FAO Richard Lochhead, Minister for Business
Email: MinisterforBusiness@gov.scot

Dear Mr. Lochhead,

I am writing to support Amnesty International UK's calls for an urgent review into Scottish Enterprise funding and support for companies in the defence sector.

As Amnesty has set out in a letter to the Deputy First Minister and Cabinet Secretary for Economy and Gaelic Kate Forbes, there is a lack of evidence that the current human rights due diligence process at Scottish Enterprise is fit for purpose in ensuring that the Scottish government meets its international human rights obligations.

Since current due diligence processes were implemented in 2019 no company has failed a check despite millions of pounds worth of grants being awarded to some of the world's largest arms manufacturers, some of whose products have been used in violations of international humanitarian law.

A truly robust human rights due diligence process must involve full consideration of the actual and potential impacts on human rights of companies' operations and require them to conduct due-diligence.

As the risk of gross human rights abuses is heightened in conflict-affected areas, additional steps should be taken to ensure that business enterprises operating in these contexts are not involved with such abuses. The UN Guiding Principles on Business and Human Rights make it clear that businesses should address the human rights impacts of their relationships with any entities in their value chain, including State or non-State actors directly linked to the company's business operations, products or services.

However, according to information provided to Amnesty, the level of checks performed on a company by Scottish Enterprise is dependent only on the level of financial support being awarded, rather than the company's involvement with or links to human rights abuses. This casts serious doubt upon the credibility and effectiveness of a process that should be designed to protect against human rights abuses and not to waive through companies whose activities are linked to such abuses.

The Scottish government must act now by urgently reviewing Scottish Enterprise's funding for companies in the defence sector and implementing a human rights due diligence process that ensures public funding in no way contributes to the supply of weapons or their components to any state accused of international humanitarian law violations or crimes against humanity.

Yours,