policy

Submission:

Supporting documents:

UNDP collaboration business plan

[redacted - s.33 – commercial interests]

Ethical Finance Hub and Festival Business Plan

[redacted - s.33 – commercial interests]

Ethical Finance Festival Main Conference Agenda

[redacted – s.38 -personal information]

[redacted] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry: [redacted] | email: [redacted]@gov.scot

19. From: [redacted – s.38 -personal information]

Economic Development: III

4 October 2018

Cabinet Secretary for Finance, Economy and Fair Work

# COLLABORATION AGREEMENT BETWEEN SCOTTISH GOVERNMENT AND THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) ON ETHICAL FINANCE AND SUPPORT FOR THE ETHICAL FINANCE HUB (EFH)

## Purpose

1. To seek approval to proceed with a collaboration agreement on ethical finance between the Scottish Government and the United Nations Development Programme (UNDP), and to commit funding of up to £400k across financial years 2018/19 and 2019/20 in support of this programme; and
2. [redacted –s.30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation].

## Priority

3. **Immediate:** If collaboration and funding can be agreed, the collaboration agreement could be announced jointly with the UNDP, possibly with [redacted – s.38 -personal information] Administrator of the United Nations Development Programme, at the Ethical Finance Festival being held in Edinburgh on 22-24 October 2018. You are hosting a reception at Edinburgh Castle on the 22 October which would provide a suitable platform for the announcement.

## Background

4. Over the last six months officials have been engaging with the UNDP to explore the possibility of establishing a small UNDP team in Edinburgh who would be focused on leveraging private investment, including faith-based finance, to back global sustainable development projects in support of the UN Sustainable Development Goals (SDGs). The UNDP invited officials to UN HQ in New York to discuss these proposals in September, and a project business plan has been prepared (attached separately).

At your meeting with Omar Shaikh and Chris Tait of the EFH on 7 August 2018, alongside the Minister for Trade, Investment & Innovation, the EFH team set out the achievements of the Hub to date and their ambition to develop the Hub and the Ethical Finance Festival, building on their established profile and reputation.

5. The UNDP has recognised the Scottish Government's commitment to sustainable and inclusive growth and our support for the SDGs, not least through their integration in to the National Performance Framework. The UNDP considers Edinburgh to be an ideal location for this project due to our strong financial sector, particularly in the field of asset management and pensions & long-term savings, and the recognised reputation and expertise of the Scottish Government supported Ethical Finance Hub (EFH).

## The Project

6. Through its global development work the UNDP has identified multiple SME-scale projects and enterprises working to deliver the SDGs in developing countries, and is seeking private sector investment, with an initial focus on faith-based investment to support these schemes and move them from aid or charity dependence to a sustainable business model.

7. While private sector finance sources are increasingly looking to make more sustainable investment choices there is a mismatch between the high level of finance available and the number and quality of existing investable propositions at the right scale.

8. This project is intended to bridge the gap and develop a financial model that will allow projects to be packaged or combined into an investable proposition, using the financial expertise of Scotland's financial services community, and attract private sector investment.

9. The project will have four distinct workstreams:

- Identifying a pipeline of investable SME led projects.
- Filtering, due diligence and assessment of project viability.
- Capacity building – to ensure future pipeline of projects SMEs will be supported to develop entrepreneurial skills, and become 'investor ready' with tailored online learning and support from Edinburgh Business School.
- Developing innovative financial structures and delivery vehicles to deliver capital to the initial pipeline of projects.

10. The two year programme will act as a proof-of-concept to demonstrate the viability of investment and to shift focus of the role that financial institutions can play in delivering the SDGs while generating a financial return

## **Location**

11. The programme office will be located in Edinburgh with three new members of staff including two financial services professionals with expertise in fund management and a programme co-ordinator.

## **Funding**

12. Scottish Government would commit [redacted –s.30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation]. over the two years 2018-20 matched by the UNDP to fund collaborative activity. Scottish Government support would be delivered through the Edinburgh based Ethical Finance Hub, working in partnership with private sector fund managers.

13. Additional funding has been secured from

[redacted - s.33 - commercial interests] operating through [redacted - s.33 - commercial interests]. [redacted - s.33 - commercial interests] has agreed to commit £200,000 in working capital supported by a technical assistance grant of £1-2 million. [redacted –s.30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation].

## **Ethical Finance Hub Programme**

14. This project forms part of a wider programme of activity undertaken by the Edinburgh-based Ethical Finance Hub (EFH).

15. The Scottish Government has supported the establishment and activities of the EFH, with an agreed commitment for funding of up to £120k in financial year 2018/19. In addition, the Scottish Government is a key sponsor of the Ethical Finance Festival, [redacted - s.33 - commercial interests] Funding for the EFH and festival activity has previously been provided on a one-year basis. [redacted - s.33 - commercial interests]

16. To enable the EFH and the Ethical Finance Festival to become fully established and achieve a global profile and reputation, and ultimately become self-sustaining, a three year programme has been proposed to provide a degree of certainty to the Hub's future and allow a more ambitious programme of activities and events to be developed. (Business plan attached separately).

17. The EFH has submitted a formal three year business plan for the Hub and festival programme [redacted - s.33 - commercial interests] EFH are requesting Scottish Government support for that business plan [redacted - s.33 - commercial interests].

18. Sections 18 – 20 have been redacted under Section 33 - commercial interests and the economy].

## **Alignment with Programme for Government**

21. In the Programme for Government we committed to support innovation in the financial sector. This project will allow development of a proof of concept funding model for international development projects and open up potential new investment markets for private sector investment funds, in Scotland and globally.

22. Scottish Government participation in the UNDP collaboration programme will provide increased global visibility of our commitment to the SDGs, sustainable and inclusive economic growth and innovative approaches to investment and ethical finance. It is in line with our International Framework commitment to be a good global citizen.

23. The UNDP partnership opportunity has arisen as a result of our support for the Ethical Finance Hub. Continued Scottish Government support for the Ethical Finance Hub and Ethical Finance Festival programme will allow the EFH to maintain its international profile and attract further innovative projects and partnerships to Scotland.

24. In addition the EFH will continue its programme of activity to raise the profile of ethical finance within Scotland and globally. The Ethical Finance Festival and related events have been successful in attracting a global audience, with particular interest from international investors and sovereign wealth funds.

25. The 2017 event attracted over 300 participants with more than 30 countries represented. This year's Festival is expected to attract delegates and speakers from both the domestic and international financial sectors, with groups represented from RBS (a key event sponsor) to the Saudi Development Fund. A copy of the draft programme is attached separately).

26. Securing this event and associated activity in Edinburgh presents an opportunity for the Scottish Government to raise Scotland's and especially Edinburgh international profile and reputation as an innovative and forward thinking financial centre and to build relationships with and present investment opportunities to a significant group of potential investors.

27. Attracting the UNDP ethical finance programme to Edinburgh builds on the work being led by Scotland House London to attract international institutions and research and innovation organisations such as Nesta and the Big Innovation Centre to Scotland, such as the £1.5 million investment to support the establishment of the UNICEF Data for Children Hub in Edinburgh. Whilst the job numbers associated with these 'inward investments' are relatively small they can play an important role in raising Scotland's international profile and reputation, in enhancing our international networks and help broaden and deepen Scotland's policy, research and innovation infrastructure.

## SG Budget

### *UNDP Collaboration*

Sections 28 – 30 have been redacted under s 30 (b)(i) and 30 (b)(ii) - Free and frank exchange of views for the purposes of deliberation.

## Recommendation

31. That you agree to a collaboration between the Scottish Government and the UNDP to develop financial solutions to support the delivery of the UN SDGs and commit match funding of up to £400k across financial years 2018/19 and 2019/20 to this.

32. That you agree, in principle, to support future funding of the Ethical Finance Hub and Ethical Finance Festival programme subject to further consideration and due diligence of the Business Plan and budget availability.

[redacted – s.38 -personal information]

Economic Development: Innovation, Investment & Industries

[redacted – s.38 -personal information]

4 October 2018

| Copy List:   | For Action | For Comments | For Information    |                  |                   |
|--|------------|--------------|--------------------|------------------|-------------------|
|  |            |              | Portfolio Interest | Constit Interest | General Awareness |
| Cabinet Secretary<br>Finance, Economy &<br>Fair Work | X          |              | X                  |                  |                   |

|  |  |  |   |  |  |
|--|--|--|---|--|--|
| Cabinet Secretary for Culture, Tourism & External Affairs  |  |  | X |  |  |
| Minister for Public Finance & Digital Economy              |  |  | X |  |  |
| Minister for Trade, Investment & Innovation                |  |  | X |  |  |
| Minister for Europe, Migration & International Development |  |  |   |  |  |

DG Economy  
Richard Rollison  
Mary McAllan  
Callum McCaig  
Stuart Maxwell  
[redacted – s.38 -personal information]  
[redacted – s.38 -personal information]  
[redacted – s.38 -personal information]  
Karen Watt  
[redacted – s.38 -personal information]  
Brian Dornan, Scotland House London  
Kevin Quinlan  
Stephen Pathirana, DITI  
[redacted – s.38 -personal information]  
Roger Halliday  
Economic Development Business Management Unit  
[redacted – s.38 -personal information]  
Comms Economy

20. **From:** [redacted – s.38 -personal information]@ethicalfinancehub.org  
<[redacted]@ethicalfinancehub.org>  
**Sent:** Monday, February 4, 2019 5:46 PM  
**To:** [redacted] [redacted]@gov.scot>  
**Cc:** 'Omar Shaikh (EFH)' <[redacted]@ethicalfinancehub.org>  
**Subject:** Invoice - UNDP 2 Year Programme of Collaboration

Afternoon [redacted – s.38 -personal information]



We have just finished a call with UNDP / [redacted - s.33 - commercial interests] within which [redacted - s.33 - commercial interests] advised that their funding is now in and they are pressing ahead.

With activity now ramping up across the workstreams we would be grateful if you can, as a matter of urgency, process the attached invoice per the spend profile (also attached) that we shared early December.

Grateful if you can provide an indicative timeline as we need to start planning accordingly.

FYI – the event I mentioned last week has been pencilled in for 20/21 May 2019.

Best regards,

Chris

**Chris Tait** | Project Manager

M: [redacted – s.38 -personal information]

[www.ethicalfinancehub.org](http://www.ethicalfinancehub.org)

Edinburgh Business School, Heriot-Watt University, Riccarton, Edinburgh, EH14 4AS

Omar Shaikh  
Ethical Finance Hub  
Edinburgh Business School  
Heriot-Watt University, Riccarton  
Edinburgh  
EH14 4AS

## INVOICE

Invoice number: EFH\_UNDP\_001

Date: 4<sup>th</sup> February 2019

[redacted – s.38 -personal information]  
Head of Financial Services and Fintech Policy  
The Scottish Government  
Atlantic Quay  
150 Broomielaw  
Glasgow  
G2 8LU

| Description | Total (£GBP) |
|-------------|--------------|
|-------------|--------------|

|  |          |
|--|----------|
| <input type="checkbox"/> UNDP 2 Year Programme of Collaboration<br><br>Phase one draw down detailed in “UNDP- Spend Profile to FY 31 March 2019 – SG” shared on 7 <sup>th</sup> December 2018. | £221,000 |
| Total Payable (£GBP)   | £221,000 |

**DUE FOR PAYMENT IMMEDIATELY TO ALLOW PROJECT MOBILISATION TO COMMENCE IN LINE WITH AGREED PLANS.**

Payment method:

By bank transfer to:

[redacted – s.38 -personal information]

Queries on Invoice:

If you have any queries, please contact [\[redacted\]@ethicalfinancehub.org](mailto:[redacted]@ethicalfinancehub.org)

Private & Confidential

Ethical Finance Hub is a not-for-profit organisation registered as a company limited by guarantee registered in Scotland (number SC534526) and having its registered office at School of Social Sciences, Heriot-Watt University, Riccarton, Edinburgh, EH14 4AS

21. **From:** [redacted – s.38 -personal information][redacted] **On Behalf Of** Cabinet Secretary for Finance, Economy and Fair Work  
**Sent:** 11 October 2018 11:37  
**To:** [redacted] <[redacted]@gov.scot>; Cabinet Secretary for Finance, Economy and Fair Work <CabSecFEFW@gov.scot>  
**Cc:** Cabinet Secretary for Culture, Tourism and External Affairs <CabSecCTEA@gov.scot>; Minister for Public Finance and Digital Economy <MinisterPFDE@gov.scot>; Minister for Trade, Investment and Innovation <MinisterTII@gov.scot>; Minister for Europe, Migration and International Development <MinisterEMID@gov.scot>; DG Economy <DGEconomy@gov.scot>; Rollison R (Richard) <Richard.Rollison@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Maxwell S (Stewart) (Special Adviser) <Stewart.Maxwell2@gov.scot>; [redacted] [redacted] @gov.scot>; [redacted] [redacted] @gov.scot>; [redacted] <[redacted]@gov.scot>; Watt K (Karen) (Director for External Affairs) <Karen.Watt@gov.scot>; [redacted] <[redacted]@gov.scot>; Dornan B (Brian) <Brian.Dornan@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; Pathirana S (Stephen) (Dr) <Stephen.Pathirana@gov.scot>; [redacted] [redacted] @gov.scot>; Halliday R (Roger) <Roger.Halliday@gov.scot>; Economic Development Business Management Unit <EDBMU@gov.scot>; [redacted] [redacted] @gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>  
**Subject:** RE: Submission: Funding For Ethical Finance Hub and Collaboration with United Nations Development Programme of Ethical Finance

[redacted – s.38 -personal information]

Cab Sec is content to clear the funding as set out and the principle of future funding.

