



UK Government

Future of the UK Downstream Oil Sector

Call for Evidence

Closing date: 20 April 2026



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Ministerial foreword



Michael Shanks MP, Minister for Energy in the Department for Energy Security and Net Zero

The downstream oil sector is essential to powering our country – it strengthens our national resilience, supports high-value jobs and supply chains across the UK and provides the infrastructure that underpins emerging low-carbon industries. The sector provides the critical national infrastructure, reliable supply of fuels and highly skilled workforce that keep essential industries, transport systems and communities functioning every day, and underpin significant regional employment and economic activity. Its assets form a core part of our national energy system and this government recognises the important role the sector can continue to play as we work towards our mission of making Britain a Clean Energy Superpower.¹

Responsible for the production, import, storage, movement and retail of both fuel and non-fuel products, the sector is not only a critical part of our energy resilience and national security, but also a major contributor to our national and local economies. Over the last several years, the sector has shown flexibility in managing short-term disruptions to supply and navigated a challenging policy environment to continue to supply customers with transport and heating fuels. However, the loss of a significant proportion of the UK's refining capacity since the early 2010s and a lack of ministerial engagement with the sector since 2014 are evidence that the previous government did not recognise the role that this sector has in our future energy missions and a net zero economy.

This government firmly believes that the downstream oil sector is an integral part of our economy and will be in the future, supporting our Clean Energy Superpower Mission and Industrial Strategy. Fossil based, sustainable and synthetic fuel products will continue to be a part of our energy mix in the near- to medium-term, supporting the transitional phase of this mission. As the sector decarbonises, including through technologies such as hydrogen and Carbon Capture, Utilisation and Storage (CCUS), it will be well-placed to produce low carbon

¹ UIN 6741, tabled on 4 October 2024

fuels and other essential products for the long term. Its advanced infrastructure and expertise means it can support the development and implementation of new technologies and fuel types, continuing to play a significant role well beyond the energy transition.

UK refineries will continue to play a pivotal role in producing a new generation of sustainable goods in the long term. As they decarbonise and adopt new low carbon technologies, they will be well placed to produce Sustainable Aviation Fuel (SAF) and other low carbon products at scale. The UK is already well on the path to being a global leader in the production of SAF and is also supporting other key industries that are part of the energy transition, by producing bespoke chemicals and vital non-fuel products that are used globally ranging from rubber, petrochemical feedstocks, solvents, lubricants and plastics manufacturing, to petroleum coke for industrial applications including electric vehicle (EV) batteries. It is important that we capitalise on these innovations and support British businesses to power Britain, provide economic growth and stable, highly skilled jobs across the country and support hard-to-abate sectors.

This call for evidence is the latest milestone in this government's commitment to the sector and will underpin the work of the department as we develop a future framework for fuels and work with the sector to ensure its future.

Therefore, I am asking those with relevant experience and expertise from across the sector and beyond to respond to the questions in this call for evidence and support our work on the future of UK downstream oil. We have an opportunity to build a sustainable future which generates growth and good jobs. This call for evidence is an opportunity for you to help shape this exciting future.

General information

Call for evidence details

Issued: 23 February 2026

Respond by: 20 April 2026

Enquiries to: futureoffuel@energysecurity.gov.uk

Audiences: This call for evidence seeks views from a range of stakeholders, be that as an academic, consumer advocate, or industry member across the downstream oil sector (e.g. feedstock supply, production, import and export, transport and logistics, storage and distribution, retail and final consumer). We also welcome views from stakeholders that directly or indirectly support the downstream oil sector (e.g. local community organisations, petrochemical production, hydrogen suppliers).

Territorial extent: England, Scotland and Wales only.

How to respond

Respond online at: <https://energygovuk.citizenspace.com/energy-security/future-of-fuel>

Or, if you have difficulty accessing the platform, email responses to:
futureoffuel@energysecurity.gov.uk

When responding, please state whether you are responding as an individual or representing the views of an organisation.

Your response will be most useful if it is framed in direct response to the questions posed, though further comments and evidence are also welcome.

