Part 16

NCT

Confidential Filing

Royal Commission on Environmental Pollution
Effects of Acid Rain
Ozone Layer Conference
Agriculture and conservation
climatic change
Environmental Protection Bill

In Folder: UNEP "Action on Ozone"

In Folder: IPCC draft reports on climate change

ENVIRONMENTAL AFFAIRS

Part 1: Sept 1979

Part 16: May 1990

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
~~4.5.90~~							
~~15.5.90~~							
~~22.5.90~~							
~~23.5.90~~							
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~~5.6.90~~							
~~7.6.90~~							
~~19.6.90~~							
29.6.90							
PART 6 ends							

PREM 19/2968

HMSO Od8953931 6/88 C60 GP2265 CCN13412 (3932)

PART 16 ends:-

SS/ENV to PM 29.6.90

PART 17 begins:-

DOE to DM 2.7.90

Prime Minister ①

Content with this approach?

CAB 29/6

Yes mt

PRIME MINISTER

GLOBAL CLIMATE CHANGE

John Wakeham's minute to you reporting his visit to Washington stressed the importance the Americans place on a target for emissions to cover all greenhouse gases. Your Private Secretary has since replied noting that this was an idea you endorsed in our discussions in MISC 141 and asking that work be put in hand to derive a target for all greenhouse gases for the United Kingdom.

This is I believe primarily a task for my Department as it covers a range of areas of responsibility. We have in fact already carried out a first review of the position, in consultation with other Departments, based on the approximate CO2-equivalents produced by the IPCC. This suggests that we could reasonably expect to achieve a reduction of 20% against current levels in our total contribution to greenhouse effect warming by the year 2005. This follows from your announcement of 25 May that we would aim to stabilise CO2 emissions at 1990 levels by 2005, together with our existing commitments on CFCs and vehicle emissions, along with the modest improvements in methane emissions and improved forestry sinks we discussed in MISC 141.

This is an encouraging conclusion to be drawn from the results of policies some of which have been undertaken in their own right, but which also support our objectives on climate change.

I agree that it may be difficult to use this to our advantage as a negotiating base in Europe, since discussions framed in terms of carbon dioxide are well advanced. Similar figures are likely to apply to other EC industrialised countries. I also believe that while this is an important expression of our total national commitment, it will not, as the Americans perhaps hope, be credible as an alternative to some early action on CO2 emissions. However, I also agree that we should not miss the presentational advantage of

restating our policy in this way where it seems appropriate. I therefore propose to review the work this Department has undertaken in consultation with colleagues, and to seek to present the results in our White Paper.

I am copying this to members of MISC 141 and to Sir Robin Butler.

A. D.

PP CP

29 June 1990

(Approved by the Secretary of State
and Signed in his Absence)

ENV AFFAIRS
Acid Rain 12 16

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

29 June 1990

Dear Kate,

ENVIRONMENT WHITE PAPER: FOLLOW-UP WITHIN GOVERNMENT

The Prime Minister was grateful for your Secretary of State's minute of 26 June setting out a number of proposals.

The Prime Minister agrees that MISC 141 should continue after the Environment White Paper is published in the autumn and that it should continue under her chairmanship. She agrees that the White Paper should refer to the existence of the necessary inter-Departmental coordinating machinery; and that it should be made known on publication that she will continue to lead the Committee. She also welcomes Mr. Patten's suggestion that Ministers in all relevant departments should be nominated to carry forward their department's environmental policies. She notes that Mr. Patten proposes that the new annual Departmental Reports should contain passages describing departments' record on the environment. The Prime Minister is happy with this proposal in principle but suggests that MISC 145 should discuss the practicalities of this before a final decision is taken. The Prime Minister would be grateful if Mr. Patten could now start to draft the relevant White Paper chapter along these lines.

I am copying this letter to the Private Secretaries to other members of MISC 141, Jane Binstead (Ministry of Defence) and Sonia Phippard (Cabinet Office).

Yours sincerely,

Caroline

CAROLINE SLOCOCK

Miss Kate Bush,
Department of the Environment.

