

Document 1: Briefing Pack

MINISTERIAL ENGAGEMENT BRIEFING:

KATE FORBES, DEPUTY FIRST MINISTER AND CABINET SECRETARY FOR ECONOMY AND GAELIC

Briefing for meeting with INEOS O&P CEO, Stuart Collings

What	<p>This meeting is the latest in a series of regular engagements with INEOS O&P.</p> <p>You last met INEOS CEO, Stuart Collings, on 26 June 2025 [Redacted s.33(1)(b)].</p>
Where	Virtual (Microsoft Teams)
When	Friday 22 August 2025 11:00-11:30
Who	Stuart Collings – Chief Executive, INEOS O&P UK Colin Pritchard – Director of External Affairs, INEOS O&P UK
Why	<p>You have agreed to meet regularly with Stuart Collings [Redacted s.33(1)(b)]. There is no set agenda but Stuart will likely wish to discuss:</p> <ol style="list-style-type: none">1. The business' [Redacted s.33(1)(b)].2. [Redacted s.33(1)(b)]3. Implementation of the skills intervention which SG and UKG are extending to INEOS shared service workers facing redundancy. [Redacted s.33(1)(b)].4. The announcement of the closure of the INEOS Combined Heat and Power (CHP) plant at Grangemouth and the potential workforce impact.
Supporting official	<p>Susie Townend, Deputy Director, Energy Industries, ☎ [Redacted s.38(1)(b)]</p> <p>[Redacted s.38(1)(b)], Policy Executive, Critical Energy Infrastructure and Commercial Projects, ☎ [Redacted s.38(1)(b)]</p>

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Engagement with UK Government

- Note SG officials have been liaising with UK Government Department of Business and Trade officials to expediate progress from the UK Government, **[Redacted s.33(1)(b)]**
- Note that you wrote to the Secretary of State for Business to ask for a meeting to discuss INEOS O&P (21st May) but have not yet had a response.
- **[Redacted s.33(1)(b)]**

Business' current position

- **[Redacted s.33(1)(b)]**
- Note INEOS announced the closure of the Combined Heat and Power (CHP) plant **[Redacted s.33(1)(b)]**.
- Thank INEOS for advance notice of this **[Redacted s.33(1)(b)]**.

[Redacted s.33(1)(b)]

- **[Redacted s.33(1)(b)]**.
- **[Redacted s.33(1)(b)]**.
- **[Redacted s.33(1)(b)]**.

Skills Intervention

- Note the skills intervention has had strong uptake and meaningfully improved outcomes for redundant Petroineos workers. It has also partially mitigated the impact of redundancy for affected workers.
- Note officials are happy to provide data evidencing this, highlighting the vocational courses workers have enrolled in.
- Ask INEOS O&P to support the implementation of the skills intervention through providing access to redundant workers for Forth Valley College.

[Redacted s.33(1)(b)]

1. [Redacted s.33(1)(b)]

2. [Redacted s.33(1)(b)]

3. [Redacted s.33(1)(b)]

[Redacted s.33(1)(b)]

4. [Redacted s.33(1)(b)]

5. [Redacted s.33(1)(b)]

INEOS Combined Heat and Power (CHP) plant

6. INEOS announced on 14 August that its Combined Heat and Power (CHP) plant at Grangemouth has ceased operating and will not be re-opened. **[Redacted s.33(1)(b)]. [Redacted s.33(1)(b)].** The closure **[Redacted s.33(1)(b)]** and officials understand **[Redacted s.33(1)(b)].**

1. [Redacted s.33(1)(b)].
2. [Redacted s.33(1)(b)]
3. [Redacted s.33(1)(b)].
4. [Redacted s.33(1)(b)]
 - [Redacted s.33(1)(b)]
 - [Redacted s.33(1)(b)]

- [Redacted s.33(1)(b)]
- [Redacted s.33(1)(b)]
 - [Redacted s.33(1)(b)]
 - [Redacted s.33(1)(b)]

5. [Redacted s.33(1)(b)].

ANNEX D - SKILLS INTERVENTION

Existing Skills Intervention

1. Officials have worked with Forth Valley College (FVC), UK Government, Skills Development Scotland and Petroineos to implement a skills intervention for Petroineos workers affected by redundancy. This includes workers at both Grangemouth refinery and Finnart terminal.
2. The reskilling involves a training needs analysis, conducted by FVC, to assess workers' existing skills sets and future training needs to transition into an in-demand industry. Workers are then provided with retraining based on their training needs identified.
3. Uptake of the offer has been very high. As of 21 August 2025:
 - A total of 306 workers have indicated they would like some form of training intervention.
 - 109 workers have completed their retraining
 - 93 workers are currently being retrained
 - 67 workers are set to begin retraining imminently
4. Examples of reskilling undertaken include the ECITB Wind Turbine Engineering course and Renewable Energy Technologies Upskilling course.