Thanks

[redacted – s.38 -personal information]

**Private Secretary to Derek Mackay MSP, Cabinet Secretary for Finance, Economy and Fair Work**

**The Scottish Government**

St Andrew's House | Regent Road | Edinburgh | EH1 3DG | **T:** [redacted] | **M:** [redacted]

---

**From:** [redacted – s.38 -personal information]

**Sent:** 04 October 2018 12:56

**To:** Cabinet Secretary for Finance, Economy and Fair Work <CabSecFEFW@gov.scot>

**Cc:** Cabinet Secretary for Culture, Tourism and External Affairs <CabSecCTEA@gov.scot>; Minister for Public Finance and Digital Economy <MinisterPFDE@gov.scot>; Minister for Trade, Investment and Innovation <MinisterTII@gov.scot>; Minister for Europe, Migration and International Development <MinisterEMID@gov.scot>; DG Economy <DGEconomy@gov.scot>; Rollison R (Richard) <Richard.Rollison@gov.scot>; McAllan M (Mary) <Mary.McAllan@gov.scot>; McCaig C (Callum) <Callum.Mccaig@gov.scot>; Maxwell S (Stewart) (Special Adviser) <Stewart.Maxwell2@gov.scot>; [redacted] @gov.scot>; [redacted] [redacted] @gov.scot>; [redacted] [redacted] @gov.scot>; Watt K (Karen) (Director for External Affairs) <Karen.Watt@gov.scot> [redacted] [redacted] @gov.scot>; Dornan B (Brian) <Brian.Dornan@gov.scot>; Quinlan K (Kevin) <Kevin.Quinlan@gov.scot>; Pathirana S (Stephen) (Dr) <Stephen.Pathirana@gov.scot>; [redacted] [redacted] @gov.scot>; Halliday R (Roger) <Roger.Halliday@gov.scot>; Economic Development Business Management Unit <EDBMU@gov.scot>; [redacted] [redacted] @gov.scot>; Communications Economy <CommunicationsEconomy@gov.scot>

**Subject:** Submission: Funding For Ethical Finance Hub and Collaboration with United Nations Development Programme of Ethical Finance

PS/Cab Sec

Please see attached submission on funding for the Ethical Finance Hub and for a collaboration programme in partnership with the United Nations Development Programme (UNDP). I have marked as immediate, as the forthcoming Ethical Finance Festival represents a good opportunity for any funding announcement if agreed, and planning for announcement would need to continue across recess.

[redacted – s.38 -personal information]

Financial Services & Fintech Policy

Submission:

<< File: Ethical Finance Funding Submission - October 2018.docx >>

Supporting documents:

UNDP collaboration business plan

[redacted - s.33 - commercial interests]

Ethical Finance Hub and Festival Business Plan

[redacted - s.33 - commercial interests]

Ethical Finance Festival Main Conference Agenda

[redacted - s.33 - commercial interests]

[redacted – s.38 -personal information] | **Team Leader | Financial Services and Fintech Policy** | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel: AQ: [redacted] | Blackberry: [redacted] | email: [redacted] @gov.scot

22.

---

**From:** [redacted – s.38 -personal information]

**Sent:** Wednesday, March 6, 2019 10:57 AM

**To:** Omar Shaikh (UKIFC) <[redacted]@ukifc.com> ([redacted]@ukifc.com) <[redacted]@ukifc.com>

**Cc:** Rollison R (Richard) <Richard.Rollison@gov.scot>

**Subject:** Funding proposal for Global Ethical Finance Initiative

Omar,

Following settlement of Scottish Government and divisional budgets for 2019/20 we are able to offer support for development of the Global Ethical Finance Initiative (GEFI) as set out below.

Funding for GEFI is based on business plan indicating activity and costs over **3 year period**, including funding for establishment of GEFI event programme and support for UNDP project.

- £400k funding for UNDP project has already been agreed and committed, with £221k drawn down in 2018/19 in SG match funding against total project costs, the remainder to be drawn down in 2019/20.

Business plan requests drawdown of £250,00 in year 1 to April 2019 to support GEFI with balance drawn down over two financial years 2019/20 and 2020/21.

- We propose that **£350,000** is now allocated for 2019/19 – period to end March 2019 - to cover incurred expenditure **in this financial year**. We will require claim for payment against **incurred costs** to be made by end March to allow payment in this financial year. A formal grant letter will be prepared and issued today to facilitate this.
- We then propose that a balance of £700k be drawn down over financial years 2019/20 and 2020/21, with £350k allocated in 2019/20.

- Divisional budgets have been confirmed for year 2019/20. Figures indicated for 2020/21 will be subject to budgetary approval, **we are unable to commit to funding for 2020/21 at this point.**

Funding for 2020/21 will be considered based on:

- Assessment of performance of the October 2019 GEFI conference and fringe;
- demonstration of industry/3<sup>rd</sup> party commitment to future funding; and
- identification of viable future income streams for GEFI initiative – moving GEFI to self-supporting status

Discussion on future funding will commence immediately on after the October 2019 conference and fringe to allow early decision on further support.

|  | £000s                       |                    |              |
|--|-----------------------------|--------------------|--------------|
|  | UNDP project<br>(committed) | GEFI<br>(proposed) | total        |
| 2018/19  | 221                         | 350                | 571          |
| 2019/20  | 179                         | 350                | 529          |
| <b>total</b>   | <b>400</b>                  | <b>700</b>         | <b>1,100</b> |
| Future costs.<br>Balance of costs in business plan – indicated for drawdown in 2020/21.<br>Contingent on performance of expanded GEFI event (main event and festival in October 2019), and further development of independent funding streams. |                             |                    |              |
| <i>2020/21</i>   | <i>0</i>                    | <i>350</i>         | <i>350</i>   |
| <i>Not committed</i>   |                             |                    |              |
|  | 400                         | 1,050              | <b>1,450</b> |

Best regards

[redacted – s.38 -personal information]

[redacted] | **Head of Financial Services and Fintech Policy**

The Scottish Government | Innovation, Investment and Industries Division | Directorate for Economic Development | Tel:  
AQ: [redacted] | Blackberry: [redacted] | email: [redacted] @gov.scot



23. **From:** [redacted – s.38 -personal information][redacted]@gov.scot>

**Sent:** Friday, June 26, 2020 12:32 PM

**To:** 'Omar (GEFI)' <[redacted]@globlethicalfinance.org>; 'Chris (GEFI)' <[redacted]@globlethicalfinance.org>; [redacted]@globlethicalfinance.org' [redacted]@globlethicalfinance.org>

**Cc:** [redacted][redacted]@gov.scot>; O'Neill S (Stephen) <Stephen.O'Neill@gov.scot>

**Subject:** RE: GEFI call - agenda

Graham/Omar/Chris

Thanks again for your time yesterday. It was nice to meet you and to understand a bit more of the history and context of GEFI.

As discussed, it would be helpful to arrange a call next week to walk through the grant claim process in more detail, looking at the timeline of claims versus money received and getting a better understanding of how the process has worked in practice over the past few years.

In terms of availability next week, I am free all of Wednesday 1<sup>st</sup> July if there is any time on that day which would suit Omar/Chris for a call?

In the meantime, it would be helpful if you could send through the following information to allow me to better prepare ahead of the call:

- Full financial statements for the last two financial years for each of Ethical Finance Hub Limited and Islamic Finance Council UK Limited (I appreciate these may not be fully in scope but would appreciate sight regardless)
- Draft financial statements for the first year of Global Ethical Finance Initiative Limited
- Detailed breakdown (line by line if available) of cost categories included April 2020 grant claims (the back-up to the tables included at the foot of each attached claim)

If you have any questions in relation to the above requests, I'd be more than happy to discuss on [redacted – s.38 -personal information]

Thanks

[redacted – s.38 -personal information]

[redacted – s.38 -personal information]

[redacted – s.38 -personal information]

## Financial Management Directorate

Scottish Government | 5 Atlantic Quay | 150 Broomielaw | Glasgow G2 8LU

T: [redacted] M: [redacted] | E: [redacted]@gov.scot

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24. **From:** [redacted] [redacted]@gov.scot>

**Sent:** 24 June 2020 09:59

**To:** 'Omar (GEFI)' <[redacted]@globlethicalfinance.org>; 'Chris (GEFI)'

<[redacted]@globlethicalfinance.org>; O'Neill S (Stephen) <Stephen.O'Neill@gov.scot>; [redacted] [redacted] @gov.scot>; '[redacted]@globlethicalfinance.org' [redacted]@globlethicalfinance.org>

**Subject:** GEFI call - agenda

An agenda for our call tomorrow is set out below. An outline of the preliminary scope of work Finance will take forward is also set out and we can discuss this further on the call.

Many thanks

[redacted]

## Agenda

1. Introductions
2. Background – scene setting
3. Scope of Finance work
4. Process and next steps

### Preliminary scope of work

- Review grant award letters to understand scope of eligible spend
- Understand the governance arrangements in place at each entity through a process walkthrough
- Understand the build-up of reserves over time and how this compares to our discussion on governance arrangements
- Anchor our starting point by agreeing bank balance at the start of the year to bank statements and financial statements
- Review the 2019/20 grant claims in line with conditions of grant award letter and process walkthrough (testing spend to back-up documentation and bank statement as necessary)

[redacted – s.38 -personal information] | Senior Policy Executive | Financial Services and Fintech Policy | Enterprise and Innovation Division | Directorate for Economic Development | Scottish Government | Tel: AQ: [redacted] | Mobile: [redacted] | email: [redacted]@gov.scot

## 25. SCHEDULE 2

### GRANT CLAIM FORM

**Organisation:** GLOBAL ETHICAL FINANCE INITIATIVE LIMITED, C/O Ethical Finance Hub, EBS, Heriot-Watt University, Riccarton, Edinburgh, EH14 4AS & ISLAMIC FINANCE COUNCIL UK, 423 Paisley Road West, Suite 107 Bellahouston Business Centre, Glasgow, Scotland, G51 1PZ

#### Bank details:

Bank: [redacted details under s.38 -personal information]

**Project:** The Global Ethical Finance Initiative (GEFI) is a programme of co-ordinated ethical finance projects and activities originating from Scotland. GEFI will seek to promote innovative financial projects and consolidate pioneering ethical finance work being undertaken in Scotland under one brand to create a compelling global proposition. A core focus of GEFI is to convene and host the ethical finance narrative in Edinburgh by attracting business, political and other leaders of society to network, share, co-develop and shape a fairer, more sustainable financial system.

**Total agreed grant for:** 2019/20 - £350,000

Latest forecast of expenditure of grant for: 2019/20 - £136,983 [adjusted to use 18/19 surplus first]

Grant claimed to date [for 19/20]: £0.0

«Unexpended grant»: «Amount» (*where grant is paid in advance*)

**£136,983 for the period from 2019 / 20 to** [Click here to enter a date.](#) *or to*  
[Click here to enter a date.:](#) «Amount»

We hereby claim **£136,983** grant of **£350,000** in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 06/03/2019 and the Schedules attached thereto.

**Completed by:** Omar Shaikh & Chris Tait

**Position:** DIRECTOR & SENIOR MANAGER

**Contact Details:** [redacted]@globalethicalfinance.org

**Date:** 27<sup>th</sup> April 2020

### Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that will be made available on request to substantiate each amount.

| A                           | B               | C                     | D  |
|-----------------------------|-----------------|-----------------------|--|
| Item                        | Amount (£)      | Paid Invoice<br>[Y/N] | Other (please specify, e.g.<br>certificate of payment in kind) |
| Please refer to Table below | £136,983        | N                     | Table below  |
|                             |                 |                       |  |
|                             |                 |                       |  |
| <b>TOTAL*</b>               | <b>£136,983</b> |                       |  |

\* Note the total should add up to the total expenditure claimed for the period.

[table redacted under s. 33 -Commercial Interests]



26. **From:** [redacted] <[redacted]@gov.scot>  
**Sent:** Wednesday, July 15, 2020 5:16 PM  
**To:** Omar (GEFI) <[redacted]@gloablethicalfinance.org>  
**Cc:** Chris (GEFI) <[redacted]@gloablethicalfinance.org>; finance <finance@gloablethicalfinance.org>  
[redacted] [redacted] @gov.scot>  
**Subject:** RE: GEFI call - agenda

[redacted: s38 – personal information]

Hi Omar

Thanks for sending through the updated docs, bank statements and for the discussion last Thursday.

As discussed, the next step in my review is to look more closely at the amounts being claimed for in the 2019/20 grant claim, which is the purpose of this e-mail. Separately, I will undertake a similar exercise in relation to the 2018/19 grant claims, however I wanted to focus on 2019/20 firstly to see if there was any scope to agree an interim payment to assist with cash flow.

I have set out various questions and requests for information to support items included in the 2019/20 grant claim below. I would be grateful if you could respond, by e-mail and with appropriate supporting documentation, as soon as you are able.

In the meantime, if you wish to discuss, please don't hesitate to contact me and we can arrange a call.

Kind regards

[redacted – s.38 -personal information]

## **GEFI - 2019/20 Grant Claim**

### ***Summary***

|                                     |          |               |
|-------------------------------------|----------|---------------|
| Amounts paid by Scottish Government | £350,000 | BS 25/03/2019 |
| 2018/19 Grant claim                 | £185,619 |               |
| 2019/20 Grant claim                 | £301,364 |               |

### ***Events 2019***

[redacted]. Redactions under Section 33: Commercial interests and the economy have been applied to large parts of this document.

## UNDP – 2019/20 Grant Claim

### Summary

|                                     |          |               |
|-------------------------------------|----------|---------------|
| Amounts paid by Scottish Government | £221,000 | BS 27/02/2019 |
| 2018/19 Grant claim                 | £203,734 |               |
| 2019/20 Grant claim                 | £107,500 |               |

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

- [redacted]
- [redacted]
- [redacted]

27. **From:** Omar (GEFI) <[redacted]@gloablethicalfinance.org>

**Sent:** 09 July 2020 13:58

**To:** <recacted> [redacted]@gov.scot>

**Cc:** Chris (GEFI) <[redacted]@gloablethicalfinance.org>; finance <finance@gloablethicalfinance.org>

**Subject:** RE: GEFI call - agenda

Hi [redacted – s.38 -personal information]

Hope you are well. Tried calling you earlier to clarify a couple points on your email. Can you please drop me a line when you get a chance – I'm on [redacted – s.38 -personal information].

I've been working on the files for you, so for now please find attached an updated draft of the document provided previously with the additional information as requested. I have also created a similar schedule for

the UNDP project. In both of them I have also include the reconciliation of funds from when received from SG through to when they hit the GEFI bank a/c.

If you can identify what items you require and I can share with you the extracts from the bank statements for you to verify that and I will also share Nadeem's review note with you.

Hope that helps.

