

# Scotland's only oil refinery set to cease operations – with hundreds of jobs at risk

Scotland's only oil refinery is set to cease operations in 2025 – with hundreds of jobs at risk under plans announced by owners Petroineos.

The firm said the Grangemouth site has faced “significant challenges” due to global market pressures and the energy transition.

Petroineos is aiming to transform the site into a fuels import terminal, with the work expected to take 18 months.

The company said the refinery is expected to continue operating until at least spring 2025.

Around 500 people are directly employed at the Grangemouth site.

Union Unite said it would “leave no stone unturned in the fight for jobs”.

Petroineos said it was “working closely” on the project with a “range of interested parties”, including the Scottish and UK governments, and said more information would be provided in “due course”.

Franck Demay, CEO of Petroineos Refining, said: “This does not change anything for our operation today, where it is business-as-usual at the Grangemouth refinery. We currently anticipate continuing refinery operations until spring 2025.

“As the energy transition gathers pace, this is a necessary step in adapting our business to reflect the decline in demand for the type of fuels we produce. As a prudent operator, we

must plan accordingly, but the precise timeline for implementing any change has yet to be determined.”

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Image:

A general view of the Grangemouth oil refinery on the Firth of Forth

The firm said the move will “safeguard the site as a national fuel hub for decades to come”.

The preparatory work will make it possible to import petrol, diesel, aviation fuel and kerosene into [Scotland](#) from vessels arriving via the Firth of Forth.

The company also intends to progress work to enable the conversion of its existing export terminal at Finnart on the Firth of Clyde – which is linked to Grangemouth by cross-country pipelines – into a diesel import facility.

Mr Demay added: “This is the start of a journey to transform our operation from one that manufactures fuel products, into a business that imports finished fuel products for onward distribution to customers.

“Throughout this process, our focus will remain on the safe production and reliable supply of high-quality fuels to our customers in Scotland, the north of England, and Northern Ireland.

“As we start to make this investment in preparing for a future transformation, we are equally committed to a regular programme of engagement with our colleagues about the changes we are making to our business.”

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Unite said the plans “raises concerns for the livelihoods of our members”.

Sharon Graham, general secretary of the union, said: “Unite will leave no stone unturned in the fight for jobs and will hold politicians to account for their actions.”

Derek Thomson, Unite Scottish secretary, added: “Every option must be on the table in order to secure the hundreds of highly

skilled jobs based at the Grangemouth complex for the long-term.”

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The Scottish Tories described the situation as “devastating” for the staff and a “hammer blow” for the national and local economies.

The Scottish Greens also criticised the move and said it was an “appalling way to treat workers”.

MSP Gillian Mackay said: “I grew up less than 200 yards from the plant and I can tell you right now that workers at the plant are bewildered, betrayed and furious at finding out about this from a story on the internet long after shareholders were made aware.

“They have been given next to no information. In fact, I broke the news to one senior union official.”

Ms Mackay is calling for an urgent summit to be held and is demanding the Grangemouth Just Transition Board to share “what they knew and when”.

She added: “Make no mistake, we must move away from fossil fuels. But this is the exact opposite of a just transition.

“This is not a staged change towards a more sustainable way of working. This is the industry cutting and running and offshoring expertise to continue making as much profit as possible.

“Fat cats cannot be trusted with the future of communities, all they care about is their shareholders.”