INEOS O&P Extension

5. A number of 'shared services' staff are being made redundant at INEOS O&P as a direct result of the closure of the refinery. These workers supplied services to both Petroineos and INEOS O&P **[Redacted s.33(1)(b)]**. The resultant fall in demand from the refinery's closure has therefore initiated a wave of redundancies in this specific cohort of staff.
6. Officials understand **[Redacted s.33(1)(b)]**.
7. Scottish Government Ministers and UK Government Ministers have agreed to extend the existing intervention to this specific cohort of INEOS O&P workers, recognising their redundancy is a direct consequence of the refinery closure. **[Redacted s.30(b)]**.
8. **[Redacted s.33(1)(b)]**. Scottish and UK Government have agreed to joint fund **[Redacted s.33(1)(b)]**.
9. **[Redacted s.33(1)(b)]**.
10. **[Redacted s.30(b)]**.
11. The majority of courses undertaken are vocational and/or are necessary qualifications required to take up jobs elsewhere, such as HGV tests. Examples of workers pivoting into a new industry including those enrolled in ECITB's Wind Turbine Course, designed at equipping former oil and gas workers for roles in the renewables sector.

ANNEX E - SG SUPPORT FOR TO INEOS

Event / Project Name	Date	Description	SG financial support provided
Fuel Switching Net Zero (FSNZ) Blue Hydrogen Project (INEOS) appraise study	July 2022	Appraisal of the viability of a Blue Hydrogen production plant at Grangemouth.	£500,000 (50%) [business provided other 50%]
Project Willow (Petroineos)	July 2024	Following appointment of the new UK Government, UK Ministers agree to co-fund Project Willow alongside SG.	£799,000 (50%) [UKG providing other 50%]
Fuel Switching Net Zero (FSNZ) Blue Hydrogen Project (INEOS) select study	August 2024	Further research and development in order to generate a technical feasibility report, which will enhance certainty on the total project costs, provide clarity on the hydrogen generation technology options, and provide definition around Grangemouth's integration with the Scottish cluster.	£5,000,000 (50%) [business provided other 50%]

ANNEX F – MARKET UPDATE

1. **16 July 2025** - Dow (international Chemical company headquartered in the US) has announced plans to close some upstream production capacity in Germany and the UK, along with others assets across its global footprint.
2. The decision means that in Germany, Dow's naptha steam cracker, which has a nameplate capacity of 560,000 tpa of ethylene and 285,000tpa of propylene, located in Böhlen will shut by the end of 2027.
3. Dow's decision will further reduce Europe's cracker capacity.
4. Earlier this year TotalEnergies said that it would close its Antwerp, Belgium, steam cracker by the end of 2027. The decision, the company said, was based on the "significant surplus of ethylene expected in Europe," and a decision by a third-party user of the ethylene not to renew the offtake agreement.
5. In June chemicals giant Sabic announced the closure of Olefins 6 cracker, in Wilton, Teesside, UK which had been offline since 2020.
6. During June, Lyondell Basell said that it had entered into an agreement and exclusive negotiations with Aequita, a Germany-based industrial group, for the sale of select olefins and polyolefins assets and the associated business in Europe. The sites to be sold are in Berre, France; Münchsmünster, Germany; Carrington, UK; and Tarragona, Spain.
7. **31 July 2025** - Fitch Ratings has downgraded Dow Inc. and Dow Chemical Company's Long-Term Issuer Default Rating (IDR) to 'BBB' from 'BBB+
8. Fitch anticipates that industry margins will remain under pressure from continued ethylene capacity additions that will likely outpace demand over the next five to six years. China's supply additions, coinciding with slowing domestic demand, are contributing to the oversupply situation.

Document 2: Minute from Meeting

COMMERCIALLY CONFIDENTIAL

READOUT: Meeting with Stuart Collings (INEOS O&P) 22/08/2025

Attendees:

Kate Forbes MSP, Deputy First Minister

Stuart Collings, CEO, INEOS O&P

Colin Pritchard, Director of Sustainability and External Affairs

Susie Townend, Deputy Director, Energy Industries

[Redacted s.38(1)(b)], Policy Executive, Critical Energy Infrastructure Unit

[Redacted s.38(1)(b)], Assistant Private Secretary

Updates from the business:

On Skills, SC reiterated his view **[Redacted s.33(1)(b)]**. He noted **[Redacted s.33(1)(b)]**.

On the site specifically, **[Redacted s.33(1)(b)]**.

[Redacted s.33(1)(b)] reduced demand for steam has resulted in the closure of the CHP plant which came offline in February. **[Redacted s.33(1)(b)]**. **[Redacted s.33(1)(b)]**. **[Redacted s.33(1)(b)]**.

[Redacted s.33(1)(b)]. **[Redacted s.33(1)(b)]**.

Outstanding updates from previous meeting:

1. **[Redacted s.33(1)(b)]**
2. **[Redacted s.33(1)(b)]**.
3. **[Redacted s.33(1)(b)]**

DFM commended **[Redacted s.33(1)(b)]**. **[Redacted s.33(1)(b)]**. **[Redacted s.33(1)(b)]**. **[Redacted s.33(1)(b)]**. She noted she will meet SoS Scotland next week **[Redacted s.33(1)(b)]**.

[Redacted s.33(1)(b)]. **[Redacted s.33(1)(b)]**. **[Redacted s.33(1)(b)]**.

[Redacted s.33(1)(b)].

SC and DFM agreed to meet again in late September [Redacted s.33(1)(b)].

The meeting ended.