Confidentiality and data protection

Information you provide in response to this call for evidence, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We will process your personal data in accordance with all applicable data protection laws. See our [privacy policy](#).

We will summarise all responses and publish this summary on [GOV.UK](#). The summary will include a list of names or organisations that responded, but not people's personal names, addresses or other contact details.

Quality assurance

This call for evidence has been carried out in accordance with the [government's consultation principles](#).

If you have any complaints about the way this call for evidence has been conducted, please email: bru@energysecurity.gov.uk.

Executive summary

The importance of energy security

75 years ago, in 1951, Prime Minister Clement Attlee opened the new Fawley Refinery, on the south coast of Hampshire. At the time it was the largest oil refinery in Europe, built by British workers, which supplied the nation with around a third of Britain's petrol needs. There was an urgent imperative to ensure energy security for Great Britain at a time of international disruption – in this case the Iranian nationalisation of the Anglo-Iranian Oil Company refinery at Abadan, at the time the UK's single largest overseas asset.

That imperative to ensure energy security – including in our fuel supply – remains as true today as it was 75 years ago. The energy crisis of 2022 was a salient reminder of the importance of domestic energy security during periods of international disruption. For this reason, the government's energy policy has energy security right at its heart, avoiding being dependent on overseas markets for our core energy needs.

The government is acting to secure our domestic energy supply across electricity, gas and fuel. We have already made significant progress in securing electricity supply through investment in renewable energy sources – including with the record-breaking Contracts for Difference (CfD) Allocation Round 7 (AR7) auction round. We have recently published a consultation on policy to ensure our gas security for the future². This call for evidence is to inform the development of a similar strategy for our fuel supply, which as of today remains the largest energy subsector, meeting 47% of final energy consumption in the UK³.

Refineries and the downstream oil sector in the UK

Today we have four major UK refineries across the UK: Fawley on the south coast, Pembroke on the west coast of Wales, Stanlow in the North-West, and Humber in the North-East.

- **Fawley refinery** was established in Hampshire in 1921. It was rebuilt and extended in 1951 and has a refining capacity of 270,000 barrels per day.
- **Stanlow refinery** dates back to 1924 when a small bitumen plant was established in Ellesmere Port in Cheshire. It was expanded in the 1950s, and it now has a refining capacity of 296,000 barrels per day.
- **Pembroke refinery** started production in 1964 on the Pembrokeshire coast. It was expanded in the 1970s and 1980s and has a refining capacity of 220,000 barrels per day.

² <https://www.gov.uk/government/consultations/gas-system-in-transition-security-of-supply>

³ Digest of UK Energy Statistics, Aggregate Energy Balances, DUKES 1.1

- **Humber refinery** opened in 1969 in North Lincolnshire and further expanded in the mid-1970s. It has a refining capacity of 221,000 barrels per day.

Refineries are only one part of the wider downstream oil sector which includes production, import, storage, transport and retail of refined products. There are more than 30 import terminals and more than 20 inland terminals, and many of these are connected by large networks of cross-country pipelines. There are also many smaller depots that facilitate fuel distribution across the UK, as well as more than 8,000 forecourts.

The contribution of the UK fuel industry

It is widely understood that our refineries produce fuel for cars carrying families across the country, lorries carrying goods and supplies we buy and consume, trains carrying workers to their places of employment, ships transporting goods for international trade, and aeroplanes reaching the four corners of the world.

However, it is less well known that refineries also contribute to the production of a wide range of other products used in everyday life. Their contribution includes:

- **keeping us moving** – providing bitumen for asphalt in roads, rubber in tyres, and graphite in EV batteries. Halobutyl rubber from Fawley refinery is found in the majority of vehicle tyres manufactured in Europe, and Humber refinery is the only European facility producing speciality anode coke which is essential for EV batteries and electronics
- **keeping us connected** – providing plastics, polymers, and resins used in the production of casings, computer chip coatings, and device screens in laptops, tablets and smartphones that are a central part of our day to day lives and work
- **keeping us well** – helping to produce materials for health-related equipment in our hospitals, supporting the production of protective goggles, gloves, facemasks, medical grade adhesives, hospital flooring, and more. More than half the rubber that went into the global supply of vial stoppers carrying the coronavirus (COVID-19) vaccine is likely to have originated from Fawley refinery
- **keeping us warm** – providing heating oil and Liquefied Petroleum Gas (LPG) such as propane and butane used for cooking and heating across the country, especially for the around 4 million homes not connected to the mains gas grid
- **keeping us clean** – providing ethylene and other olefins, to produce synthetic alcohol used in common detergents, cleaners and personal care products used in households across the country every single day.

Refineries and the downstream oil sector in the UK are therefore fundamental to:

- **national resilience** – domestically produced refined fuel allows the UK to withstand disruption to fuel supplies, whether at home or in international markets, ensuring that we avoid the significant economic impacts of fuel supply shortfalls. Using a risk adjusted approach, the regional economic impacts associated with a disruption which results in a daily loss of 0.86 million litres of fuel is estimated to be up to £65m for a 3-day

disruption⁴. This ability to ensure a resilient fuel supply is consistent with our *Resilience Action Plan*⁵

- **national security** – domestically produced refined fuel and the infrastructure of the downstream oil sector contributes to the UK's ability to provide fuel direct to our armed forces, consistent with our North Atlantic Treaty Organization (NATO) obligations, supporting our military capability to defend the nation. This capability is consistent with our *Strategic Defence Review 2025 – Making Britain Safer: secure at home, strong abroad*⁶
- **industrial production** – refineries produce industrial feedstocks critical to other industrial sectors and the manufacturing of everyday products, including plastics, paint, fibres, pharmaceuticals, petrochemicals, lubricants, solvents, aluminium, and steel. This vital contribution to our domestic industrial base is consistent with our *Industrial Strategy*⁷
- **economic growth and jobs** – the downstream oil sector provides well paid and skilled jobs across the country, supporting local economies and communities. Prior to the insolvency of Prax Lindsey, the UK refining sector had a GVA (Gross Value Added) to the UK economy averaging nearly £3 billion per year between 2019 and 2024. In 2025, approximately 9,000 people were employed in the manufacture of coke and refined petroleum products sector⁸, and tens of thousands more were employed at more than 8,000 petrol stations nationwide⁹. This contributes to our vision for *regionally balanced growth and jobs*.

Fuel in the clean energy transition

The share of energy consumption is changing. In 2022 electricity constituted less than 20% of global energy use, with the remaining 80% of energy consumed in the form of molecules (oil and gas). However, the global shift to clean energy means the energy system in the UK will change, and growing electrification means the share of molecules in the energy mix will fall and the share of electrons will rise. Indeed between 2000 and 2024 the UK's consumption of oil derived products fell by 19%¹⁰.

But the demand for liquid fuels will not disappear. We will continue to need them over the long term for hard to abate industrial sectors, transportation that can't rely on electrification (including the aviation and maritime sectors), and military purposes. Homes not connected to the gas or electricity grid will also continue to need alternative forms of heating and cooking.

⁴ <https://www.parliament.uk/globalassets/documents/commons/scrutiny/cp435-ia---the-downstream-oil-resilience-draft-bill.pdf>

⁵ <https://www.gov.uk/government/publications/uk-government-resilience-action-plan>

⁶ <https://www.gov.uk/government/publications/the-strategic-defence-review-2025-making-britain-safer-secure-at-home-strong-abroad>

⁷ <https://www.gov.uk/government/publications/industrial-strategy>

⁸ JOBS03: Employee jobs by industry - Office for National Statistics

⁹ Petrol Retailers Association, Market Review 2025

¹⁰ Digest of UK Energy Statistics, Aggregate Energy Balances, DUKES 3.2

These sectors will rely increasingly on low carbon fuels, which will form a critical part of the UK's future energy system up to and beyond 2050.