CONFIDENTIAL

Pde

MEETING RECORD:
SUBJECT cc MASTER

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

28 June 1990

Dear Phillip,

MEETING WITH DR. TOLBA, 27 JUNE

Dr. Tolba paid a brief courtesy call on the Prime Minister yesterday. Mr. Patten was also present. The Prime Minister and Dr. Tolba had a wide-ranging discussion about the Ozone Conference and global warming.

Dr. Tolba said that action being taken now internationally on the environment was unprecedented in history. Progress being made under the Montreal Protocol was encouraging; and he thought that the developing countries now had a greater incentive to take part because of the scientific evidence about the threat posed by greenhouse gases, of which CFCs are one group. The Prime Minister agreed and commented that a full international consensus could only be achieved by excluding the environmental "cranks" who want to return to simple village life. They failed to recognise the advances which science had brought in people's standard of living and the help which it could give in solving environmental problems.

The Prime Minister said that she understood that the USA was sceptical about the scientific evidence for global warming. She felt strongly that although the science may not be absolutely clear as yet we must take precautionary steps now. Dr. Tolba explained that no scientist in the world disagrees about the greenhouse effect of carbon monoxide, CFCs and methane, although the position is not yet clear on certain factors which contribute to greenhouse warming, such as water vapour. But we know that the greenhouse gases are increasing and that they will have a greenhouse effect. The US's position is technically correct in that it is true that the changes we have witnessed in the last hundred years still fall within the realm of natural variations witnessed in the past. But the scientific evidence pointed to the fact that we are coming dangerously close to the point where we will see far greater change in our climate resulting directly from man's greenhouse emissions. The problem now was not achieving international agreement that the environment must be imperative. The crucial problem was to find ways to tackle environmental problems which do not require developing countries to pull down their standard of living, Dr. Tolba said.

Dr. Tolba speculated that, just as 30 years ago we failed to foresee the damaging effect of the new miracle chemicals such as CFCs, the new chemicals being developed now to replace them might well have damaging effects which we are unable to anticipate. The Prime Minister agreed. She suggested that it would be valuable to get together a group of some of the brightest young scientists from a number of disciplines to look at these and other issues in a new way and perhaps come up with some lateral solutions and insights into new problems. Astronomers, biologists, genetic scientists, geologists and scientists involved in CERN could be involved. The Prime Minister said that she might mention this to President Bush as an idea when she next saw him. Dr. Tolba warmly commended this proposal and thought that it would be useful for such a convention to take place by the end of next year. The Prime Minister asked Mr. Patten to give further thought to this proposal.

Since the Prime Minister met Dr. Tolba she has herself been giving further consideration to this idea and is minded to hold a seminar at No.10 as a first step. She has also mentioned this proposal to Sir Crispin Tickell, whom she met today and he is considering whether he can suggest any particular young scientists who could be invited to take part.

I am copying this letter to Richard Gozney (Foreign and Commonwealth Office) and Eamoinn Taylor (Overseas Development Administration).

Yours sincerely,

(CAROLINE SLOCOCK)

Phillip Ward, Esq.,
Department of the Environment.

The figures are explainable
B/F with DOE refs. AT 29/6

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Andrew Turnbull Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

28 June 1990

Dear Andrew,

GERMANY: POLLUTION AND CO2 TARGETS

Your letter of 4 June asked for advice on the capacity of the GDR to achieve limits or reductions in CO2 emissions following unification.

I attach a short note explaining some of the factors involved. I should of course stress that although the data available is drawn from the best available sources, it is not necessarily compiled on the same assumptions and should be seen only as illustrative.

I am copying this to John Neilson (DEm), Richard Gozney (FCO), Simon Winterly (DTp) and Neil Thornton (DTI).

Yours

Phillip

PHILLIP WARD
Private Secretary

FEDERAL REPUBLIC OF GERMANY AND GERMAN DEMOCRATIC REPUBLIC;
CURRENT AND PROJECTED CO2 EMISSIONS

Current State

The current levels of CO2 emissions in the two Germanys are (as elsewhere) a function of economic development and energy demand, the efficiency with which energy is produced and consumed, and the relative carbon content of the fuel mix used to produce energy.

