

SIS Social Enterprise Just Transition Fund – Frequently Asked Questions

What is the Fund?

The **Social Enterprise Just Transition Fund (SEJTF or The Fund)** is aligned to the Scottish Government's Just Transition Fund, a commitment that will support projects in Aberdeen City, Aberdeenshire and Moray.

The Scottish Government's Just Transition Fund aims to finance organisations, businesses, communities and individuals to transition to net zero, creating jobs in low carbon industries and contributing to the region's future prosperity.

SEJTF is a blended product with an equal 50 / 50 loan-grant split.

What is a Just Transition?

A 'Just Transition' means moving to a more sustainable economy, diversifying the regional economy away from carbon-intensive industries, ensuring the creation of good, green jobs and ensuring all communities directly benefit and contribute to the region's future prosperity.

Who is eligible for the loan?

Organisations eligible for funding from SEJTF must be based and operating in the **local authority regions of Aberdeen City, Aberdeenshire and Moray** or for organisations that are not, the activity funded by SEJTF must be delivering an impact in one or more of these regions related to objectives of the Fund.

Applicants must demonstrate delivery against at least one of the Scottish Government Just Transition Outcomes.

What Outcomes do I need to demonstrate delivery against?

Applicants **must** demonstrate delivery against **at least one** of the following Outcomes:

Decarbonisation and efficiencies: contribute to resource efficient and sustainable economic approaches that actively encourage decarbonisation, support low-carbon investment and infrastructure, and avoid carbon 'lock-in';

Citizens, communities and place: support affected regions by empowering and invigorating communities and strengthening local economies;

Jobs, skills and education: equip people with the skills, education and retraining required to support retention and creation of access to green, fair and high-value work;

Fair distribution of costs and benefits: address existing economic and social inequality by sharing the benefits of climate action widely, while ensuring that the costs are distributed on the basis of ability to pay;

Business and economy: support a strong, dynamic and productive economy which creates wealth and high quality employment across Scotland, upholds the [UN Guiding Principles on Business and Human Rights](#), and continues to make Scotland a great place to do business;

Adaptation and resilience: identify key risks from climate change and set out actions to build resilience to these risks, ensuring our economy is flexible, adaptable and responsive to the changing climate;

Further equality and human rights: address fuel poverty and child poverty in a manner consistent with Scotland's statutory targets on each, while furthering wider equality and human rights across all protected characteristics; and

Environmental protection and restoration: commit to act within our planetary boundaries while protecting and restoring our natural environment.

Can I use this loan to repay other debt?

No. This Fund exists to support organisations, businesses, communities and individuals to transition to net zero and meet the Scottish Government’s Just Transition Outcomes.

What if I meet these criteria?

If you feel your organisation meets the criteria of the Fund, please complete an Expression of Interest (EOI). This can be found on our [website](#).

What if I do not meet these criteria?

We have a range of other loan products that may be suitable to your organisation and needs. Please get in touch (hello@socialinvestmentscotland.com) and one of our Investment Managers will arrange to speak with you.

What are the terms of the investment?

The loan is simple and low cost and designed to support organisations demonstrating delivery against the Scottish Government’s Just Transition Outcomes. As a guide, investments will have the following terms:

- Amount:** Minimum – £20,000 (50% loan / 50% grant) (or over £50,000 if an Unincorporated Entity)
Maximum – £250,000 (50% loan / 50% grant)
- Interest rate:** 3% per annum fixed.
- Term:** Up to a maximum of 10 years. Final repayment must be made by 31st March 2033.
- Repayment:** An initial capital holiday will be considered to align to cashflow needs, however interest must be serviced during this period.
- Security:** None to be taken.
- Fees:** If incurred, all fees incurred in relation to the transaction will be payable by the borrower.
- Maximum Grant:** Up to 50% of the overall funding request to SEJTF.
- Drawdown:** The Grant must be drawn proportionally in line with the Loan amount.
- Repayment:** The Grant is repayable if the loan is repaid early, within six years of the date on which the Loan was fully drawn (a “Repayment Event”).

Do I have to take the loan? Can I just have the grant?

No. SEJTF is a blended product with an equal 50 / 50 loan-grant split.

Can I bring in other Funding?

Blended Investments with other funders and SIS Funds will be considered.

How much information do I need to provide?

If you would like to apply, please complete an EOI. This is a short form, which seeks to understand your plans to contribute to a fairer, greener economy and your overall plans with the funding.

EOI's will then be assessed by our team. If you are invited to the next stage, you will be assigned an Investment Manager who will guide you through the process and the information we require for the next stage.

Will I have to speak to anyone?

Yes. One of our Investment Managers will call you to discuss your application and how this investment could support you.

What happens if our organisation cannot afford to repay this investment?

When you take a loan from SIS you receive regular advice and support from an Investment Manager who will keep in touch with you to make sure things are going to plan. If things don't, then we will do all that we can to support your organisation to get through its challenging time and agree a suitable repayment plan.

Will any of my trustees lose their house if we are not able to pay back our loan?

No. We take no security from the trustees and they will have no personal liability.

How long does the process take?

Dependant on the information you can provide up front, then our Investment Managers should be able to give you an idea of how long the process will take.

Where can I find SIS's Data Protection Notice?

You can find SIS's Data Protection Notice on our website here

<https://www.socialinvestmentscotland.com/get-in-touch/>

By applying for this Fund, you confirm that you understand and accept our obligations under the General Data Protection Regulation (GDPR) set out in Data Protection Notice [here](#).

Where can I get more information?

You can find more information on our [web page](#), including information about a series of webinars supporting the Fund, or by emailing hello@socialinvestmentscotland.com.