Best,

Omar

28. **From:** [redacted]@gov.scot [redacted]@gov.scot>

**Sent:** 02 July 2020 11:09

**To:** Omar Shaikh <[redacted]@globalethicalfinance.org>; [redacted]@globalethicalfinance.org

**Cc:** [redacted]@gov.scot; Stephen.O'Neill@gov.scot; [redacted] <[redacted]@globalethicalfinance.org>

**Subject:** RE: GEFI call - agenda

Omar/Chris

Thanks very much for your time yesterday afternoon. I found it really helpful to walkthrough a timeline of the events and the process which has been followed for the past few years.

As discussed, I see this scope of work involving two very discrete workstreams:

- I. Governance/Process review – understanding the process which has been followed by both GEFI and SG in recent years, assessing how this compares against best practice (and indeed the terms of the offer letters), and recommending improvements to take forward
- II. Reviewing grant claims – reviewing the 2018/19 and 2019/20 grant claims of UNDP and GEFI to ensure all spend is eligible and appropriate under the terms of the offer letters (which will involve testing against supporting documentation)

Following our call, I think I have most of what I need to conclude on the first part of this walkthrough, provided the information you send through (requested below) and the review of the grant claim corroborates our discussion.

In order for me to progress, as discussed yesterday, it would be helpful if you could send the information noted at the foot of this e-mail. Following receipt, I will look to progress workstream two above.

If you have any questions, please don't hesitate to get in touch.

Thanks again for your time.

[redacted – s.38 -personal information]

## Information requests

- [redacted – s.33 -commercial interests]
- [redacted – s.33 -commercial interests]
- [[redacted – s.33 -commercial interests]
- - [redacted – s.33 -commercial interests]
  - [redacted – s.33 -commercial interests]
  - [redacted – s.33 -commercial interests]
  - [redacted – s.33 -commercial interests]
- [redacted – s.33 -commercial interests]

**From:** Omar (GEFI) <[redacted]@gloablethicalfinance.org>

**Sent:** 30 June 2020 18:30

**To:** [redacted][redacted]@gov.scot>; [redacted]@gloablethicalfinance.org; [redacted]@gloablethicalfinance.org

**Cc:** [redacted] [redacted] @gov.scot>; O'Neill S (Stephen) <Stephen.O'Neill@gov.scot>

**Subject:** RE: GEFI call - agenda

Hi [redacted – s.38 -personal information]

Sorry for slow response, [redacted – s.33 -commercial interests]

I am attaching the first set of information to address your request below. I have put this in a word document which we can go through line by line tomorrow. EFH detailed accounts are provided with P&L. GEFI does not have accounts prepared as yet.

I hope that helps and look forwarding to catching up tomorrow.

Kind rgds,

Omar

**29. The table below sets out grant funding paid, grant currently being claimed, surplus declared and additional grant requested.**

|              | Financial Year | Grant offer       | Grant paid*     | Grant balance   | Grant surplus declared | Revised grant claimed | Additional grant requested |
|--------------|----------------|-------------------|-----------------|-----------------|------------------------|-----------------------|----------------------------|
|              | 2017/18        | £150,000          | £150,000        |                 |                        |                       |                            |
|              | 2018/19        | £120,000          | £120,000        |                 |                        |                       |                            |
|              | 2018/19        | £400,000          | £221,000        | £179,000        | £ 17,266               | £128,484              |                            |
|              | 2019/20        | £700,000          | £350,000        | £350,000        | £164,381               | £136,933              | £59,500 (no offer letter)  |
|              | 2020/21        |                   |                 |                 |                        |                       | £235,000                   |
| <b>Total</b> |                | <b>£1,370,000</b> | <b>£841,000</b> | <b>£529,000</b> | <b>£181,647</b>        | <b>£265,417</b>       | <b>£294,500</b>            |

30. **From:** [redacted] [redacted] @gov.scot> **On Behalf Of** Cabinet Secretary for Justice  
**Sent:** 27 August 2020 09:58  
**To:** McAllan M (Mary) <Mary.McAllan@gov.scot>; [redacted] <[redacted] @gov.scot>; [redacted] [redacted] @gov.scot>  
**Cc:** Cabinet Secretary for Justice <CabSecJustice@gov.scot>  
**Subject:** GEFI & SG Partnership

Good morning all

The Cabinet Secretary has received copies of correspondence from Omar Shaikh of the Global Ethical Finance Initiative to Kate Forbes MSP and also to Mary. He has asked if officials are available to have a call with him to brief him on some of the issues referenced in the attached letters for his understanding. I would be grateful if someone could get back to me with details of who would be best placed to accommodate this request and I can arrange to slot in time for a call.

Kind regards

[redacted – s.38 -personal information]

[redacted] | Assistant Private Secretary

Office of **Humza Yousaf, Cabinet Secretary for Justice**

Scottish Government, Room 1W.11, St Andrew's House, Regent Road, Edinburgh, EH1 3DG | [redacted] | CabSecJustice@gov.scot | www.gov.scot |

\*\*\*\*\*Out of Hours

Advice\*\*\*\*\*

The Justice Private Office Team do not work a shift pattern. The mailbox is actively monitored between 0830 and 1830 Monday to Friday. However, if you require help or an immediate response out with these times or over the weekend please phone or text [redacted – s.38 -personal information] and we will be happy to assist.

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31. **From:** Omar (GEFI) <[redacted]@globalethicalfinance.org>  
**Sent:** Sunday, 2 August 2020, 09:54  
**To:** Yousaf H (Humza), MSP  
**Subject:** GEFI & SG Partnership

Dear Humza,

Attached are the following:

1. Letter sent to Kate Forbes's office dated 4<sup>th</sup> May20
2. Letter sent to Mary McCullen who works for Liz dated 18<sup>th</sup> June20
3. Draft follow up letter for Kate (not sent yet). Thinking to do this later this month

Welcome your guidance.

Kind rgds,

Omar

\*\*\*\*\*

32. **From:** Omar (GEFI) <[redacted]@gloablethicalfinance.org>  
**Sent:** Wednesday, July 22, 2020 7:07 PM  
**To:** [redacted] <[redacted]@gov.scot>  
**Cc:** Chris (GEFI) <[redacted]@gloablethicalfinance.org>; finance <finance@gloablethicalfinance.org>; [redacted] [redacted]@gov.scot>; [redacted] (GEFI) <[redacted]@gloablethicalfinance.org>  
**Subject:** RE: GEFI call - agenda [ feedback ]

**The documents attached within the email have been redacted under s.33 - commercial interests**

Hi [redacted – s.38 -personal information] – thanks for making the time last Friday. I was tied up with the UNDP Finance4Nature event past couple days (along with it being somewhat harder to work from home with the kids!) thus was not able to get this to you earlier. Nonetheless happy to report the event was a success.

In line with our call I have noted in red responses to your below questions. I have copied this into a word document (see file "SG GEFI review File - [redacted] v3 - Email Questions Response 1") as I started typing in below which became very cumbersome. I would start with that file as there are a lot of other attachments. Hope that helps, and if you can let me know a suitable time later this week I can add expand on the detail as you require.

As mentioned open to making adjustments as per your guidance and would much appreciate an interim payment this wk or early next, [redacted: s.33 – commercial interests].

FYI, to help with broader context I am attaching information that were shared with SG when GEFI was being developed and set up along with the full 36 page business case that (details the assets GEFI was going to build on) and the original funding ask over 5 years. The slide deck is a good summary of the plans (would point you to slide 3 for a useful summary of our structure).

Separately, we got response from HMRC VAT to our letter and they are insisting that VAT is applicable. Accordingly we would need to add this to the claim. Will send you under separate cover the response received from them and Graham and I would welcome guidance from your VAT colleague.

Best wishes,

Omar

**From:** [redacted]@gov.scot <[redacted]@gov.scot>  
**Sent:** 15 July 2020 17:16  
**To:** Omar (GEFI) <[redacted]@gloablethicalfinance.org>  
**Cc:** Chris (GEFI) <[redacted]@gloablethicalfinance.org>; finance <finance@gloablethicalfinance.org>; [redacted]@gov.scot  
**Subject:** RE: GEFI call - agenda

Hi Omar

Thanks for sending through the updated docs, bank statements and for the discussion last Thursday.

As discussed, the next step in my review is to look more closely at the amounts being claimed for in the 2019/20 grant claim, which is the purpose of this e-mail. Separately, I will undertake a similar exercise in relation to the 2018/19 grant claims, however I wanted to focus on 2019/20 firstly to see if there was any scope to agree an interim payment to assist with cash flow.

I have set out various questions and requests for information to support items included in the 2019/20 grant claim below. I would be grateful if you could respond, by e-mail and with appropriate supporting documentation, as soon as you are able.

In the meantime, if you wish to discuss, please don't hesitate to contact me and we can arrange a call.

Kind regards

[redacted – s.38 -personal information]

#### **GEFI - 2019/20 Grant Claim**

##### ***Summary***

|                                     |          |               |
|-------------------------------------|----------|---------------|
| Amounts paid by Scottish Government | £350,000 | BS 25/03/2019 |
| 2018/19 Grant claim                 | £185,619 |               |
| 2019/20 Grant claim                 | £301,364 |               |

##### ***Events 2019***

[redacted]. Redactions under Section 33: Commercial interests and the economy have been applied to large parts of this document.

#### **UNDP – 2019/20 Grant Claim**

##### ***Summary***

|                                     |          |               |
|-------------------------------------|----------|---------------|
| Amounts paid by Scottish Government | £221,000 | BS 27/02/2019 |
|-------------------------------------|----------|---------------|



2018/19 Grant claim £203,734

2019/20 Grant claim £107,500

- [redacted paragraph and bullet points under s.33: commercial interests and the economy]
- **Pipeline Framework** – [redacted]
- [redacted bullet points under s.33: commercial interests and the economy]

#### Information requests

- [redacted paragraph and bullet points under s.33: commercial interests and the economy]



#### GEFI - 2019/20 Grant Claim

##### *Summary*

Amounts paid by Scottish Government £350,000 BS 25/03/2019

2018/19 Grant claim £185,619

2019/20 Grant claim £301,364

##### *Events 2019*

[redacted]. Redactions under Sections 33: Commercial Interests and the economy have been applied to most of the document.

#### UNDP – 2019/20 Grant Claim

##### *Summary*

|                                     |          |               |
|-------------------------------------|----------|---------------|
| Amounts paid by Scottish Government | £221,000 | BS 27/02/2019 |
| 2018/19 Grant claim                 | £203,734 |               |
| 2019/20 Grant claim                 | £107,500 |               |

**Draft Grant Letter – Not Issued**

Richard Rollison, Deputy Director

Omar Shaikh  
Ethical Finance Hub Ltd  
Department of Accountancy,  
Economics & Finance  
School of Management and Languages

15/06/2018

33. **Dear Omar**

**OFFER OF GRANT FOR ETHICAL FINANCE HUB LTD**

The Scottish Ministers in exercise of their powers under Section 10 of the Social Work (Scotland) Act 1968 hereby offer to give to Ethical Finance Hub Ltd, a company incorporated under the Companies Act with registered number SC534526 (“the Grantee”) a grant of up to £120,000 STERLING, payable over the financial year/s 01/04/2018 to 31/03/2019 in connection with development of the Scottish Ethical Finance Hub , which is more particularly described in Part 1 of SCHEDULE 1 (“the Project”) and subject to the following terms and conditions:

**1. Definitions and Interpretation**

- 1.1 In these Conditions, the words and expressions set out in **SCHEDULE 4** shall have the meanings ascribed to them in that Schedule.
- 1.2 In these Conditions unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- 1.3 The headings in these Conditions are for convenience only and shall not be read as forming part of the Conditions or taken into account in their interpretation.
- 1.4 Except as otherwise provided in these Conditions, any reference to a clause, paragraph, sub-paragraph or schedule shall be a reference to a clause, paragraph, subparagraph or schedule of these Conditions. The schedules are intended to be contractual in nature. They form part of the Agreement and should be construed accordingly.
- 1.5 This Agreement shall not be varied except by an instrument in writing signed by both parties.

## 2. Purposes of the Grant

2.1 The Grant is made to enable the Grantee to carry out the Project.

2.2 The Grant shall only be used for the purposes of the Project and for no other purpose whatsoever.

2.3 No part of the Grant shall be used to fund any activity or material which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.

2.4 The main objectives/expected outcomes of the Grant are:

- Confirm host partners and secure anchor resident organisations.
- Develop and commence implementation of a suitable membership model for the EFH.
- Continue development of awareness raising activity.
- Development of international internship programme in ethical finance.

## 2.5 The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are:

- Confirmation of host tenants and anchor organisations/
- Development of membership model for the Ethical Finance Hub
- Establishment of revenue stream for Ethical Finance Hub to support future activity.
- Launch and pilot of international internship programme.

2.6 The eligible costs for which the Grant can be claimed are:

- Staff costs
- Operational Costs
- Associated administration costs – travel, recruitment, legal etc.

2.7 The eligible costs exclude:

- Any Value Added Tax (VAT) reclaimable by the Grantee
- The grant cannot be used to fund economic activity.

## 3. Payment of Grant

- 3.1 The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the terms of SCHEDULE 1 attached.
- 3.2 The Grantee shall within 6 weeks following the end of each financial year in respect of which the Grant has been paid and/or of receiving the final instalment of the Grant submit to the Scottish Ministers a statement of compliance with the Conditions of the Grant using the form of words provided in [SCHEDULE 3](#). The statement shall be signed by the Grantee's Director of Finance
- 3.3 In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee at any point in time is found to exceed the amount of the expenses reasonably and properly incurred by the Grantee in connection with the Project, the Grantee shall repay to the Scottish Ministers the amount of such excess within 14 days of receiving a written demand for it from or on behalf of the Scottish Ministers. In the event that the Grantee fails to pay such amount within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest. Guidance Note
- 3.4 The Scottish Ministers shall not be bound to pay to the Grantee, and the Grantee shall have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year as set out in SCHEDULE 1, unless otherwise agreed in writing by the Scottish Ministers.

#### **4. Inspection and Information**

- 4.1 The Grantee shall keep the Scottish Ministers fully informed of the progress of the Project in the form of regular reports alongside grant claims. Details shall include actual expenditure to date compared with profiled expenditure and any change to estimated expenditure for the financial year and/or the Project as a whole, the reasons for any such changes and progress in achieving objectives/outcomes.
- 4.2 Revisions to targets/milestones against which progress in achieving objectives/outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.
- 4.3 The Grantee shall, on completion of the Project, submit a report to the Scottish Ministers summarising the outcomes and performance of the Project. Such a report shall include such statistical and other information relating to the impact of the Project as shall be required by the Scottish Ministers.
- 4.4 The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the Project is consistent with the Agreement. The Grantee shall provide the Scottish Ministers with prompt access to any information they reasonably require to ensure compliance with these Conditions.

