

Economy and Fair Work Committee  
Wednesday 20 November 2024  
30<sup>th</sup> Meeting, 2024 (Session 6)

## Petroineos Grangemouth Note by the Clerk

### Background

1. The refinery at Grangemouth has been in operation since the 1920s. It is currently owned by [Petroineos](#), a refining and energy trading joint venture between [PetroChina](#) and the [INEOS Group](#).
2. On 22 November 2023, it was announced that the refinery would transition into a finished fuels import terminal and distribution hub. On 12 September 2024, [it was confirmed that this transition would take place during the second quarter of 2025](#).
3. The Cabinet Secretary for Net Zero and Energy [wrote to the Committee](#) following this confirmation, outlining actions being undertaken by the Scottish Government.
4. The Minister for Climate Action [wrote to the Committee on 7 November 2024](#) to highlight the launch of a consultation on the draft Grangemouth Just Transition Plan.
5. The Deputy First Minister and Cabinet Secretary for Economy and Gaelic [wrote to the Committee on 15 November](#), confirming the signing the Falkirk & Grangemouth Growth Deal. This letter is included as an Annex.

### Previous Committee Scrutiny

1. Last year the Committee held an inquiry into a just transition for the Grangemouth area.
2. While INEOS did not formally engage with the inquiry, it fed into a [written submission](#) from Forth Ports Limited and the Forth Green Freeport, as well as [oral evidence](#) provided by Forth Ports Limited. The company also hosted a visit by the Committee on 20 March 2023.
3. The Committee [published its report on 21 June 2023](#).
4. Following the November 2023 announcement, the Committee took evidence on [Wednesday 13 December 2023](#) from Petroineos Manufacturing Scotland Ltd, INEOS Grangemouth, and the then Cabinet Secretary for Wellbeing Economy, Fair Work and Energy. The Committee also heard from the then Minister for Energy Security and Net Zero on [Wednesday 17 January 2024](#).

5. An [assessment commissioned by the Scottish Government of the Grangemouth Refinery's recent economic contribution](#) was published on 24 October 2024.

## **Evidence Session**

6. Last week, the Committee heard from INEOS Olefins & Polymers UK and Petroineos Manufacturing Scotland Ltd. This week the Committee will hear from the two main trade unions representing workers at the site—
  - Cliff Bowen, Executive Councillor; and
  - Derek Thomson, Unite Scotland Regional Secretary, Unite the Union.
  - Robert Deavy, Senior Organiser for Manufacturing, GMB Scotland.

**Clerks to the Committee  
November 2024**



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15 November 2024

Dear Colin,

## **FALKIRK & GRANGEMOUTH GROWTH DEAL – FULL DEAL SIGNING**

I am writing to confirm that I signed the Full Deal agreement for the Falkirk & Grangemouth Growth Deal with the UK Government and Falkirk Council on 14 November 2024. The Deal will now move into delivery.

We have committed £40 million across the Growth Deal and additional funding of £10 million for the Greener Grangemouth Programme over the next 10 years to deliver inclusive economic growth across the region. The Deal will build on the region's existing strengths, help to address economic challenges and support the region in their net zero ambitions.

The projects we are supporting, which have been designed in collaboration with the local authority and other regional partners, will not only support a just transition to net zero, but also the area's active travel, training, and tourism and cultural offerings to create more high value jobs and equip local people with the skills they will need to meet current and future demands.

I hope this information is helpful and [attach a copy of the Full Deal document](#).

**KATE FORBES**

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