The current figures are (for 1987);

	Total emissions (million tonnes carbon)	Emissions per capita (million tonnes carbon)
FRG	187	3.06
GDR	101	5.54
UK	166	2.92

In terms of energy efficiency, it takes close to 50% more energy to produce a unit of GDP in GDR as compared with FRG. The carbon intensity of energy use is also higher in Eastern Europe than the EC.

Future Projections

Using the 'central estimates' for the FRG and UK country studies submitted to the IPCC, and projection if GDR consumption at historic growth rates the following illustrative figures for 2005 are obtained;

	Total	Per Capita
FRG	190	4.24
GDR	126	8.93
UK	208	3.93

Target Reductions

FRG has indicated it might adopt the target of a reduction of 25% in

current emissions by 2005. The UK target is to stabilise emissions at current level. These would call for the reductions shown in the table below. The effect of each target on GDR is also shown.

	Forecast Level	Target Level	Reduction in mtc	% Reduction in projection
FRG	190	140	50	26
UK	208	160	48	24
GDR (FRG Target)	126	75	51	41
(UK Target)	126	101	25	20

Factors Affecting CO2 Emissions in GDR

The inefficiency of production and consumption of energy, and relatively high carbon content of the fuel mix, in the GDR present large scope for reduction in CO2 emissions. For example, reduction in the use of lignite, with its high SO2 emissions could be achieved through building new, more efficient power stations.

However, total energy demand is likely to rise in the light of ;

- increased economic development, supported by FRG and other investment;

- increased consumer demand (eg many homes have only 1 heated room at present).

The future consumption of energy in the GDR is then a balance between increased consumption arising from a wealthier population using old and inefficient capital equipment and a decrease from the introduction of efficient, West European technology.

For example, the level of car ownership in GDR is still fairly low., As this rises, there will be pressure on levels of CO2. However, the existing GDR car pool has poor fuel efficiency and improvements could meet some of the increase in numbers.

Conclusion

To meet the FRG target of a 25% reduction in present levels by 2005 in the GDR, would require a very high rate of investment. It would

involve a 41% reduction in projected levels (which are in the any case based on a fairly low rate of growth in GDR).

For the short term, (ie until 2005) the FRG is likely to maintain separate targets for the two Germanys in view of the very different circumstances of the two countries at present. This conclusion is borne out by discussion with FRG officials over recent weeks. However in the longer term, it may give a better return per mark to increase the investment in the former GDR, than impose taxes or other restrictive measures on the efficient industry of the former FRG.

ENV AFFAIRS - Acid Rain Pt 16

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

28 June 1990

Dear Phillip,

ENVIRONMENT WHITE PAPER:
ENVIRONMENTAL PROTECTION INSTITUTIONS

The Prime Minister was grateful for your Secretary of State's minute of 22 June. She is content that it should be announced in the White Paper that the Pollution Inspectorate should become a Next Steps Agency; and that your Secretary of State should draft a passage of the White Paper on the Environmental Protection Institutions along the lines he suggests. This draft will be considered by MISC 141 when the full White Paper is circulated. She has only one point at this stage. She would like the White Paper to keep open the question of HMIP's future status as she is unconvinced as yet of the case for making the Inspectorate into a NDPB, particularly if it is successful as a Next Steps Agency.

I am copying this letter to the Private Secretaries to other members of MISC 141 and to Sonia Phippard (Cabinet Office).