- 4.5 The Grantee shall keep and maintain for a period of 6 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of the Grant. The Grantee shall afford the Scottish Ministers, their representatives, the Auditor General for Scotland, his/her representatives and such other persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it. The Grantee shall provide such reasonable assistance and explanation as the person carrying out the inspection may from time to time require.
- 4.6 In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Project or on the use of the Grant, or any part of it, the Grantee shall immediately notify the Scottish Ministers of such activity and provide such other information as the Scottish Ministers may reasonably require in relation to the impact on the Project and the use of the Grant.
- 4.7 The grantee shall immediately inform the Scottish Ministers of any change in its constitution for example, but not limited to, a change in status from one type of body corporate to another.

## **5. Confidentiality and Data Protection**

- 5.1 The Grantee will respect the confidentiality of any commercially sensitive information that they have access to as a result of the Project.
- 5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to the Scottish Ministers may need to be disclosed and/or published by the Scottish Ministers. Without prejudice to the foregoing generality, the Scottish Ministers may disclose information in compliance with the Freedom of Information (Scotland) Act 2002, any other law, or, as a consequence of judicial order, or order by any court or tribunal with the authority to order disclosure. Further, the Scottish Ministers may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any other department, office or agency of Her Majesty's Government in Scotland, in right of the Scottish Administration or the United Kingdom, and their servants or agents. When disclosing such information to either the Scottish Parliament or the United Kingdom Parliament it is recognised and agreed by both parties that the Scottish Ministers shall if they see fit disclose such information but are unable to impose any restriction upon the information that it provides to Members of the Scottish Parliament, or Members of the United Kingdom Parliament; such disclosure shall not be treated as a breach of this agreement.
- 5.3 The Grantee shall ensure that all requirements of the Data Protection Laws are fulfilled in relation to the Project.
- 5.4 To comply with section 31(3) of the Public Services Reform (Scotland) Act 2010, the Scottish Ministers publish an annual statement of all payments over £25,000. In addition, in line with openness and transparency, the Scottish Government publishes a monthly report of all payments over £25,000. The Grantee should note that where a payment is made in excess of £25,000 there will be disclosure (in the form of the name of the payee,

the date of the payment, the subject matter and the amount of grant) in the both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

## **6. Disposal of Assets**

The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any asset funded, in part or in whole, with Grant funds during the lifetime of the asset. During that period the Scottish Ministers shall be entitled to the proceeds of the disposal – or the relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. The Scottish Ministers shall also be entitled to the relevant proportion of any proceeds resulting from any provision included as a condition of sale. Recovery by the Scottish Ministers shall not be required where the value of the asset is less than £5,000.

## **7. Publicity**

The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

## **8. Intellectual Property Rights**

8.1 All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.

8.2 The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

## **9. Default and Recovery etc. of Grant**

9.1 The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:

9.1.1 The Grantee commits a Default;

9.1.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant;

9.1.3 The Grantee fails to carry out the Project;

9.1.4 In the Scottish Ministers' opinion, the progress on the Project is not satisfactory; or

9.1.5 In the Scottish Ministers' opinion, the future of the Project is in jeopardy.

9.2 If, in the Scottish Ministers' opinion, the Grant or any part of it is state aid and they consider that they are required to recover such sum in order to ensure compliance with their obligations under EU law Scottish Ministers may require immediate repayment of the Grant or any part of it together with interest at such rate and on such basis as may be determined from time to time by the Commission of the European Union.

9.3 The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:

9.3.1 The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise than for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

9.3.2 Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of his estate or a criminal bankruptcy order is made against the Grantee; or the Grantee makes any composition or arrangement with or for the benefit of creditors, or makes any conveyance or assignation for the benefit of creditors, or if an administrator or trustee is appointed to manage his affairs; or

9.3.3 A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or any part of the Grantee's property, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.

9.4 In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 9.1, the Grantee shall pay the Scottish Ministers the appropriate sum within 14 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and interest. Guidance Note



9.5 Notwithstanding the provisions of this clause 9, in the event that the Grantee is in breach of any of the Conditions, the Scottish Ministers may, provided that the breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of clause 9 for such period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in the notice. In the event of the Grantee failing to remedy the breach within the period specified, the Grantee shall be bound to pay the sum to the Scottish Ministers in accordance with the foregoing provisions.

9.6 Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 9.1 to 9.3 shall not be construed as a waiver of such right or remedy.

## **10. Assignment**

The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

## **11. Termination**

The Agreement may be terminated by the Scottish Ministers giving not less than 3 months' notice in writing from the date of the notice being sent.

## **12. Corrupt Gifts and Payments of Commission**

The Grantee shall ensure that its employees shall not breach the terms of the Bribery Act 2010 in relation to this or any other grant. The Grantee shall ensure that adequate controls are in place to prevent bribery.

## **13. Continuation of Conditions**

13.1 These Conditions, except for Condition 6, shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.

13.2 Condition 6 shall continue to apply until the end of the period referred to in that Condition.

## **14. Compliance with the Law**

The Grantee shall ensure that in relation to the Project, they and anyone acting on their behalf shall comply with the relevant law, for the time being in force in Scotland.

## **15. Governing Law**

This contract is governed by the Law of Scotland and the parties hereby prorogate to the exclusive jurisdiction of the Scottish Courts

If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date both copies of the Grant Acceptance below and return one copy of the offer of Grant and Schedules to me at Innovation, Investment & Industries Division, Scottish Government, 5 Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU You should retain the second copy of the offer of Grant and Schedules for your own records.

Yours sincerely

Richard Rollison, Deputy Director, Innovation, Investment & Industries

15/06/2018

**GRANT ACCEPTANCE**

On behalf of Ethical Finance Hub Limited I accept the foregoing offer of Grant by the Scottish Ministers dated 15/06/2018 on the whole terms and conditions as set out in the letter and annexed Schedules. I confirm that Ethical Finance Hub Limited is solvent. I confirm that I hold the relevant signing authority.

Signed:

«Director/Company Secretary/Authorised Signatory»

Print Name:

Position in Organisation of Person Signing:

Date: [Click here to enter a date.](#)

Place of Signing:

Signed:

«Witness»

Witness Name:

Address:

Date: [Click here to enter a date.](#)

Place of Signing:



## **SCHEDULE 1**

### **PART 1: THE PROJECT**

The Ethical Finance Hub will continue to develop its business model confirming host partners and securing anchor resident organisations. It will continue activities to raise awareness of ethical finance, including hosting events, developing educational materials and a training programme, and further development of its international internship proposal.

### **PART 2: PAYMENT OF GRANT**

1. The total Grant of up to £120,000 STERLING shall be payable by the Scottish Ministers to the Grantee monthly in arrears on receipt of a completed claim for Grant in the form set out in SCHEDULE 2 together with the associated monitoring information set out in paragraph 4.1 of the Offer of Grant.
2. The total Grant shall be payable over the financial year/s 2018 to 2019. The Scottish Ministers shall not be bound to pay any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year, unless otherwise agreed in writing by the Scottish Ministers.
3. The Grantee shall provide a monthly profile of expenditure of the Grant before the start of the financial year. Any change to the profile or to the overall costs of the Project/Programme shall be notified to the Scottish Ministers at the earliest opportunity via the claims for Grant and monitoring reports.
4. Each claim shall be for an amount equal to the actual reasonable and proper costs and expenses incurred by the Grantee in connection with the project since the submission by it of the last claim for instalment of the Grant.
5. Each claim shall be submitted together with such explanatory or supplementary material as the Scottish Ministers may from time to time require whether before or after submission of the claim.
6. On receipt of each claim (and any required documentation and information), the Scottish Ministers shall determine the amount of expenditure which they consider the Grantee has reasonably and properly incurred in connection with the Project having regard to that claim. The determination shall be based on the information provided by the Grantee in accordance with this Schedule. The Scottish Ministers shall use their best endeavours (but shall be under no obligation or duty) to pay the amount determined to the Grantee within 4 weeks of receiving a claim and any required documentation and information relevant to the claim.
7. In order to facilitate the accrual of expenditure of the Grant for the financial year the Grantee shall, where appropriate, advise the Scottish Ministers in writing by mid April the amount of the Grant actually expended up to and including 31 March.

## SCHEDULE 2

### GRANT CLAIM FORM

**Organisation:** «Name and Address»

**Bank details:** «Name and address, sort code, account number»

**Project:** «Name/Description»

**Total agreed grant for: 2018/19: £120,000**

**Latest forecast of expenditure of grant for: 2018/19: £amount**

**Grant claimed to date:** «Amount»

«Unexpended grant»: «Amount» (*where grant is paid in advance*)

«Claim for grant» or «Estimate of grant required» **for the period from**  
Click here to enter a date. **to** Click here to enter a date. *or to* Click here to  
enter a date.: «Amount»

**We hereby claim «total» grant of «£XX» in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 15/06/2018 and the Schedules attached thereto.**

**Completed by:**

**Position:**

**Contact Details:**

**Date:**

## Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that «X has been submitted» or «X will be made available on request» to substantiate each amount.

| A             | B          | C                     | D  |
|---------------|------------|-----------------------|--|
| Item          | Amount (£) | Paid Invoice<br>[Y/N] | Other (please specify, e.g.<br>certificate of payment in kind) |
|               |            |                       |  |
|               |            |                       |  |
|               |            |                       |  |
| <b>TOTAL*</b> |            |                       |  |

\* Note the total should add up to the total expenditure claimed for the period.

### SCHEDULE 3

#### STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

ETHICAL FINANCE HUB

This is to confirm that the grant claimed by Ethical Finance Hub Ltd in relation to the above Project/Programme during the financial year ended 31 March 2019 was properly due and was used for its intended purpose(s) in accordance with the terms and conditions of the Grant. This statement is supported by the records of Ethical Finance Hub Ltd.

Signed:

Name in block capitals:

Position:

Date: [Click here to enter a date.](#)



## SCHEDULE 4

### DEFINITIONS

**“Agreement”** means the agreement constituted by the Scottish Ministers’ invitation to apply for a grant, the Grantee’s Application, these Conditions and the Grantee’s acceptance of these Conditions;

**“Conditions”** means these grant conditions;

**“Data Protection Laws”** means any law, statute, subordinate legislation, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body including the Data Protection Act 1998, the Data Protection Act 2018 and any statutory modification or re-enactment thereof and the GDPR.

**“Default”** means:

- e) Any breach of the obligations of either party under this Agreement (including, but not limited to, any breach of any undertaking or warranty given under or in terms of this Agreement);
- f) Any failure to perform or the negligent performance of any obligation under this Agreement;
- g) Any breach of any legislation; or
- h) Any negligence or negligent or fraudulent mis-statement or misappropriation of Grant, or any other default,

In all cases by either party, its employees, agents or representatives;

**“Financial Year”** means a period from 1 April in one year until 31 March in the next;

**“Grant”** means the grant offered by the Scottish Ministers to the Grantee as specified in the Award Letter, as varied from time to time in accordance with these Conditions;

**“Grantee”** means the person, organisation or body to which the Grant will be payable as specified in these Conditions. Where two or more persons, organisations or bodies are the Grantee, references to the “Grantee” are to those persons, organisations or bodies collectively and their obligations under the Agreement are undertaken jointly and severally;

**“Intellectual Property Rights”** means all copyright, patent, trademark, design right, database right and any other right in the nature of intellectual property whether or not registered, in any materials or works in whatever form (including but not limited to any materials stored in or made available by means of an information technology system and the computer software relating thereto) which are created, produced or generated as part of the Project by or on behalf of the Grantee.

**“Project/Programme”** means the purpose for which the Grant has been awarded as described in the Offer of Grant;

**“Payment”** means each of the payments specified in Schedule 1 hereto.

34. **From:** [redacted] <[redacted]@gov.scot>  
**Sent:** Tuesday, August 14, 2018 4:23 PM  
**To:** Chris Tait (EFH) <[redacted]@ethicalfinancehub.org>  
**Cc:** 'Omar Shaikh (EFH)' <[redacted]@ethicalfinancehub.org>; [redacted] [redacted]@ethicalfinancehub.org>; [redacted] [redacted]@gov.scot>; [redacted] [redacted]@gov.scot>  
**Subject:** RE: EFH - SG Meeting Follow-Up

Hi Chris,

Many thanks for your email and outlining possible areas for collaboration which we are interested in discussing further.

Apologies for my brevity as I am just tying thing up before I go on leave on Thursday. I am back on August 27<sup>th</sup> and will respond in more detail then to address your offers and questions in more detail.

Hope that's ok – meantime all the best and looking forward to speaking again soon!

[redacted – s.38 -personal information]

[redacted – s.38 -personal information]

Head of Performance Team

Scottish Government

Tel: [redacted]

Email: [redacted]@gov.scot



Rapid Reflection Model – *THINK BIG*



**From:** Chris Tait (EFH) [mailto:[redacted]@ethicalfinancehub.org]  
**Sent:** 14 August 2018 09:36  
**To:** [redacted]  
**Cc:** 'Omar Shaikh (EFH)'; [redacted]  
**Subject:** EFH - SG Meeting Follow-Up

Dear [redacted – s.38 -personal information]

Great to see you again last week to get an update on the current status of your plans to integrate and embed the SDGs into the NPF.

As we agreed the financial and business community are essential to successful delivery of the SDGs through investment and innovation (Governments are an estimated \$2.4 trillion per year short to 2030) so our conversation is very timely. Interestingly we were with Mr Mackay on Tuesday, and he highlighted the alignment of the NPF to the SDGs. Furthering the SDG agenda over the 5 year cycles you presented will be a key government imperative.