And demand for other refined products will remain. Vehicles of all kinds will continue to need rubber for tyres, asphalt for the roads, and anode coke for battery production. The National Health Service (NHS) will still need medical grade products that rely on refined oil products. And the demand for products needed for the manufacture of digital devices will only continue to grow.

We will start to see a transformation in our refineries. Refineries are exploring a range of options for decarbonisation and providing new low carbon products for new markets. This ranges from utilising low carbon electrons from windfarms and solar, and using low carbon molecules from hydrogen and biogas as inputs to refinery operations; producing low carbon molecules such as low carbon and renewable fuels like SAF for transportation, green hydrogen for industrial use, ammonia for agricultural use, and oxygen for medical use; and they are exploring sequestering carbon emissions back into the ground through CCUS.

Shaping a policy framework for the future of fuels

Despite their contribution, refineries in the UK face challenges including: falling domestic demand; increased international competition from newer competitors in the Middle East, Asia and Africa; ageing infrastructure; high energy costs; and growing costs from carbon emissions that are hard to abate. We have recently witnessed the unwinding of some parts of the fuel sector, as evidenced by the unfortunate closure of two refineries over the past 18 months – Grangemouth in Scotland, and Prax Lindsey in North Lincolnshire.

The simple truth is we will need refineries in the UK for the long term; to continue to provide the fundamental contribution they make to national resilience, national security, industrial production, and economic growth and jobs. More than this – we need them for the contribution they make to our everyday lives – not just fuel to get around, but the multitude of products they contribute to that we use every single day.

We have to act to avoid being dependent on overseas markets for our fuel. Just as Clement Attlee understood the need for domestic energy security in 1951, we face the same imperative today.

Our challenge is to build the right policy framework that supports the continued secure operation of our refineries and downstream oil sector today, and its gradual transformation for tomorrow. We need to build on progress to date to support the production and use of low carbon fuels, including the Department for Transport's SAF Mandate¹¹, the Renewable

¹¹ <https://www.gov.uk/government/publications/about-the-saf-mandate/the-saf-mandate-an-essential-guide>

Transport Fuel Obligation (RTFO) scheme¹² and this department's Hydrogen Production Business Model¹³ and Industrial Carbon Capture Business Model¹⁴.

This is the purpose of this call for evidence: to build the evidence, views and ideas to inform a future fuels framework. Questions therefore focus on the following themes:

- the current role of the downstream oil sector in the UK
- the current outlook for the downstream oil sector in the UK
- potential opportunities for growth and innovation for the downstream oil sector in the UK
- the role of the downstream oil sector in supporting jobs and integrated supply chains in a net zero economy.

The questions also ask about you and your position in the downstream oil sector and provide an opportunity to raise any additional items or information that you wish to be considered.

¹² <https://www.gov.uk/government/publications/about-the-rtfo/the-rtfo-an-essential-guide>

¹³ <https://www.gov.uk/government/publications/hydrogen-production-business-model>

¹⁴ <https://www.gov.uk/government/publications/carbon-capture-usage-and-storage-ccus-business-models>

Questions for respondents

We are interested in your perspective and experience be that as an academic, consumer advocate, or industry member across the downstream oil sector (e.g. feedstock supply, production, import and export, transport and logistics, storage and distribution, retail and final consumer), as well as stakeholders that directly or indirectly support the downstream oil sector (e.g. local community organisations, petrochemical production, hydrogen suppliers).

In answering the below questions, where possible please share any data or other evidence you have that supports your view. Additionally, as we are gathering evidence on the future of the downstream oil sector, please try to set aside shorter-term considerations (unless stated otherwise) in favour of medium and long-term considerations, out to 2050.

A. Introductory questions

- Please provide your name and contact details (e.g. email address). We may contact you for follow-up or in the event clarification is needed.
- Are you responding as an individual, or on behalf of an organisation?
- What is your/your organisation's relation to the downstream oil sector? What is your role/experience?
- Where are you, or your organisation based?
- Approximately how many employees work for your organisation?