Yours sincerely,

Caroline

CAROLINE SLOCOCK

Phillip Ward Esq
Department of the Environment

VO

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PRIME MINISTER

ENVIRONMENT WHITE PAPER: FOLLOW-UP WITHIN GOVERNMENT

Mr Patten has sent you the attached minute seeking your agreement that:

- Misc 141, chaired by you, should continue after the White Paper is published. He would intend to make a reference in the White Paper to the existance of interdepartmental co-ordinating machinery to carry forward environmental issues. And he also wants to let it be known publicly that you will chair the relevant committee;

- the White Paper should announce that Ministers to take responsibility for environmental issues will be nominated for all Departments with an interest. Mr Wakeham already proposes to chair a group of Ministers to look at energy efficiency;

- that a passage on what each Department is doing on the environment should be included in the new annual Departmental Reports which will be published to replace the old Public Expenditure White Paper.

He argues that these measures are the minimum that the Government can get away with to resist pressures for each Department to prepare an annual green audit; and to head off charges that the Environment White Paper is a one-off gimmick. He says that it is essential that you should continue to chair Misc 141 as a token of the Government's commitment.

Advice from Sir Robin and Peter Owen is that the first two proposals present no handling problems. They suggest it would be worth having a discussion in the sub-committee of Misc 141 chaired by Mr Patten of what might be included in the Departmental Reports before a final decision is taken.

It seems sensible to accept all these proposals in principle, although in practice Misc 141 may well meet less frequently in future. Misc 145 could continue to consider the more detailed issues.

Content to agree to Mr Patten going ahead with the drafting of a passage for the White Paper along these lines, subject to further discussion in Misc 145 of the third proposal?

CAS

Caroline Slocock
28 June 1990

Yes

PRIME MINISTER

ENVIRONMENTAL PROTECTION INSTITUTIONS

Mr Patten has sent you a minute about the future shape of Environmental Protection Institutions which is at Flag A. He wants to:

- announce in the White Paper that the Pollution Inspectorate will become a Next Steps Agency, and later on an NDPB;

- float in a noncommital way possible longer term changes in pollution control arrangements. These include the possibility of the HMIP taking over the responsibility from local authorities of waste disposal; and of creating a new umbrella body to oversee the work of the various agencies;

- resist calls to merge the Nature Conservancy Council and the Countryside Commission but offer consultation on ways of improving co-ordination.

At the moment, he is only seeking approval to the first point; and to drafting a chapter of the White Paper setting out the other points. This draft chapter will be considered by Misc 141 in due course.

Carolyn Sinclair gives advice at Flag B. She welcomes the proposal to make the Pollution Inspectorate an Agency, particularly as the Inspectorate has been suffering low morale and is also experiencing difficulties in recruiting inspectors. But she does not see why, if it is a success as an Agency, it should be made an NDPB. Government policy as I understand it is at the very least not to increase the number of NDPBs; and to make the Pollution Inspectorate one would require legislation. The main argument put forward seems to be that there have been calls to put the Inspectorate on the same footing as the National Rivers Authority, which is a NDPB.

Carolyn sees no real difficulty with the rather open-minded approach suggested by Mr Patten on the other issues, although she thinks it is unlikely to deflect pressure for an Environmental Protection Agency.

Content:

- to agree that the White Paper should have a section on institutional arrangements and that drafting should go ahead so that the terms of the chapter can be considered in Misc 141?

- to agree that the White Paper should be announced as an Agency?

- but ask that its future thereafter should be left open?

CAS

Caroline Slocock
27 June 1990

Yes

PRIME MINISTER

MEETING WITH DR TOLBA, 2.30

You are to have a short courtesy meeting with the Executive Director of the United Nations Environment Programme, Dr Tolba. Mr Patten will also be present. The meeting will necessarily be quite short: the Ozone Conference resumes at 3.00 and they will both need to get back in good time for this. The attached brief from DOE suggests some points you might discuss with Dr Tolba. These are:

- ask his assesment of how the Ozone Conference is proceeding, particularly the likelihood of getting agreement on tighter controls and financial help for developing countries; and also the prospects for key non-parties joining the Protocol;

- explain the UK's position on CO2 emissions and thank Dr Tolba for his support and that of UNEP for the IPCC process;

- ask Dr Tolba about biodiversity. UNEP has been taking forward work on this.