From your presentation and our subsequent discussions we noted the following areas for potential collaboration:

- **Global Landscape Report:** a research report detailing activities in other jurisdictions that engage business around the SDGs and also captures business collaborations through UN Global Compact and international business associations (e.g. ICC and World Business Council for Sustainable Development). The report would highlight best practice and success stories to help inform the design and implementation strategy for Scotland.
- **Awareness Campaign/Survey** – do you have a mandate and budget to do develop an integrated programme of activity to support your efforts to raise awareness / capture feedback within SG and the Scottish (SME) business community? Through our experience of convening the leading platform for ethical finance, undertaking a 100+ survey as part of an inclusive growth project and work with businesses in Australia are well placed to design, develop and implement a business engagement programme should this be your priority.
- **Business Case** – as Fran mentioned a critical success factor for business engagement is to clearly articulate the prize for the businesses that engage with the SDGs. We could work with you to co-create a compelling, positive business case, and associated material, that encourage Scottish organisations to embrace the SDGs.

In terms of the Partnership Board, we would welcome further information. You also mentioned that you are creating materials with a single, clear narrative and voice. It would be helpful to better understand what have you produced to date and what will be released in the coming months. Please let us know if you would like us to review it.

Innovation, Investment & Industries Division,  
3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU [www.gov.scot](http://www.gov.scot)

[redacted - s.33 - commercial interests]

Hopefully this captures the areas we discussed and where we can possibly collaborate and assist you. Subject to your response we can put together more detailed plans and a formal engagement.

Best regards,

Chris

**Chris Tait** | Project Manager



M: [redacted – s.38 – personalinformation]

[www.ethicalfinancehub.org](http://www.ethicalfinancehub.org)

Edinburgh Business School, Heriot-Watt University, Riccarton, Edinburgh, EH14 4AS

35. **UNDP Signed grant letter**

Innovation, Investment & Industries

**Richard Rollison Scottish Government**



**Riaghaltas no h-  
ALba gov.scot**

T: [redacted: s.38 - personal information]

E: richard.rollison@gov.scot

Mr Omar Shaikh

Ethical Finance Hub Ltd

Heriot-Watt University

Riccarton

Edinburgh

EH14 4AS

14/01/2019

Dear Omar

**OFFER OF GRANT FOR COLLABORATIVE PROJECT ON FINANCE FOR SUSTAINABLE DEVELOPMENT**

The Scottish Ministers in exercise of their powers under section 97 of the Charities and Trustee Investment (Scotland) Act 2005 hereby offer to give to Ethical Finance Hub Ltd, a company incorporated under the Companies Act with registered number SC534526 ("the Grantee") a grant of up to f400,000 STERLING, payable over the financial year/s 14/01/2019 to 31/03/2020 in connection with a programme of work in collaboration with the United Nations Development Programme (UNDP) to support development of new funding models in support of sustainable development, which is more particularly described in Part 1 of SCHEDULE 1 ("the Project/Programme") and subject to the following terms and conditions:

**1. Definitions and Interpretation**

Innovation, Investment & Industries Division,  
3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU www.gov.scot

- 1.1 In these Conditions, the words and expressions set out in SCHEDULE 4 shall have the meanings ascribed to them in that Schedule.
- 1.2 In these Conditions unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- 1.3 The headings in these Conditions are for convenience only and shall not be read as forming part of the Conditions or taken into account in their interpretation.
- 1.4 Except as otherwise provided in these Conditions, any reference to a clause, paragraph, subparagraph or schedule shall be a reference to a clause, paragraph, subparagraph or schedule of these Conditions. The schedules are intended to be contractual in nature. They form part of the Agreement and should be construed accordingly.
- 1.5 This Agreement shall not be varied except by an instrument in writing signed by both parties.

## 2. Purposes of the Grant

- 2.1 The Grant is made to enable the-Grantee to carry out the Project. : Industries-Division, INVESTOR
- 2.2 The Grant shall only be used for the purposes of the Project and for no other purpose whatsoever.
- 2.3 No part of the Grant shall be used to fund any activity or material which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.
- 2.4 The main objectives/expected outcomes of the Grant are:

### MAIN PROJECT OBJECTIVES

- Assist in developing UNDP's nature-based and SDG-aligned projects into viable investment propositions
  - Identify and develop innovative financial structures and delivery vehicles attractive to private capital
  - Facilitate a programme of investor and stakeholder engagement activities aimed at driving more private capital to SDG funds and projects
  - Enhance Scotland's international profile by positioning the country as good global citizen and provide opportunities to apply learning from the project to support existing Scottish Government objectives.
- 2.5 The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are:
    - Development of a robust project plan in conjunction with UNDP
    - Securing skilled resources to deliver the project
    - Production of a process flow and due diligence framework document
    - Seek to pilot/test an innovative financial structure that delivers capital to identified projects
    - Convene approximately 3 events promoting the project theme of funding SDGs using private sector capital and highlighting Scotland's role in this collaborative project.
  - 2.6 The eligible costs for which the Grant can be claimed are:

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 3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU www.gov.scot

- Staff
- Operational Costs
- Associated administration costs (travel, recruitment, legal, etc.)

## 2.7 The eligible costs exclude:

- Any Value Added Tax (VAT) reclaimable by the Grantee

## 3. Payment of Grant

3.1 The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the terms of SCHEDULE 1 attached.

3.2 The Grantee shall within 6 weeks following the end of each financial year in respect of which the Grant has been paid and/or of receiving the final instalment of the Grant submit to the Scottish

Ministers a statement of compliance with the Conditions of the Grant using the form of words provided in SCHEDULE 3. The statement shall be signed by the Grantee's Guidance Note

3.3 In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee at any point in time is found to exceed the amount of the expenses reasonably and properly incurred or required by the Grantee in connection with the Project/Programme, the Grantee shall repay to the Scottish Ministers the amount of such excess within 14 days of receiving a written demand for it from or on behalf of the Scottish Ministers. In the event that the Grantee fails to pay such amount within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest. Guidance Note

3.4 The Scottish Ministers shall not be bound to pay to the Grantee, and the Grantee shall have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year as set out in SCHEDULE 1, unless otherwise agreed in writing by the Scottish Ministers.

## 4. Inspection and Information

4.1 The Grantee shall keep the Scottish Ministers fully informed of the progress of the Project/Programme in the form of quarterly reports. Details shall include actual expenditure to date compared with profiled expenditure and any change to estimated expenditure for the financial year and/or the Project as a whole, the reasons for any such changes and progress in achieving objectives/outcomes.

4.2 Revisions to targets/milestones against which progress in achieving objectives/outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.

- 4.3 The Grantee shall, on completion of the Project, submit a report to the Scottish Ministers summarising the outcomes and performance of the Project. Such a report shall include such statistical and other information relating to the impact of the Project as shall be required by the Scottish Ministers.
- 4.4 The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the Project is consistent with the Agreement. The Grantee shall provide the Scottish Ministers with prompt access to any information they reasonably require to ensure compliance with these Conditions.
- 4.5 The Grantee shall keep and maintain for a period of: 6 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of the Grant. The Grantee shall afford the Scottish Ministers, their representatives, the Auditor General for Scotland, his/her representatives and such other persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it. The Grantee shall provide such reasonable assistance and explanation as the person carrying out the inspection may from time to time require.
- 4.6 In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Project or on the use of the Grant, or any part of it, the Grantee shall immediately notify the Scottish Ministers of such activity and provide such other information as the Scottish Ministers may reasonably require in relation to the impact on the Project and the use of the Grant.
- 4.7 The grantee shall immediately inform the Scottish Ministers of any change in its constitution for example, but not limited to, a change in status from one type of body corporate to another.

## 5. Confidentiality and Data Protection

- 5.1 The Grantee will respect the confidentiality of any commercially sensitive information that they have access to as a result of the Project.
- 5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to the Scottish Ministers may need to be disclosed and/or published by the Scottish Ministers. Without prejudice to the foregoing generality, the Scottish Ministers may disclose information in compliance with the Freedom of Information (Scotland) Act 2002, any other law, or, as a consequence of judicial order, or order by any court or tribunal with the authority to order disclosure. Further, the Scottish Ministers may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any other department, office or agency of Her Majesty's Government in Scotland, in right of the Scottish Administration or the United Kingdom, and their servants or agents. When disclosing Such information to either the Scottish Parliament or the United Kingdom Parliament it is recognised and agreed by both parties that the Scottish Ministers shall if they see fit disclose such information but are unable to impose any restriction upon the information that it provides to Members of the Scottish Parliament, or Members of the United Kingdom Parliament; such disclosure shall not be treated as a breach of this agreement.



5.3 The Grantee shall ensure that all requirements of the Data Protection Laws are fulfilled in relation to the Project.

5.4 To comply with section 31(3) of the Public Services Reform (Scotland) Act 2010, the Scottish Ministers publish an annual statement of all payments over E25,000. In addition, in line with openness and transparency, the Scottish Government publishes a monthly report of all payments over E25,000. The Grantee should note that where a payment is made in excess of f25,000 there will be disclosure (in the form of the name of the payee, the date of the payment, the subject matter and the amount of grant) in the both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

## 6. Disposal of Assets.

The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any asset funded, in part or in whole, with Grant funds during the lifetime of the asset. During that period the Scottish Ministers shall be entitled to the proceeds of the disposal — or the relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. The Scottish Ministers shall also be entitled to the relevant proportion of any proceeds resulting from any provision included as a condition of sale. Recovery by the Scottish Ministers shall not be required where the value of the asset is less than E5,000

## 7. Publicity

The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project/Programme the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

## 8. Intellectual Property Rights

8.1 All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.

8.2 The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

## 9. Default and Recovery etc. of Grant

9.1 The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:

9.1.1 The Grantee commits a Default;

9.1.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant;

9.1.3 The Grantee fails to carry out the Project;

9.1.4 In the Scottish Ministers' opinion, the progress on the Project is not satisfactory; or

9.1.5 In the Scottish Ministers' opinion, the future of the Project is in jeopardy.

9.2 If, in the Scottish Ministers' opinion, the Grant or any part of it is state aid and they consider that they are required to recover such sum in order to ensure compliance with their obligations under EU law Scottish Ministers may require immediate repayment of the Grant or any part of it together with interest at such rate and on such basis as may be determined from time to time by the Commission of the European Union.

9.3 The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:

9.3.1 The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise than for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

9.3.2 Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of his estate or a criminal bankruptcy order is made against the

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Grantee; or the Grantee makes any composition or arrangement with or for the benefit of creditors, or makes any conveyance or assignation for the benefit of creditors, or if an administrator or trustee is appointed to manage his affairs; or

9.3.3 A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or any part of the Grantee's property, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.

9.4 In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 9.1, the Grantee shall pay the Scottish Ministers the appropriate sum within 14 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and interest.

9.5 Notwithstanding the provisions of this clause 9, in the event that the Grantee is in breach of any of the Conditions, the Scottish Ministers may, provided that the breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of clause 9 for such period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in the notice. In the event of the Grantee failing to remedy the breach within the period specified, the Grantee shall be bound to pay the sum to the Scottish Ministers in accordance with the foregoing provisions.

9.6 Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 9.1 to 9.3 shall not be construed as a waiver of such right or remedy.

#### 10. Assignment

The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

#### 11. Termination

The Agreement may be terminated by the Scottish Ministers giving not less than 3 months\* notice in writing from the date of the notice being sent.

#### 12. Corrupt Gifts and Payments of Commission

The Grantee shall ensure that its employees shall not breach the terms of the Bribery Act 2010 in relation to this or any other grant. The Grantee shall ensure that adequate controls are in place to prevent bribery.

#### -13. Continuation of Conditions

13.1 These Conditions, except for Condition 6, shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.

13.2 Condition 6 shall continue to apply until the end of the period referred to in that Condition.

#### 14. Compliance with the Law

The Grantee shall ensure that in relation to the Project, they and anyone acting on their behalf shall comply with the relevant law, for the time being in force in Scotland.

#### 15. Governing Law

This contract is governed by the Law of Scotland and the parties hereby prorogate to the exclusive jurisdiction of the Scottish Courts

If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date both copies of the Grant Acceptance below and return one copy of the offer of Grant and Schedules to me at Innovation, Investment & Industries, 3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, G2 8LU. You should retain the second copy of the offer of Grant and Schedules for your own records.

Yours sincerely

[redacted – s.38 – personal information]

Richard Rollison

Innovation, Investment & Industries Division,  
3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU [www.gov.scot](http://www.gov.scot)

Deputy Director, Innovation, Investment & Industries  
14/01/2019

#### GRANT ACCEPTANCE

On behalf of Ethical Finance Hub Ltd I accept the foregoing offer of Grant by the Scottish Ministers dated 14/01/2019 on the whole terms and conditions as set out in the letter and annexed Schedules. I confirm that Ethical Finance Hub Ltd is solvent. I confirm that I hold the relevant signing authority.

Signed: [redacted – s.38 – personal information]

« Director/CompanySecretary/Authorised -Signatory»

Print Name: [redacted – s.38 – personal information]

Position in Organisation of Person Signing: [redacted – s.38 – personal information]

[redacted – s.38 – personal information]

Date: Click here to enter a date.

Place of Signing:

Signed:

[redacted – s.38 – personal information]

«Witness»

Witness Name: [redacted – s.38 – personal information]

Address:

[redacted – s.38 – personal information]

Date: Click here to enter a date. [redacted – s.38 – personal information]

Place of Signing:

[redacted – s.38 – personal information]

[redacted – s.38 – personal information]

## PART 1: THE PROJECT/PROGRAMME

The project is a two-year programme of collaboration with strategic intent involving Scottish Government and UNDP. The project forms part of the Global Ethical Finance Initiative (GEFI) and the funding is administered by the EFH. The project will embark upon a learning journey focused upon two key pillars.

Pillar 1 will seek to develop innovative financial structures to facilitate investment into pre-qualified nature and faith-based projects identified by UNDP (and FaithInvest). Workstreams will include understanding the

project origination landscape, developing due diligence frameworks and identifying mechanisms for innovative finance to deliver capital. Select support will also be provided on capacity building activities associated with the MOOC, et al.

Pillar 2 involves signalling and convening and will focus on shifting the global narrative to focus on the role financial institutions can play in delivering the SDGs and promoting Scotland. This will align with the broader GEFI activities. Workstreams will include thought leadership and awareness activities along with convening specific events (internationally and in Scotland).

