

œUK Scotland Manifesto 2026

**Back a modern industrial Scotland.
Secured by homegrown energy.**

Executive Summary



Back a modern industrial Scotland. Secured by homegrown energy.

Scotland's offshore energy sector is the backbone of our economy, our communities, and our future. Homegrown energy - oil, gas, offshore wind, hydrogen, carbon capture and storage (CCS), and geothermal - supports good, highly skilled jobs, powers industry, and anchors a world-class supply chain that has underpinned Scotland's prosperity for decades.

But Scotland's energy story is bigger than energy. It is about industrialisation. It is the foundation of national resilience and industrial capability, shaping the modern economy we want to build. Domestic oil and gas feed through pipelines into St Fergus, Mossmorran, Grangemouth, Flotta and Sullom Voe, where they become fuels and essential chemical building blocks.

These support the manufacture of products and technologies we rely on every day, including: medical devices and pharmaceuticals, plastics, coatings and composites used in construction and transport, the resins, polymers and specialist materials needed for wind turbines and electric vehicles, high-grade materials used across semiconductors, digital devices, and advanced engineering, industrial feedstocks for fertilisers, detergents, packaging, and essential manufactured goods.

This same integrated system now underpins the next generation of emerging industries: artificial intelligence (AI) and advanced computing, data centers requiring secure, stable, lower-carbon electricity, battery manufacturing, chemical precursors and energy-storage technologies, the scaling of hydrogen, CCS, and floating offshore wind, Scotland's heavy industries, ports, fabrication yards and engineering clusters.

If we get this right, building on our industrial strengths, prioritising homegrown energy and jobs over imports, Scotland can build a modern industrial nation – one that strengthens existing industries while growing new ones. That means supporting domestic oil and gas production - creating a fiscal and regulatory framework that encourages investment and approving Rosebank and Jackdaw – while building our world class renewables; urgently reforming transmission charges, committing to carbon storage at Acorn and supporting Scotland's industrial sector.

The opposite is also true: if Scotland allows domestic energy production to decline faster than demand, we risk further deindustrialisation, rising imports, and the loss of national capability and resilience.



Policy Priorities for Scotland's Next Government

- 1. Champion an all-energy approach to Scotland's industrial future.** Advocate for policies that do not divide Scotland's workforce and industries into "clean" and "dirty" but instead recognises and champions Scotland's globally respected energy sector as the shoulders on which to build our industries of the future.
- 2. Favour pragmatic, ongoing access to homegrown oil and gas.** The sector needs a functioning regulatory regime. The first step is timely approval of Rosebank and Jackdaw environmental consents (Scope 3 assessments). Building on this, give industry line of sight to future opportunities by providing regulatory clarity for an infrastructure-led approach to protect critical pipelines, terminals and industrial sites.
- 3. Address Transmission Network Use of System (TNUoS) charges** which disadvantage Scottish offshore wind and integrated projects. Champion accelerated transmission charging reforms to provide greater stability, and secure investment to deliver and operate critical generation assets.
- 4. Accelerate implementation of the Oil and Gas Price Mechanism (OGPM) before 2030.** Advocate for an oil and gas fiscal regime that supports investment, balances risk and reward and supports energy security through representations to UK government, providing evidence and support to appropriate industry forums. We need a predictable, fair fiscal regime and a regulatory framework that is conducive to investment.
- 5. Recognise and support the offshore energy supply chain as a strategic industrial asset.** Formally designate the supply chain as a national priority, with targeted support for manufacturing, fabrication, and export capability.
- 6. Secure measurable Scottish supply chain participation in the full offshore energy value chain** including ScotWind, Innovation and Targeted Oil and Gas (INTOG), and future offshore projects. This requires a mix of policy, financial, and infrastructure levers including championing price support mechanism and planning prioritisation.
- 7. Champion Scotland as global leader in responsible decommissioning.** Support a £2 billion per year industrial opportunity to anchor new capabilities in Scottish ports, yards and supply chain by positioning Scotland as the centre for decommissioning expertise - supporting jobs, the circular economy, and environmental leadership.
- 8. Foster strong collaboration between industry, trade unions, regulators, community groups, and government to deliver agreed outcomes** which give industry agency over its future, building on Scotland's existing partnership frameworks. Promote balanced, evidence-based energy insight to inform decision-making. Support confident, informed choices by decision-makers and civil service that strengthen an integrated, homegrown energy system.
- 9. Change the narrative on the inevitability of job losses.** Plan for a future where oil and gas jobs remain essential for energy security and the skills they provide. New roles in offshore wind, hydrogen, and carbon capture are created alongside - not instead of - existing jobs. Reform apprenticeship funding so Scotland matches UK flexibility and supports advanced and higher-level pathways.
- 10. Devolve powers and funding to Regional Economic Partnerships (REPs)** with priority application in energy clusters.

The opportunity: Integrated industrial future



Scotland's industrial backbone: A proud past to build a future on

For generations, Scotland has led the world in energy and industry. From oil shale in West Lothian to the Clyde shipyards, our industrial clusters have powered prosperity and innovation. Today, that same interconnected system - pipelines, ports, grids, and fabrication yards- remains vital to our economy and communities.

Historic and strategic sites

- **Grangemouth:**

Scotland's largest industrial site and the UK's oldest refinery, supplying fuels and chemicals for nearly a century.