CNS

Caroline Slocock
26 June 1990

PRIME MINISTER

26 June 1990

ENVIRONMENT WHITE PAPER: ENVIRONMENTAL PROTECTION INSTITUTIONS

1. Chris Patten's minute really just has one proposal in it - to make HM Inspectorate of Pollution a next steps agency as soon as possible, with the longer term goal of turning it into a quango (NDPB). He proposes to announce this in the White Paper.

2. The rest of his minute suggests that the Government should meet pressure from environmentalists to set up powerful new bodies by appearing open-minded in the White Paper on organisational change. HMIP apart, nothing would be ruled in and nothing would be ruled out.

Agency status for HMIP

3. The Green Bill currently going through Parliament introduces the concept of integrated pollution control. From April 1991 inspectors will look at the pollution caused by industrial plant in the round, instead of looking separately at water or air pollution etc.

4. This demands a new kind of inspector with wide training. HMIP are having difficulty recruiting enough people of the right calibre. This is partly a question of absolute scarcity - academic training has hardly caught up with the need for wide qualifications - and partly a question of money. But it is also a question of morale. The new united inspectorate has not really shaken down and developed its own esprit de corps. (The suicide of its administrative head last December was thought to be related to these difficulties). The old separate inspectorates - like the Alkali Inspectorate - date back to the nineteenth century.

5. Chris Patten feels that the inspectorate would fare much better if it had a separate identity from the Department of the Environment. Ideally he would like it to be a quango, on the model of the National Rivers Authority. But this would require legislation. So he has

plumped for agency status as an immediate first step. In practice it would be likely to be at least a year from publication of the White Paper before HMIP could become an agency.

6. HMIP will introduce charges to cover its costs from April 1991. But unlike the proposed agency for the planning inspectorate, charges and agency status for HMIP are not closely linked. Either could go ahead without the other.

Other Proposals

7. Chris Patten proposes to discuss three other areas in the White Paper:

- the role of Local Authorities in waste disposal in the longer term;

- the possibility of setting up a new umbrella body for pollution control, to which individual agencies such as the HMIP and the NRA would be subsidiary;

- the scope for improving co-ordination between the Nature Conservancy Council and the Countryside Commission.

The aim would be to appear open-minded. The Government would not be advocating any particular proposals.

Comment

8. The tactic of appearing open-minded on institutional change is unlikely to deflect pressure to set up something like the US Environmental Protection Agency. But equally it is unlikely to do much harm.

9. The proposal on HMIP is sensible, with one caveat. If agency status is a success, the Government may not want to convert HMIP subsequently into a quango because:

- the inspectorate has a clear regulatory function which arguably should be exercised by Government;

- if the inspectorate proves successful as an agency, why change its status?

10. The White Paper should announce the intention of making HMIP a next steps agency, but be non-committal about its future thereafter.

Conclusion and Recommendation

- Agree that the White Paper should contain a section on institutional change on the lines Chris Patten proposes;

- But ask him to leave open the question of HMIP's eventual status. This will need to be decided in the light of its performance as an agency.

CAROLYN SINCLAIR

2 MARSHAM STREET
LONDON SWIP 3EB
01-276 3000

My ref:

Your ref:

Caroline Slocock
PS/Prime Minister
10 Downing Street
LONDON SW1

26 June 1990

Dear Caroline,

PRIME MINISTER'S MEETING WITH DR TOLBA, WEDNESDAY 27 JUNE

The Prime Minister is meeting Dr Tolba, Executive Director of UNEP at 2.30 on Wednesday 27 June. My Secretary of State will accompany the Prime Minister.

This occasion is essentially a short courtesy call - the ozone meeting is supposed to restart at 3.00 and Dr Tolba and my Secretary of State will both need to get back to the IMO building for that.

The Prime Minister will no doubt want to ask Dr Tolba how the ozone conference is going: how confident he is that the existing parties will succeed in reaching agreement on tighter controls and an adequate financial mechanism to help developing countries meet their costs under the Protocol; and how he views the prospects of key non-parties (especially India and China) announcing that they will join the Protocol.