## PART 2: PAYMENT OF GRANT

1. The total Grant of up to f400,000 shall be payable by the Scottish Ministers to the Grantee quarterly on receipt of a completed claim for Grant in the form set out in SCHEDULE 2 together with the associated monitoring information set out in paragraph 4.1 of the Offer of Grant.
2. The total Grant shall be payable over the financial year/s 2018/19 to 2019/20. The Scottish Ministers shall not be bound to pay any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year, unless otherwise agreed in writing by the Scottish Ministers.
3. The Grantee shall provide a monthly profile of expenditure of the Grant before the start of each financial year. Any change to the profile or to the overall costs of the Project/Programme shall be notified to the Scottish Ministers at the earliest opportunity via the claims for Grant and monitoring reports.
4. Each claim shall be for an amount equal to the estimated amount of the actual and reasonable and proper costs and expenses incurred by the Grantee in connection with the Project since the last submission by it of the last claim for an instalment of the Grant.
5. Each claim shall be submitted together with such explanatory or supplementary material as the Scottish Ministers may from time to time require whether before or after submission of the claim.
6. On receipt of each claim (and any required documentation and information), the Scottish Ministers shall determine the amount of expenditure which they consider the Grantee has reasonably and properly incurred in connection with the Project/Programme having regard to that claim. The determination shall be based on the information provided by the Grantee in accordance with this Schedule. The Scottish Ministers shall use their best endeavours (but shall be under no obligation or duty) to pay the amount determined to the Grantee within 4 weeks of receiving a claim and any required documentation and information relevant to the claim.
7. In order to facilitate the accrual of expenditure of the Grant for the financial year the Grantee shall, where appropriate, advise the Scottish Ministers in writing by mid April the amount of the Grant actually expended up to and including 31 March.



SCHEDULE

2

GRANT CLAIM FORM

Organisation: «Name and Address»

Bank details: «Name and address, sort code, account number»

Project: «Name/Description»

Total agreed grant for: «20XX-XX»: «Amount»

Latest forecast of expenditure of grant for: «20XX-XX»: «Amount»

Grant claimed to date: «Amount»

«Unexpended grant»: «Amount» (where grant is paid in advance)

«Claim for grant» or «Estimate of grant required» for the period from Click here to enter a date. to

Click here to enter a date. or to Click here to enter a date.: «Amount»

We hereby claim «total» grant of in respect of the above period in accordance with the terms and conditions of the offer of Grant dated Click here to enter a date. and the Schedules attached thereto.

Completed by:

Position:

Contact Details:

Date:

Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that has been submitted» or «X will be made available on



SCHEDULE

request to substantiate each amount.

| A             | B          | C                  | D   |
|---------------|------------|--------------------|---|
| Item          | Amount (£) | Paid Invoice [Y/N] | Other (please specify, e.g. certificate of payment in kind) |
|               |            |                    |   |
|               |            |                    |   |
|               |            |                    |   |
| <b>TOTAL*</b> |            |                    |   |

Innovation, Investment & Industries Division,  
 3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU

\* Note the total should add up to the total expenditure claimed for the period,



SCHEDULE

Glasgow G2 8LU

3



STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

«Name of the Project»

This is to confirm that the grant claimed by «name of Grantee» in relation to the above Project/Programme during the financial year ended 31 March 20«XX» was properly due and was used for its intended purpose(s) in accordance with the terms and conditions of the Grant. This statement is supported by the records of «name of Grantee».

Signed:

Name in block capitals:

Position: .

Date: Click here to enter a date.

## SCHEDULE

-----

3



## SCHEDULE 4

### DEFINITIONS

'Agreement' means the agreement constituted by the Scottish Ministers' invitation to apply for a grant, the Grantee's Application, these Conditions and the Grantee's acceptance of these Conditions;

"Conditions" means these grant conditions;

"Data Protection Laws" means any law, statute, subordinate legislation, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body including the Data Protection Act 1998, the Data Protection Act 2018 and any statutory modification or re-enactment thereof and the GDPR.

"Default" means:

- a) Any breach of the obligations of either party under this Agreement (including, but not limited to, any breach of any undertaking or warranty given under or in terms of this Agreement);
- b) Any failure to perform or the negligent performance of any obligation under this Agreement;
- c) Any breach of any legislation; or
- d) Any negligence or negligent or fraudulent mis-statement or misappropriation of Grant, or any other default,

In all cases by either party, its employees, agents or representatives;

"Financial Year" means a period from 1 April in one year until 31 March in the next; . . . . .

"Grant" means the grant offered by the Scottish Ministers to the Grantee as specified in the Award Letter, as varied from time to time in accordance with these Conditions;

"Grantee" means the person, organisation or body to which the Grant will be payable as specified in these Conditions. Where two or more persons, organisations or bodies are the Grantee, references to the "Grantee" are to those persons, organisations or bodies collectively and their obligations under the Agreement are undertaken jointly and severally;

"Intellectual Property Rights" means all copyright, patent, trademark, design right, database right and any other right in the nature of intellectual property whether or not registered, in any materials or works in whatever form (including but not limited to any materials stored in or made available by means of an information technology system and the computer software relating thereto) which are created, produced or generated as part of the Project by or on behalf of the Grantee.

"Project/Programme" means the purpose for which the Grant has been awarded as described in the Offer of Grant;

"Payment" means each of the payments specified in Schedule 1 hereto.

36. EFH Grant letter for GEFI

Innovation, Industries & Investment

Richard Rollison Scottish Government



Riaghaltas na h-  
ALba gov.scot

T: [redacted: s.38 - personal information]

E: richard.rollison@gov.scot

Mr Omar Shaikh

Islamic Finance Council UK Ltd (UKIFC)  
c/o Ethical Finance Hub Edinburgh  
Business School

Heriot-Watt University

Riccarton

Edinburgh, EH14 4AS

06/03/2019

Dear Omar

OFFER OF GRANT FOR DEVELOPMENT OF THE GLOBAL ETHICAL FINANCE INITIATIVE

The Scottish Ministers in exercise of their powers under section 97 of the Charities and Trustee Investment (Scotland) Act 2005 hereby offer to give to Islamic Finance Council UK Ltd, a company incorporated under the Companies Act with registered number SC347666 ("the Grantee") a grant of up to f 700,000 STERLING, payable over the financial year/s 2018/19 to 2019/20 in connection with establishment and development of the Global Ethical Finance Initiative, which is more particularly described in Part 1 of SCHEDULE 1 ("the Programme") and subject to the following terms and conditions:

1. Definitions and Interpretation

- 1.1 In these Conditions, the words and expressions set out in SCHEDULE 4 shall have the meanings ascribed to them in that Schedule.
- 1.2 In these Conditions unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- 1.3 The headings in these Conditions are for convenience only and shall not be read as forming part of the Conditions or taken into account in their interpretation.
- 1.4 Except as otherwise provided in these Conditions, any reference to a clause, paragraph, subparagraph or schedule shall be a reference to a clause, paragraph, subparagraph or schedule of these Conditions. The schedules are intended to be contractual in nature. They form part of the Agreement and should be construed accordingly.

Innovation, Industries & Investment Division

3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU

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1.5 This Agreement shall not be varied except by an instrument in writing signed by both parties.

## 2. Purposes of the Grant

2.1 The Grant is made to enable the Grantee to carry out the Programme.



2.2 The Grant shall only be used for the purposes of the Programme and for no other purpose whatsoever.

2.3 No part of the Grant shall be used to fund any activity or material which is party political in intention, use, or presentation or appears to be designed to affect support for a political party.

2.4 The main objectives/expected outcomes of the Grant are:

To establish the Global Ethical Finance Initiative (GEFI) and initiate work to:

- Develop a world-renowned ethical finance festival in Scotland and a wide range of associated innovative initiatives
- Promote Scotland as the global conversation leader in ethical finance by using Scotland as a base to convene and host the global narrative
- Attract the world's foremost business, political and societal leaders to Scotland to network, share, co-develop and shape a better financial system.
- Showcase Scottish expertise in ethical finance and encourage/support the Scottish finance sector to develop/market products in the ethical finance arena domestically and globally.
- Promote Scotland as a responsible global citizen and a sought-after place to do business with a focus on innovative initiatives.

2.5 The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are:

- Identify and recruit delivery team and establish operational base
- Develop a campaign to raise awareness and promote the initiative through PR, website, social media and marketing collateral
- Secure conference partners to assist in convening industry leaders in Edinburgh at an Ethical Finance week which is anchored by a major conference accompanied by a series of fringe events and meetings (during the week and outwith)
- Develop and grow the existing Edinburgh Ethical Finance Round Table series
- Evolve the Edinburgh Finance Declaration by promoting globally, developing a virtues based framework and raising R&D funding (towards creating a pilot solution)

2.6 The eligible costs for which the Grant can be claimed are:

- Staff costs
- Operational costs including event and conference costs
- Associated administration costs (travel, marketing & comms, IT, recruitment, legal, etc.)

2.7 The eligible costs exclude:

- Any Value Added Tax (VAT) reclaimable by the Grantee [Click here to enter text.](#)

### 3. Payment of Grant

3.1 The Grant shall be paid by the Scottish Ministers to the Grantee in accordance with the terms of SCHEDULE 1 attached.



3.2 The Grantee shall within 4 weeks following the end of each financial year in respect of which the Grant has been paid and/or of receiving the final instalment of the Grant submit to the Scottish Ministers a statement of compliance with the Conditions of the Grant using the form of words provided in SCHEDULE 3. The statement shall be signed by the Grantee's Director of Finance

3.3 In the event that the amount of the Grant paid by the Scottish Ministers to the Grantee at any point in time is found to exceed the amount of the expenses reasonably and properly incurred by the Grantee in connection with the Project/Programme, the Grantee shall repay to the Scottish Ministers the amount of such excess within 14 days of receiving a written demand for it from or on behalf of the Scottish Ministers. In the event that the Grantee fails to pay such amount within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand from the date of the written demand until payment in full of both the sum and the interest.

3.4 The Scottish Ministers shall not be bound to pay to the Grantee, and the Grantee shall have no claim against the Scottish Ministers in respect of, any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year as set out in SCHEDULE 1, unless otherwise agreed in writing by the Scottish Ministers.

### 4. Inspection and Information

4.1 The Grantee shall keep the Scottish Ministers fully informed of the progress of the Project/Programme in the form of reports submitted with claims for grant payment. Details shall include actual expenditure to date compared with profiled expenditure and any change to estimated expenditure for the financial year and/or the Project as a whole, the reasons for any such changes and progress in achieving objectives/outcomes.

4.2 Revisions to targets/milestones against which progress in achieving objectives/outcomes are monitored shall be subject to the written agreement of the Scottish Ministers.

4.3 The Grantee shall, on completion of the Project, submit a report to the Scottish Ministers summarising the outcomes and performance of the Project. Such a report shall include such statistical and other information relating to the impact of the Project as shall be required by the Scottish Ministers.

4.4 The Grantee shall also provide any other information that the Scottish Ministers may reasonably require to satisfy themselves that the Programme is consistent with the Agreement. The Grantee shall provide the Scottish Ministers with prompt access to any information they reasonably require to ensure compliance with these Conditions.

4.5 The Grantee shall keep and maintain for a period of 6 years after the expenditure occurs, adequate and proper records and books of account recording all receipts and expenditure of monies paid to it by the Scottish Ministers by way of the Grant. The Grantee shall afford the Scottish Ministers, their representatives, the Auditor General for Scotland, his/her representatives and such other persons as the Scottish Ministers may reasonably specify from time to time, such access to those records and books of account as may be required by them at any reasonable time in response to a written request for such access from the person seeking it. The Grantee shall provide such reasonable assistance and explanation as the person carrying out the inspection may from time to time require.



4.6 In the event of the Grantee becoming aware of or suspecting any irregular or fraudulent activity that may have any impact on the Programme or on the use of the Grant, or any part of it, the Grantee shall immediately notify the Scottish Ministers of such activity and provide such other information as the Scottish Ministers may reasonably require in relation to the impact on the Project and the use of the Grant.

4.7 The grantee shall immediately inform the Scottish Ministers of any change in its constitution for example, but not limited to, a change in status from one type of body corporate to another.

## 5. Confidentiality and Data Protection

5.1 The Grantee will respect the confidentiality of any commercially sensitive information that they have access to as a result of the Programme.

5.2 Notwithstanding the above, the Grantee may disclose any information as required by law or judicial order. All information submitted to the Scottish Ministers may need to be disclosed and/or published by the Scottish Ministers. Without prejudice to the foregoing generality, the Scottish Ministers may disclose information in compliance with the Freedom of Information (Scotland) Act 2002, any other law, or, as a consequence of judicial order, or order by any court or tribunal with the authority to order disclosure. Further, the Scottish Ministers may also disclose all information submitted to them to the Scottish or United Kingdom Parliament or any other department, office or agency of Her Majesty's Government in Scotland, in right of the Scottish Administration or the United Kingdom, and their servants or agents. When disclosing such information to either the Scottish Parliament or the United Kingdom Parliament it is recognised and agreed by both parties that the Scottish Ministers shall if they see fit disclose such information but are unable to impose any restriction upon the information that it provides to Members of the Scottish Parliament, or Members of the United Kingdom Parliament; such disclosure shall not be treated as a breach of this agreement.

5.3 The Grantee shall ensure that all requirements of the Data Protection Laws are fulfilled in relation to the Project/Programme.

5.4 To comply with section 31(3) of the Public Services Reform (Scotland) Act 2010, the Scottish Ministers publish an annual statement of all payments over €25,000. In addition, in line with openness and transparency, the Scottish Government publishes a monthly report of all payments over E25,000. The



Grantee should note that where a payment is made in excess of E25,000 there will be disclosure (in the form of the name of the payee, the date of the payment, the subject matter and the amount of grant) in the both the monthly report and the annual Public Services Reform (Scotland) Act 2010 statement.

## 6. Disposal of Assets

The Grantee shall not, without prior written consent of the Scottish Ministers, dispose of any asset funded, in part or in whole, with Grant funds during the lifetime of the asset. During that period the Scottish Ministers shall be entitled to the proceeds of the disposal — or the relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. The Scottish Ministers shall also be entitled to the relevant proportion of

INVESTOR



any proceeds resulting from any provision included as a condition of sale. Recovery by the Scottish Ministers shall not be required where the value of the asset is less than f5,000.

## 7. Publicity

The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Project/Programme the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication.

## 8. Intellectual Property Rights

8.1 All Intellectual Property Rights are hereby assigned to and shall vest in the Crown or its assignees.

8.2 The Grantee shall ensure that nothing contained in any materials produced or submitted to the Scottish Ministers by the Grantee or anyone acting on its behalf nor the reproduction of such materials, shall constitute an infringement of any third party copyright or intellectual property right and shall indemnify the Scottish Ministers against all actions, proceedings, claims and demands made by reason of any such infringement.

