

Doc 1

From: Director of Economic Development <DirectorDED@gov.scot>
Sent: 09 September 2025 09:56
To: 'Adrian Gillespie' <adrian.gillespie@scotent.co.uk>
Cc: DG Economy <DGEconomy@gov.scot>; [redacted s38(1)(b)]@gov.scot[redacted s38(1)(b)]@@gov.scot>; [redacted s38(1)(b)]@@gov.scot>; [redacted s38(1)(b)]@@gov.scot>; [redacted s38(1)(b)]@@gov.scot>
Subject: Letter from Director, Economic Development

Please find a letter relating to Scottish Government's policy in respect of economic support for countries where there is plausible evidence, as noted from the position of the International Courts, of genocide being committed.

Regards

Colin

Director for Economic Development
Colin Cook

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Adrian Gillespie
CEO
Scottish Enterprise

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9 September 2025

Dear Adrian,

I am writing to you as the Sponsor Director for Scottish Enterprise.

You will be aware of the First Minister's statement to Parliament on 3 September concerning the humanitarian crisis in Gaza.

The International Court of Justice (ICJ) has issued provisional measures in response to allegations of genocide in Gaza, and the International Criminal Court (ICC) is actively investigating alleged war crimes and crimes against humanity committed in the region. These proceedings underscore the gravity of the situation.

The First Minister has written to the UK Government, and announced a range of measures in the economic, diplomatic and humanitarian space, including that Scotland should play its part seeking to alleviate the situation where it can within devolved competence.

As you know, financial assistance to commercial activities for the purpose of promoting or sustaining economic development or employment is a matter for the Scottish Government. As the Deputy First Minister outlined in her call with Kerry Sharp on 5 September, the First Minister therefore made clear that, with immediate effect (3 September 2025), the Scottish Government and our enterprise agencies should, where possible, pause the payment of new business grants, investment and wider support to companies involved in the design, production, supply, and support of military equipment, technologies and services whose products or services are provided to specific identified countries, where there is plausible evidence as noted from the position of the International Courts of genocide being committed by that country. This will include Israel as well as Myanmar which is in a similar position.

At the same time, the previous policy of not providing public funding for the manufacture of munitions more generally is lifted.

Enterprise agencies must also, where possible, pause proactive trade facilitation with Israel. This includes:

1. Proactively supporting Scottish exporters to access the Israeli market;
2. Organising trade missions to Israel and business events in Israel;
3. Providing grants, advice or introductions for the direct purpose of exporting to Israel

I say where possible as these rules do not apply if Scottish Enterprise would be legally required to act otherwise, e.g. in the case of existing obligations to pay, procurement, or where strict statutory eligibility criteria apply so there is no discretion.

I am aware that [redacted s38(1)(b)] have already discussed the practical implementation of the above with your team and are working with SE and the other enterprise agencies on further guidance to assist with operational delivery. This will include taking account of the interaction with your work on Human Rights Due Diligence which is being taken forward by a Short Life Working Group involving SG and SE officials.

In the meantime, Scottish Enterprise should pause accepting any new applications which could fall within the scope of this policy, until those applications have been reviewed to ensure that the policy can be applied robustly.

For the avoidance of doubt, Scottish Enterprise staff can use their discretion to attend events organised by third parties at which the Israeli government, its agencies, and companies, may be present, as long as the presence does not contradict the intent of the above policy.

The policy is subject to review including where there is a substantive change in circumstances or national security is at stake.

Thank you for your help in this matter and for the assistance it will lend Scottish Government's support to the international efforts to resolve the crisis in Gaza.

Yours sincerely

Colin Cook
Director of Economic Development