https://www.theguardian.com/business/2025/jun/29/grangemouth-refinery-closure-jobs-politics-reform-uk#:~:text=The%20c...

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'It breaks my heart': how a refinery closure is hitting jobs and politics

In the second in a series, the Guardian looks at how Grangemouth struggles as Reform UK hopes to win votes

- An unjust transition?: Teesside divided over net zero
- 'They feel betrayed': how Reform UK is targeting votes in Britain's manufacturing heartlands
- 'An enormous scar': the battle over solar farms and pylons as Reform UK takes aim at net zero





The Grangemouth refinery was part of Jim Ratcliffe's Ineos chemicals empire from 2005. Composite: Guardian Design/Shutterstock/Belga/AFP/Getty Images/Reteurs

Every morning in Grangemouth, chemists at Celtic Renewables's small factory feed a vial of microbes with a precisely tailored cocktail of food - liquid residues from the scotch whisky industry.

In vessels surrounded by a web of metal pipes and gleaming stainless steel valves, the microbes multiply into something other than drink: a starter solution for batches of acetone, butanol and ethanol - chemicals essential for countless everyday products.

Celtic Renewables wants more: a plant 10 times its current size. That could form part of plans to sustain Scotland's chemicals industry after Grangemouth sustained a crushing blow: the closure of the 100-year-old refinery in April, with the loss of 400 jobs. The huge complex will be reduced to a fuel import terminal, staffed by only 75 people. As many as 4,600 jobs in the refinery's supply chain could also be affected.

That closure has made Grangemouth one of the earliest tests of a "just transition": the idea that the economy can move relatively painlessly from fossil fuels to net zero, helped along by judicious government interventions to spur new jobs in place of the old.





Celtic Renewables takes byproducts and waste from the food, drink and agriculture industries and turns them into green chemicals. Photograph: Murdo MacLeod/The Guardian

The Labour government fears that failure could mean voters turn their backs on it - and on the pledge to reach net zero carbon emissions by 2050 - throughout what remains of Scotland's largely fossil fuel-dependent industry. Climate action by government remains popular in Britain, but parties on the right, and particularly Nigel Farage's Reform UK, believe opposition to net zero can win them power.

As the government this week unveiled a new industrial strategy, this article – the second in a series on the battle for Britain's deindustrialised areas – looks at the future for one of Scotland's industrial icons.

After the second world war, deindustrialisation wiped out much of the coal mining, shipbuilding and steelmaking that dominated employment in Scotland's central belt from Glasgow to Edinburgh. While those industries all but disappeared, Grangemouth held out, refining crude oil to feed Scotland's cars and planes taking off from Edinburgh and Glasgow.

Grangemouth's refinery traces its history back to 1924, making it the second oldest in Europe, but since 2005 it has been part of Jim Ratcliffe's Ineos chemicals empire. Ratcliffe's investments bolted together assets that others did not want, and generated huge profits. Ineos agreed a deal in 2011 for Chinese state-owned PetroChina to partner in a joint venture, Petroineos.

Expensive energy

Petroineos executives argued in Scottish parliamentary hearings that Grangemouth was not able to compete with newer, more efficient plants in the Middle East and Africa. UK chemicals output has slumped 42% since peaking in March 2020, according to the Office for National Statistics.