## 9. Default and Recovery etc. of Grant

9.1 The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:

9.1.1 The Grantee commits a Default;

9.1.2 The Scottish Ministers consider that any change or departure from the purposes for which the Grant was awarded warrants an alteration in the amount of the Grant;

9.1.3 The Grantee fails to carry out the Programme;

9.1.4 In the Scottish Ministers' opinion, the progress on the Programme is not satisfactory; or

9.1.5 In the Scottish Ministers' opinion, the future of the Programme is in jeopardy.

9.2 If, in the Scottish Ministers' opinion, the Grant or any part of it is state aid and they consider that they are required to recover such sum in order to ensure compliance with their legal obligations Scottish Ministers may require immediate repayment of the Grant or any part of it together with interest at such rate and on such basis as may be determined from time to time in accordance with law.

9.3 The Scottish Ministers may withhold the payment of the Grant if at any time within the duration of the Agreement:

9.3.1 The Grantee passes a resolution that it be wound up, or a court makes an order that the Grantee be wound up, in either case otherwise than for the purposes of reconstruction or amalgamation, or circumstances arise which would enable a court to make such an order or the Grantee is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

9.3.2 Where the Grantee is an individual, if a petition is presented for the Grantee's bankruptcy or the sequestration of his estate or a criminal bankruptcy order is made against the Grantee; or the Grantee makes any composition or arrangement with or for the benefit of creditors, or makes any conveyance or assignation for the benefit of creditors, or if an administrator or trustee is appointed to manage his affairs; or

9.33 A receiver, manager, administrator or administrative receiver is appointed to the Grantee, or over all or any part of the Grantee's property, or circumstances arise which would entitle a court or a creditor to appoint such a receiver, manager, administrator or administrative receiver.

9.4 In the event that the Grantee becomes bound to pay any sum to the Scottish Ministers in terms of clause 9.1, the Grantee shall pay the Scottish Ministers the appropriate sum within 14 days of a written demand for it being given by or on behalf of the Scottish Ministers to the Grantee. In the event that the Grantee fails to pay the sum within the 14 day period, the Scottish Ministers shall be entitled to interest on the sum at the rate of 2 per cent per annum above the Bank of England base lending rate prevailing at the time of the written demand, from the date of the written demand until payment in full of both the sum and interest.

9.5 Notwithstanding the provisions of this clause 9, in the event that the Grantee is in breach of any of the Conditions, the Scottish Ministers may, provided that the breach is capable of a remedy, postpone the exercise of their rights to recover any sum from the Grantee in terms of clause 9 for such period as they see fit, and may give written notice to the Grantee requiring it to remedy the breach within such period as may be specified in the notice. In the event of the Grantee failing to remedy the breach within the period specified, the Grantee shall be bound to pay the sum to the Scottish Ministers in accordance with the foregoing provisions.

9.6 Any failure, omission or delay by the Scottish Ministers in exercising any right or remedy to which they are entitled by virtue of clauses 9.1 to 9.3 shall not be construed as a waiver of such right or remedy.

## 10. Assignation

The Grantee shall not be entitled to assign, sub-contract or otherwise transfer its rights or obligations under the Agreement without the prior written consent of the Scottish Ministers.

## 11. Termination

The Agreement may be terminated by the Scottish Ministers giving not less than 3 months' notice in writing from the date of the notice being sent.

## 12. Corrupt Gifts and Payments of Commission

The Grantee shall ensure that its employees shall not breach the terms of the Bribery Act 2010 in relation to this or any other grant. The Grantee shall ensure that adequate controls are in place to prevent bribery.

## 13. Continuation of Conditions

13.1 These Conditions, except for Condition 6, shall continue to apply for a period of 5 years after the end of the financial year in which the final instalment of the Grant was paid.



13.2 Condition 6 shall continue to apply until the end of the period referred to in that Condition.

#### 14. Compliance with the Law

The Grantee shall ensure that in relation to the Programme, they and anyone acting on their behalf shall comply with the relevant law, for the time being in force in Scotland.

#### 15. Governing Law

This contract is governed by the Law of Scotland and the parties hereby prorogate to the exclusive jurisdiction of the Scottish Courts

If you wish to accept the offer of this Grant on the whole terms and conditions as set out in the letter and annexed Schedules, you should sign and date both copies of the Grant Acceptance below and return one copy of the offer of Grant and Schedules to me at Innovation, Industries & Investment Division, 3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU. You should retain the second copy of the offer of Grant and Schedules for your own records.

Yours sincerely

[redacted – s.38 – personal information]

Richard Rollison, Deputy Director, Innovation, Industries and Investment 06/03/2019

## GRANT ACCEPTANCE

On behalf of Islamic Finance Council UK Ltd, a company incorporated under the Companies Act with registered number SC347666 1 accept the foregoing offer of Grant by the Scottish Ministers dated 06/03/2019 on the whole terms and conditions as set out in the letter and annexed Schedules. I confirm that Islamic Finance Council UK Ltd is solvent. I confirm that I hold the relevant signing authority.

Signed: [redacted – s.38 – personal information]

« Director/Company Secretary/Authorised Signatory-».

Print Name: [redacted – s.38 – personal information]

Position in Organisation of Person Signing: [redacted – s.38 – personal information]

Date: Click<sup>w</sup>hereto-enter-a-date. [redacted – s.38 – personal information]

Place of Signing: [redacted – s.38 – personal information]

Signed: [redacted – s.38 – personal information]

«Witness»

Witness Name: [redacted – s.38 – personal information]

Address: [redacted – s.38 – personal information]

Civvvs [redacted – s.38 – personal information]

Date: Click here to enter a date. [redacted – s.38 – personal information]

## SCHEDULE

Place of Signing:

**Redacted**

### 1

#### PART 1: THE PROJECT/PROGRAMME

The Global Ethical Finance Initiative (GEFI) is a programme of co-ordinated ethical finance projects and activities originating from Scotland. GEFI will seek to promote innovative financial projects and consolidate pioneering ethical finance work being undertaken in Scotland under one brand to create a compelling global proposition. A core focus of GEFI is to convene and host the ethical finance narrative in Edinburgh by attracting business, political and other leaders of society to network, share, co-develop and shape a fairer, more sustainable financial system.

The funded programme will establish GEFI and launch a global ethical finance festival in Scotland in October 2019, promoting Scotland as the global conversation leader in ethical finance. The festival will showcase Scottish expertise in ethical finance and encourage/support the Scottish finance sector to develop/market products in the ethical finance arena domestically and globally.

The initiative will promote Scotland as a responsible global citizen and a sought-after place to do business with a focus on innovative initiatives.

Grant funding will support UKIFC to

- Identify and recruit delivery team and establish operational base
- Develop a campaign to raise awareness and promote the initiative through PR, website, social media and marketing collateral
- Secure conference partners to assist in convening industry leaders in Edinburgh at an Ethical Finance week which is anchored by a major conference accompanied by a series of fringe events and meetings (during the week and outwith)
- Develop and grow the existing Edinburgh Ethical Finance Round Table series
- Evolve the Edinburgh Finance Declaration by promoting globally, developing a virtues based framework and raising R&D funding (towards creating a pilot solution)

#### PART 2: PAYMENT OF GRANT

1. The total Grant of up to E 700,000 shall be payable by the Scottish Ministers to the Grantee in arrears on receipt of a completed claim for Grant in the form set out in SCHEDULE 2 together with the associated monitoring information set out in paragraph 4.1 of the Offer of Grant.

2. The total Grant shall be payable over the financial year/s 2018/19 to 2019/20 The grant for each financial year has been allocated as follows:

| Financial Year | Amount   |
|----------------|----------|
| 2018/19        | €350,000 |

SCHEDULE

|         |          |
|---------|----------|
| 2019/20 | E350,000 |
|---------|----------|

3. The Scottish Ministers shall not be bound to pay any instalment of the Grant which has not been claimed by the Grantee by 31 March of the applicable financial year, unless otherwise agreed in writing by the Scottish Ministers.



4. The Grantee shall provide a monthly profile of expenditure of the Grant before the start of each financial year. Any change to the profile or to the overall costs of the Project/Programme shall be notified to the Scottish Ministers at the earliest opportunity via the claims for Grant and monitoring reports.

5. Each claim shall be for an amount equal to the actual reasonable and proper costs and expenses incurred by the Grantee in connection with the Programme since the submission by it of the last claim for an instalment of the Grant.

6. Each claim shall be submitted together with such explanatory or supplementary material as the Scottish Ministers may from time to time require whether before or after submission of the claim.

7. On receipt of each claim (and any required documentation and information), the Scottish Ministers shall determine the amount of expenditure which they consider the Grantee has reasonably and properly incurred in connection with the Project/Programme having regard to that claim. The determination shall be based on the information provided by the Grantee in accordance with this Schedule. The Scottish Ministers shall use their best endeavours (but shall be under no obligation or duty) to pay the amount determined to the Grantee within 4 weeks of receiving a claim and any required documentation and information relevant to the claim.

7. In order to facilitate the accrual of expenditure of the Grant for the financial year the Grantee shall, where appropriate, advise the Scottish Ministers in writing by 15 April the amount of the Grant actually expended up to and including 31 March.

This is the schedule referred to in the forgoing Offer of Grant dated: 06/03/2019

## SCHEDULE



SCHEDULE

2

GRANT CLAIM FORM

Organisation: «Name and Address»

Bank details: «Name and address, sort code, account number»

Project: «Name/Description»

Total agreed grant for: «20XX-XX»: «Amount»

Latest forecast of expenditure of grant for: «20XX-XX»: «Amount»

Grant claimed to date: «Amount»

«Unexpended grant»: «Amount» (where grant is paid in advance)

«Claim for grant» or «Estimate of grant required» for the period from [Click here to enter a date.](#) to

[Click here to enter a date.](#) or to [Click here to enter a date.](#): «Amount»

We hereby claim «total» grant of «EXX» in respect of the above period in accordance with the terms and conditions of the offer of Grant dated [Click here to enter a date.](#) and the Schedules attached thereto.

Completed by:

Position:

Contact Details:

Date:

Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that «X has been submitted» or «X will be made available on request» to substantiate each amount.

| A             | B          | C                  | D   |
|---------------|------------|--------------------|---|
| Item          | Amount (£) | Paid Invoice [Y/N] | Other (please specify, e.g. certificate of payment in kind) |
|               |            |                    |   |
|               |            |                    |   |
|               |            |                    |   |
| <b>TOTAL*</b> |            |                    |   |

Innovation, Industries & Investment Division  
3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU



Innovation, Industries & Investment Division  
3<sup>rd</sup> Floor, 5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU

\* Note the total should add up to the total expenditure claimed for the period.



the

3

### STATEMENT OF COMPLIANCE WITH CONDITIONS OF GRANT

«Name of the Project»

This is to confirm that the grant claimed by «name of Grantee» in relation to the above

Project/Programme during the financial year ended 31 March 20«XX» was properly due and was used for its intended purpose(s) in accordance with the terms and conditions of the Grant. This statement is supported by the records of «name of Grantee».

Signed:

Name in block capitals:

Position:

Date: [Click here to enter a date.](#)

the

## SCHEDULE 4

### DEFINITIONS

"Agreement" means the agreement constituted by the Scottish Ministers' invitation to apply for a grant, the Grantee's Application, these Conditions and the Grantee's acceptance of these Conditions;

"Conditions" means these grant conditions;

"Data Protection Laws" means any law, statute, subordinate legislation, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body including the Data Protection Act 1998, the Data Protection Act 2018 and any statutory modification or re-enactment thereof and the GDPR.

"Default" means:

- a) Any breach of the obligations of either party under this Agreement (including, but not limited to, any breach of any undertaking or warranty given under or in terms of this Agreement);
- b) Any failure to perform or the negligent performance of any obligation under this Agreement;
- c) Any breach of any legislation; or
- d) Any negligence or negligent or fraudulent mis-statement or misappropriation of Grant, or any other default,

In all cases by either party, its employees, agents or representatives;

"Financial Year" means a period from 1 April in one year until 31 March in the next;

"Grant" means the grant offered by the Scottish Ministers to the Grantee as specified in the Award Letter, as varied from time to time in accordance with these Conditions;

"Grantee" means the person, organisation or body to which the Grant will be payable as specified in these

Conditions. Where two or more persons, organisations or bodies are the Grantee, references to the

"Grantee" are to those persons, organisations or bodies collectively and their obligations under the Agreement are undertaken jointly and severally;

"Intellectual Property Rights" means all copyright, patent, trademark, design right, database right and any other right in the nature of intellectual property whether or not registered, in any materials or works in whatever form (including but not limited to any materials stored in or made available by means of an information technology system and the computer software

relating thereto) which are created, produced or generated as part of the Project by or on behalf of the Grantee.

"Project/Programme" means the purpose for which the Grant has been awarded as described in the Offer of Grant;

"Payment" means each of the payments specified in Schedule 1 hereto.