B. Understanding the sector today

As we develop a future vision for the downstream oil sector, it is fundamental that we understand its strategic significance in the world today. Therefore, it would be useful for respondents to share views on:

- How the current mix of domestic refining capacity and import capability supports the UK's energy security, national resilience and responses to potential and actual supply disruptions?
- How the current downstream oil sector is integrated, both vertically and horizontally, to bring economic benefits to local areas and across the UK? Please provide specific examples of where your part of the sector contributes financially or through specific fuel and non-fuel products to the wider economy or other industrial sectors.
- If there are any weaknesses or vulnerabilities in the current downstream oil sector, and its integrated industries, that undermine the resilience of the current system?

C. Understanding the future of the sector

Whilst this call for evidence is not proposing any immediate policy changes, this is an opportunity for you to inform government of any areas where you think the current policy landscape provides opportunities for the growth and transition of the downstream oil sector.

Equally, please provide information (including any evidence / other data) on where there are challenges for the sector in the current policy landscape. We welcome your views and evidence on global, European and domestic trends in supply, demand, investment opportunities and barriers to investment. The following prompts have been designed to bring this out of responses:

- If current policies and market conditions remain unchanged, what is the expected trajectory for your part of the sector in terms of changing production levels, diversification of fuel type, decarbonisation plans, profitability etc. and what is driving this trajectory?
- What are the key policies that your part of the sector has a vested interest in, to realise the opportunities outlined above? Can you provide evidence of how these policies are a barrier to the transition?
- Are there other factors that are either providing opportunities for growth in part of your sector or present challenges, such as, but not limited to, the price of energy or carbon emissions?
- Provide evidence on the global, European or UK trends for fuel demand and fuel types through to 2050? Please provide an insight into how you predict this demand could be met in the UK via production or imports and what the driving factors behind these changes are.
- Does your part of the sector feel that current demand creation policies for Sustainable Aviation Fuel and Renewable Transport Fuel help or hinder these projections and UK's transition to net zero?
- For the production of sustainable or renewable transport fuels, is the UK competing with other regions globally? Which regions are these and what are the competitive differences? Please provide evidence on production capability, feedstock availability, import capability and policy frameworks.
- What is the pathway for your part of the sector or asset to decarbonise either Scope 1, Scope 2 or Scope 3 emissions? What does this look like and how far along are you in progressing these plans? Where possible, please provide information of the specific technologies utilised, the investment required, the time taken to deliver these changes and how government policy can support this.
- Is there any new infrastructure that needs to be built to support the UK's transition to net zero that you/your area are planning? Please provide the same level of detail as above for this answer.

D. Understanding the liquid fuel transition for end users

As the UK transitions towards net zero it is critical that we do this in a whole of society way. Therefore, we want to hear any views and evidence from you on how we can ensure that all users of fuel and non-fuel products are brought along this transition at an equal pace. Please use the below prompts to provide this evidence:

- Based on your projections of future supply, demand and fuel types (questions above) how will you/your part of the sector ensure that consumers are brought along in this transition? Have you identified any particular consumer groups that may need more support in the transition? Please also provide any evidence of regional or national differences.
- Are there any current policies that support this transition for fuel consumers or pose additional challenges? Please provide any evidence that supports this and sets out what you/your part of the sector would like to see to ensure a smooth transition for all end users.

E. Final considerations

Is there anything else you would like to tell us that is relevant to your work? Please provide any supporting evidence. You may like to consider the below prompts:

- Energy security and resilience, infrastructure, decarbonisation
- Investment, fuel and non-fuel supply chains, import and export markets
- Access to capital and financing conditions
- Policy and regulation
- Technologies, AI (e.g. AI for process optimisation, industrial AI, advanced analytics)
- Jobs and growth, end consumers, affordability.

Next steps

Once the call for evidence has closed, government will consider all responses to inform our strategy for the downstream oil sector. This strategy will be published in autumn 2026.

This publication is available from: www.gov.uk/government/calls-for-evidence/future-of-the-uk-downstream-oil-sector

If you need a version of this document in a more accessible format, please email alt.formats@energysecurity.gov.uk. Please tell us what format you need. It will help us if you say what assistive technology you use.