There are 2 other topics that the Prime Minister might like to raise with Dr Tolba.

The first is climate change. The Prime Minister might like to explain the UK's position, as set out in her Hadley Centre speech. In essence this is that we should get away from the competitive aspirational target approach that has seized various European countries in particular, and encourage all countries to consider what precautionary measures they can take to ensure that the global warming problem gets no worse over the next 15 years, by when our understanding of the science should be much more advanced. The Prime Minister might also like to thank Dr Tolba for the support that he and UNEP have given to the IPCC process, and to emphasise the importance that we attach to his continued involvement, particularly in view of the other fora which are likely to be keen to take forward the task of preparing a framework climate convention.

The second is biodiversity. The Prime Minister will recall that in her speech to UNGA she called for a convention on biodiversity to be drawn up. UNEP have been taking forward work on this, and the Prime Minister might like to thank Dr Tolba for this, and ask him how he sees things going forward.

Yours

PHILLIP WARD
Private Secretary

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Caroline Slocock
PS/Prime Minister
10 Downing Street
LONDON SW1

26 June 1990

Dear Caroline,

PRIME MINISTER'S MEETING WITH DR TOLBA, WEDNESDAY 27 JUNE

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Yours

Phillip

PHILLIP WARD
Private Secretary

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PRIME MINISTER

ENVIRONMENT WHITE PAPER: FOLLOW-UP WITHIN GOVERNMENT

One test of the credibility of our environmental policies will be the arrangements within Government which we announce in the White Paper for following up all the various initiatives and policies in it. Critics will be quick to allege that we have washed our hands of the subject once the White Paper is out. We need to prove them wrong by demonstrating our continuing commitment.

A main demand from the environmentalists is that all Government Departments should subject their policies and programmes to some sort of annual green audit, which would compare their progress against all the objectives outlined in the White Paper. We are indeed encouraging other organisations - including nationalised industries, NDPB's, local authorities and private companies - to carry out just such environmental audits of their activities. But I am sure we should resist that for Government Departments. We must rest on the argument that all Ministers support the environmental objectives to be set out in the White Paper, and are ensuring that they are followed through into all their Departments' activities.

Such statements could, however, ring hollow unless accompanied by the announcement of some new arrangements which prove that we mean business. I suggest the following :

(i) The continued existence of a Cabinet Committee under your Chairmanship: the known existence of MISC 141 has done much to convince people outside of your personal commitment to environmental policies, and of the Government's ability to sort out any inter-departmental disputes in this area. Unless we let it be known that some such committee is to continue, it will quickly be said that we have lost interest and that Departments will go back to their old, unco-ordinated, ways. In practice we will anyway need MISC 141, or something like it, to progress work on the whole range of environmental issues now before us. I propose that the White Paper refers to the existence of the necessary interdepartmental co-ordinating machinery within Government, and suggest that on publication we let it be known that you will continue to lead the relevant committee.

(ii) John Wakeham and Tom King have already proposed separately to nominate Ministers (in John's case - himself) to be responsible for following up all the things relevant to their Departments in the White Paper. That seems an excellent idea: it is public proof that all Departments are

taking forward their environmental policies, and people will know whom to approach. I suggest that the White Paper announces that Ministers will be similarly nominated for all Departments represented on MISC 141, and any others like MOD. The nominated Ministers will then be well placed to help the successful presentation of the White Paper when it is launched, and in the ensuing weeks and months.

(iii) Nomination of Ministers alone, though, will not in my judgement be sufficient. There will still be demands for an annual White Paper exercise, or annual statistical audits, which I am sure we must resist. I suggest that the best way round this would be to say that the new annual Departmental Reports will contain passages describing Departments' White Paper follow-up action and any new environmental initiatives. I recognise that we must avoid overloading the Departmental Reports, but in practice they would probably include such material anyway, so the announcement of a new rule will not impose an additional burden on Departments, whilst going some way to meeting the demands for public environmental progress reports.