### 37. Table of payments

| Summary   |          |                |
|---|----------|----------------|
| Initial grant award   | Note     | £              |
| 2018/19   |          | 200,000        |
| 2019/20   |          | 200,000        |
| <b>Total grant offer letter</b>   |          | <b>400,000</b> |
| <b>2018/19 claim</b>  |          |                |
| Initial SG payment to GEFI  | 1        | 221,000        |
| 2018/19 Spend   | 2        | (203,734)      |
| <b>Overclaimed 2018/19 position</b>   |          | <b>17,266</b>  |
| <b>2019/20 claim</b>  |          |                |
| 2019/20 Grant Claim (April 2020)  | 3        | 107,500        |
| Less overclaimed 18/19 position   |          | (17,266)       |
| <b>Reimbursement sought for 19/20</b>   | <b>3</b> | <b>90,234</b>  |
| Approved expenditure from review  | 4        | 71,250         |
| Less overclaimed 18/19 position   |          | (17,266)       |
| <b>Interim Payment to be made</b>   |          | <b>53,984</b>  |
| <b>Notes</b>  |          |                |
| 1 Not supported by claim from UNDP. Supported by forward looking spend profile.           |          |                |
| 2 Work to be done to verify validity of 2018/19 spend.                                    |          |                |
| 3 Total amount of spend and reimbursement sought in 2019/20 per version 2 of grant claim. |          |                |

4 Refer to table below "2019/20 Grant Claim" for details of this review. VAT is still being considered.

| 2019/20 Grant Claim                      |  |  |  |  |
|--|--|--|--|--|
| Claim item description                   | Claim Value (£)                          | Adjustments (£)                          | Revised Claim Value (£)                  | Approved Claim (£)                       |
| [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] |
| [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] | [redacted - s.33 - commercial interests] |
| <b>2019/20 Grant Claim Total</b>         | <b>107,500</b>                           | <b>-</b>                                 | <b>107,500</b>                           | <b>71,250</b>                            |

MEMORANDUM OF UNDERSTANDING BETWEEN  
THE UNITED NATIONS DEVELOPMENT PROGRAMME  
AND  
THE SCOTTISH GOVERNMENT

This Memorandum of Understanding ("MOU") is entered into by the United Nations Development Programme ("UNDP"), a subsidiary organ of the United Nations, an intergovernmental organization established by its Member States with its headquarters in New York, NY (USA), and the Scottish Government. UNDP and the Scottish Government are hereinafter referred to individually as a "Party" and jointly as the "Parties";

WHEREAS, UNDP serves in many respects as the operational arm of the United Nations at the country level and works with partners in numerous countries to promote among other things sustainable development, eradication of poverty, advancement of women, good governance and the rule of law;

WHEREAS, UNDP represented by the Bureau for Policy and Programme Support (BPPS), is interested in enhancing its development activities in increasing private investment in activities supporting the achievement of the nature-related Sustainable Development Goals (SDGs), including nature-based enterprises in developing countries,

and in improving and facilitating enabling conditions for such transactions.

WHEREAS, the Parties share similar missions and wish to cooperate in areas of mutual concern to enhance the effectiveness of their development efforts;

WHEREAS, the Scottish Government is the devolved government for Scotland with its central purpose creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth; and in achieving that purpose to have a globally competitive, entrepreneurial, inclusive and sustainable economy and to be seen as open, connected and make a positive contribution internationally.

NOW, THEREFORE, the Parties wish to express their intention to cooperate as follows:

## Article I Purpose and Scope

The purpose of this MOU is to provide a framework of cooperation and facilitate and strengthen collaboration between the Parties, on a non-exclusive basis, in areas of common interest.

The Parties agree to collaborate in activities aimed at facilitating the deployment of ethical investments into businesses, thereby contributing to the achievement of the nature-related SDGs at various scales.

## Article 11 Areas of Cooperation

The Parties intend to cooperate in the following areas of activity:

- i) Learning on how to identify investable projects: The Parties shall collaborate to learn how to identify potential investment opportunities in nature-based businesses, in collaboration with entrepreneurs and other relevant stakeholders;
- ii) Distance learning: The Parties shall collaborate to identify opportunities to build capacity for entrepreneurs to enable them to better access investments into their businesses from the private sector, through online or in-person learning.
- iii) Knowledge exchange: The Parties shall collaborate to enable knowledge exchange between relevant stakeholders, including with Investors to identify constraints for investment as well as create awareness about the relevance of nature-based businesses for the achievement of the SDGs; and with public sector stakeholder to identify how to create and enhance enabling conditions for private sector investment into businesses working on nature-related SDGs.
- iv) Other activities as deemed pertinent and agreed on by Parties for the achievement of the common objectives outlined in Article I.

## Article III Consultation and Exchange of Information

3.1 The Parties will, on a regular basis, keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration.

3.2 Consultation and exchange of information and documents under this MOU will be without prejudice to arrangements, which may be required to safeguard the confidential and restricted character of certain information and documents. Such arrangements will survive the termination of this MOU and of any agreements signed by the Parties within the scope of this collaboration.

3.3 The Parties will, at such intervals as deemed appropriate, convene meetings to review the progress of activities being carried out under the present MOU and to plan future activities.



3.4 The Parties may invite each other to send observers to meetings or conferences convened by them or under their auspices in which, in the opinion of either Party, the other may have an interest. Invitations will be subject to the procedures applicable to such meetings or conferences.

#### Article IV Visibility

The Parties recognize that the cooperative arrangements should be publicized and therefore agree to acknowledge the role and contribution of each Party in all public information documentation relating to instances of such cooperation and use each Party's name and emblem in documentation related to the cooperation in accordance with the current policies of one another and subject to prior written agreement of each Party.

#### Article V

##### Term, Termination, Renewal, Amendment

5.1 The proposed cooperation under this MOU is non-exclusive and will have an initial term of two years from the Effective Date, as defined in Article VII ("Effectiveness"), unless terminated earlier by either Party upon two months' notice in writing to the other Party. The Parties may agree to extend this MOU in writing for subsequent periods of one year.

5.2 Termination of this MOU will not affect any other agreements relating to the subject matter of this MOU which will, unless terminated or expired, continue to regulate the relationship between the Parties in accordance with the terms thereof.

5.3 This MOU may be amended only by mutual written agreement of the Parties.

#### Article VI

##### Legal Provisions Relating to Implementation

6.1 Notwithstanding anything in this MOU to the contrary, (a) this MOU constitutes an expression of intent only and not a legally binding document; (b) nothing herein shall be construed as creating a legally binding commitment, financial or otherwise; (c) nothing herein shall be construed as creating a joint venture and neither Party shall be an agent, representative or joint partner of the other Party; (d) all of UNDP's activities envisaged hereunder are subject to the availability of funding ; (e) any funds received by

UNDP shall be used, and all UNDP activities fillther to this MOU will be carried out, in accordance with the project documents agreed between UNDP and the concemed programme government(s) where the activities will be implemented, and in accordance with the applicable UNDP regulations, rules, policies and procedures; and (f) each Party shall be responsible for its acts and omissions in connection with this MOU and its implementation.

6.2 The Scottish Government represents that it has all the necessary powers, authority, and legal capacity to enter into this MOU and pelform its obligations hereunder.

6.3 In the event of inconsistency between any provision of this Alticle VI and a provision of another section of the MOU, this Article VI shall prevail,

### ArticleVII Privilcgcs and Immunities

Nothing in or relating to this MOU shall be deemed a waiver, express, or implied, of any ofthe privileges and immunities of the United Nations, including its subsidia1Y organs.

### ArticleVIII Effectiveness

This MOU will become effective on the date in which it is duly signed by both Parties ("Effective Date").

IN WITNESS WHEREOF, the duly authorized representatives of the Parties affix their signatures below.

[redacted – s.38 – personal information]

Bureau for Policy and Programme Support \_\_\_\_\_

Title

Title

[redacted – s.38 – personal information]

Date

Date

53: GEFI CLAIM NO3 06/04/20

## SCHEDULE 2

### GRANT CLAIM FORM

**Organisation:** GLOBAL ETHICAL FINANCE INITIATIVE LIMITED, C/O Ethical Finance Hub, EBS, Heriot-Watt University, Riccarton, Edinburgh, EH14 4AS & ISLAMIC FINANCE COUNCIL UK, 423 Paisley Road West, Suite 107 Bellahouston Business Centre, Glasgow, Scotland, G51 1PZ

**Bank details:** [redacted - s.33 - commercial interests]

**Project:** The Global Ethical Finance Initiative (GEFI) is a programme of co-ordinated ethical finance projects and activities originating from Scotland. GEFI will seek to promote innovative financial projects and consolidate pioneering ethical finance work being undertaken in Scotland under one brand to create a compelling global proposition. A core focus of GEFI is to convene and host the ethical finance narrative in Edinburgh by attracting business, political and other leaders of society to network, share, co-develop and shape a fairer, more sustainable financial system.

**Total agreed grant for:** 2019/20 - £350,000

**Latest forecast of expenditure of grant for:** 2019/20 - £136,983 [adjusted to use 18/19 surplus first]

**Grant claimed to date [for 19/20]:** £0.0

«Unexpended grant»: «Amount» (where grant is paid in advance)

**£136,983 for the period from 2019 / 20 to** [Click here to enter a date.](#) **or to** [Click here to enter a date.:](#)  
«Amount»

**We hereby claim £136,983 grant of £350,000 in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 06/03/2019 and the Schedules attached thereto.**

**Completed by:** Omar Shaikh & Chris Tait

**Position:** DIRECTOR & SENIOR MANAGER

Contact Details: [redacted]@gloablethicalfinance.org

Date: 27<sup>th</sup> April 2020

Items of Expenditure

Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that will be made available on request to substantiate each amount.

| A                           | B               | C                     | D  |
|-----------------------------|-----------------|-----------------------|--|
| Item                        | Amount (£)      | Paid Invoice<br>[Y/N] | Other (please specify, e.g.<br>certificate of payment in kind) |
| Please refer to Table below | £136,983        | N                     | Table below  |
|                             |                 |                       |  |
|                             |                 |                       |  |
| <b>TOTAL*</b>               | <b>£136,983</b> |                       |  |

\* Note the total should add up to the total expenditure claimed for the period.

[redacted table - s.33 - commercial interests]

54: SCHEDULE 2 - GEFI

Hi [redacted – s.38 -personal information]

As discussed, please see two attached Schedule 2 claims for payment.

**\*\*\*Please note that the interim payment only on each should be paid\*\*\***

Happy to chat if you need to clarify further.

Warm regards,

[redacted – s.38 -personal information]

[redacted – s.38 -personal information]

[redacted] | Policy Executive | Financial Services and Fintech Policy | Enterprise and Innovation  
Division | Directorate for Economic Development | Scottish Government | G2 8LU

[redacted] @gov.scot

Tel: [redacted]

Tel: [redacted]

Mobile: [redacted]

**Please note my working week is Tuesday – Friday**

 Save Paper - Do you really need to print this e-mail?

**NOT PROTECTIVELY MARKED**

## SCHEDULE 2

### GRANT CLAIM FORM

**Organisation:** UK Islamic Finance Council Ltd , 423 Paisley Road West, Suite 107  
Bellahouston Business Centre, Glasgow, Scotland, G51 1PZ

**Bank details:** [redacted - s.33 - commercial interests]

**Project:** The Global Ethical Finance Initiative (GEFI) is a programme of co-ordinated ethical finance projects and activities originating from Scotland. GEFI will seek to promote innovative financial projects and consolidate pioneering ethical finance work being undertaken in Scotland under one brand to create a compelling global proposition. A core focus of GEFI is to convene and host the ethical finance narrative in Edinburgh by attracting business, political and other leaders of society to network, share, co-develop and shape a fairer, more sustainable financial system.

**Total agreed grant for:** 2019/20 - £350,000

**Latest forecast of expenditure of grant for:** 2019/20 - £136,736 [adjusted to use 18/19 surplus first]

**Grant claimed to date [for 19/20]:** £0.0

«Unexpended grant»: «Amount» (where grant is paid in advance)

£136,736 for the period from 2019 / 20 to [Click here to enter a date.](#) *or to* [Click here to enter a date.](#): «Amount»

**We hereby claim £136,736 grant of £350,000 in respect of the above period in accordance with the terms and conditions of the offer of Grant dated 06/03/2019 and the Schedules attached thereto.**

**Completed by:** Omar Shaikh & Chris Tait

**Position:** DIRECTOR & SENIOR MANAGER

**Contact Details:** [redacted]@gloablethicalfinance.org

**Date:** 9 September 2020

Items of Expenditure

**Please list in the table below all discrete items of expenditure relevant to the above period and the type of documentary evidence that will be made available on request to substantiate each amount.**

| <b>A</b>                              | <b>B</b>          | <b>C</b>                  | <b>D</b>   |
|---------------------------------------|-------------------|---------------------------|--|
| <b>Item</b>                           | <b>Amount (£)</b> | <b>Paid Invoice [Y/N]</b> | <b>Other (please specify, e.g. certificate of payment in kind)</b> |
| <b>Please refer to attached table</b> | <b>£136,736</b>   | <b>N</b>                  | <b>Table below</b>   |
|                                       |                   |                           |  |
|                                       |                   |                           |  |
| <b>TOTAL*</b>                         | <b>*£82,137</b>   |                           |  |

\* Note the total should add up to the total expenditure claimed for the period.

**\*\*\*Please note an interim payment of £82,137 should only be paid\*\*\***

TO: [redacted]@gloablethicalfinance.org, [redacted]@gloablethicalfinance.org

Cc: [redacted]@gov.scot , [redacted]@gov.scot

Omar

I hope you are well.

I have only returned from annual leave this morning and as you can imagine I have quite a bit to catch up on. I am happy to schedule a call for later this week to discuss yours/Graham's comments on the grant claim.

However, in the meantime, I thought it best to press on with the interim payments. As you will understand, the payments we make need to be to the entities named on ][the grant offer letters (and the same entities where the 2018/19 funds were paid).

Can you confirm the appropriate bank details for payment of the below amounts? I have attached copies of the bank statements you previously provided which I think will be the relevant bank details but I want you to confirm.

- UNDP Interim payment of £53,984
  - [[redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]
  - [
- GEFI Interim payment of £82,137
  - [[redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]
  - [redacted – s.38 -personal information]

Thanks

[redacted – s.38 -personal information]

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[redacted – s.38 -personal information]

**Finance Business Partner**

**Financial Management Directorate**

[redacted]

| 5 Atlantic Quay | 150 Broomielaw | Glasgow G2 8LU

T: [redacted] | M: [redacted] | E: [redacted]@gov.scot





Hi all,

Please be advised payments for the attached claims have been processed and approved on SEAS.

| Requisition | Description   | Total (GBP) | Status   |
|-------------|---|-------------|----------|
| 163790      | Grant payment to UK Islamic Finance Council Ltd. Project - The Global Ethical Finance Initiative (GEFI), schedule 2. 9th Sept 2020. | 82137.00    | Approved |
| 163789      | Grant payment to Ethical Finance Hub Ltd. Project - The Global Ethical Finance Initiative (GEFI), schedule 2. 9th Sept 2020.        | 53984.00    | Approved |

Thanks

redacted – s.38 -personal information]

redacted – s.38 -personal information]

as

Directorate Finance Assistant, Finance Unit

Strategic Engagement and Co-Ordination Unit

Directorate Economic Development

3rd Floor, 5 Atlantic Quay

150 Broomielaw

Glasgow

G2 8LU

Tel: [redacted] Email: [redacted]@gov.scot



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