- **Mossmorran:**

A cornerstone of Scotland's petrochemical economy, processing North Sea gas into essential feedstocks.

- **St Fergus:**

Handles 25-50% of UK gas supplies dependent on demand patterns.

- **Sullom Voe & Flotta Terminals:**

Strategic hubs for oil exports and gas imports, transforming Shetland and Orkney economies.

- **West Lothian oil shale belt:**

Scotland's pioneering energy industry of the 19th century.

- **Clyde Shipyards:**

Once the "workshop of the world," now evolving into advanced manufacturing hubs.

With partnership, we can prevent the loss of sites and stop the creation of stranded assets.

A modern industrial Scotland, secured by homegrown energy, requires pragmatism over polarisation.

A. Energy Security & Supply

Scotland's integrated energy system – oil and gas, offshore wind, hydrogen, CCS and geothermal – is a strategic national asset. It provides secure, affordable supply, supports industrial clusters, and gives investors confidence that Scotland is a place where energy projects can be delivered at pace. Yet import dependency is now at its highest level in over a decade. This trend is driven by policy, not geology, and risks undermining national resilience across energy, manufacturing, and technology.

Key Facts

- Homegrown energy meets over half of UK energy demand yet import dependency has risen to 44%.
- The production of gas in UK waters is up to four times less carbon-intensive than liquefied natural gas (LNG) shipped from overseas.
- Offshore energies contributed £24 billion to the Scottish economy in 2024.
- Thousands of miles of pipelines and subsea cables connect Scotland's offshore hubs to national infrastructure—an invisible backbone of energy security.

B. Industrial & Supply Chain Strength

Scotland's energy system powers the industrial clusters that make us competitive globally. Offshore production feeds onshore sites like St Fergus, Grangemouth and Mossmorran – critical infrastructure for our energy security and industrial resilience - delivering to the national transmission system (NTS) and producing the feedstocks and energy needed for manufacturing, chemicals, engineering, transport and the digital economy.

These same clusters will underpin the growth of emerging sectors such as:

- AI and data centers, which require stable power and high-performance cooling
- Battery technologies, which depend on chemical chains rooted in hydrocarbon derivatives
- Floating offshore wind, which relies on Scottish fabrication and engineering
- Hydrogen production and CCS, which build directly on our existing infrastructure
- Advanced subsea and marine engineering, one of Scotland's global export strengths
- A healthy offshore energy sector is not the alternative to a new industrial future—it is the platform that makes it possible.

Key Facts

- OEUK's project pipeline identifies approximately £73 billion of potential offshore energy investment in the North Sea in oil, gas, wind, hydrogen and CCS between now and 2030 under a stable fiscal and regulatory framework.
- Scotland's supply chain is recognised as among the most advanced and exportable in Europe.

C. Jobs & Skills

A modern, diversified industrial Scotland requires a skilled, adaptable workforce. Offshore energy supports 128,400 high quality Scottish jobs – over 110,000 in long established energy communities in the oil and gas sector. These jobs and skills will be essential to deliver offshore wind, hydrogen, CCS, digitalised industrial operations, and engineering innovation.

Key Facts

- Nearly half of the UK offshore workforce lives in Scotland, supporting the resilience of the national energy system.
- The sector invests millions annually in apprenticeships, training and skills development. In 2025, excluding the nuclear sector, the Engineering Construction Industry Training Board (ECITB) spent £2.4m in Scotland, supporting apprenticeships.
- Foundation Apprenticeship energy pilots such as the one launched in partnership with OEUK and Carjon-NRG at Portlethen Academy in Aberdeenshire are already delivering strong results.

D. Local Value & Community Benefit

Scotland's energy sector strengthens local economies and provides visible, place-based benefits. Homegrown energy secures jobs, supports public revenues, and anchors the industrial capability needed for long-term growth across the country.

Key Facts

- Offshore energies support 128,400 jobs in Scotland.
- Local supply chain participation retains value within communities and drives economic growth across Scotland.
- Industrial clusters around Aberdeen, Grangemouth, Shetland, Orkney and Fife anchor economic resilience.



A modern industrial Scotland, secured by homegrown energy, requires pragmatism over polarisation.

From the Highlands & Islands to the Borders, industry sustains communities, powers innovation, and underpins secure energy supplies.

Today, we face a choice: allow decline to ripple through our economy or seize the opportunity to build on our strengths.

We know what can be achieved with a supportive political backdrop and a business environment that welcomes investment.

Norway shares the same North Sea. Its offshore energy sector is thriving across oil, gas, wind, and carbon storage because there is political consensus supporting pragmatic policy. Accelerated production decline in the UK is a policy choice not a geological fact.

There is no trade-off between economic growth, energy security, and climate responsibility. We are determined to deliver all three for our country.

That is why we call on all parties to work with us to shape policies that keep Scotland at the forefront of global energy; building on our existing industrial and supply chain strengths; ensuring our communities thrive; and securing a prosperous future for generations to come.

These priorities are not just proposals. They are a call to action, rooted in the experience and ambition of our members.

Our asks are clear:

**Let's back homegrown energy.
Let's back our industrial capability.
Let's back our workers.
Let's back our future.**

Find out more about how we can help build a modern industrial Scotland:
Contact Mark McClelland, Head of Public Affairs at
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View the campaign webpages at

OEUK.org.uk

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