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I hope you can agree to the inclusion of such passages in the White Paper. In my view they really are the bare minimum needed: if we say less than that, critics will be quick to say that the White Paper was a one-off gimmick, which has caused no real change in the Government's approach to environmental policies. I should be grateful for approval to draft the relevant White Paper chapter along these lines. You and colleagues will of course be able to review the position when MISC 141 sees the full draft next month.

I am copying this minute to the other members of MISC 141, to Tom King, and to Sir Robin Butler.

CE Bush

pp CP

26 June 1990

(approved by the Secretary of State and signed in his absence)

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

25 June 1990

Dear Phil p,

PUBLICATION OF THE ENVIRONMENT WHITE PAPER

The Prime Minister was grateful for your Secretary of State's minute of 19 June suggesting that she might chair a press conference to announce the Government's White Paper on 25 September; and setting out various other related proposals.

The Prime Minister has carefully considered whether she should take an active part but, on reflection, she feels strongly that Mr. Patten would be the best person to chair the press conference. She has commented that the White Paper was his idea and he should take the credit for it, particularly as she knows he would do it superbly well.

I am copying this letter to John Neilson (Department of Energy) and Bernard Ingham here.

Yours sincerely,

Caroline

CAROLINE SLOCOCK

Phillip Ward, Esq.,
Department of the Environment.

CONFIDENTIAL

CONFIDENTIAL

From: P F Owen
25 June 1990

P 03696

MISS SLOCOCK

cc Mr Burr
Mr Whetnall
Mr Wells

GOVERNMENT FOLLOW-UP TO ENVIRONMENT WHITE PAPER

1. I have discussed the proposals in Mr Patten's minute of 26 June to the Prime Minister with Sir Robin Butler.

2. The two main issues - continuation of MISC 141 and nomination of departmental Ministers to be responsible for environmental follow up - do not appear to present any handling problems, and could be accepted if the Prime Minister is content.

3. The third issue - routine inclusion in annual departmental public expenditure reports of a section on environmental objectives - might warrant some preliminary consideration between departments of the practicalities. MISC 145 on 4 July will provide an opportunity for that.

4. The threads can then be drawn together for collective agreement in Mr Patten's paper for MISC 141 on 26 July, which will consider a full draft of the Environment White Paper.

P F OWEN

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PRIME MINISTER

PUBLICATION OF THE ENVIRONMENT WHITE PAPER

I attach a note you have received from Mr Patten which suggests that you should you should chair the press conference which launches the Environment White Paper, with the other main Ministers involved also present to answer questions. The date he has in mind is 25 September. His argument for your chairing the press conference is that the White Paper will cut across the policies of a number of Departments and is rather like the Action for Cities initiative.

You would be free to do this, although you will just have returned from Switzerland and will have very little time in which to prepare yourself. You will also be going off to Wales the next day and will be working on 25 September on your speech to the Welsh CBI.

Bernard's advice, which he has discussed with Mr Wakeham, is very strongly that you should not do this and that Mr Patten should chair the conference instead. He argues that the Action for Cities launch was very different: you announced it on the morrow of the General Election. He believes that you should not get involved in launching White Papers but instead should hold yourself above them. If you do launch this White Paper, he thinks that there is the danger that the press will try "to divide and rule" between you and Mr Patten. You have of course given a large number of major speeches on the environment and will be addressing the Ozone conference on 27 June and the Second World Climate Conference in November. This sort of keynote speech is a much better use of your time than a press conference on a White Paper.

Regret to chairing the press conference? I am quite sure that Mr. Patten should take the chair. It was his idea and he should take the credit. And he would do it superbly well

Otherwise content with what Mr Patten proposes?

Caroline Slocock
22 June 1990

CONFIDENTIAL

PRIME MINISTER

ENVIRONMENT WHITE PAPER: ENVIRONMENTAL PROTECTION INSTITUTIONS

Inter-departmental discussions have taken place at official level about some minor changes to the environmental protection institutional arrangements which I propose to announce in the White Paper. Although you and MISC 141 colleagues will of course have the chance to see them when the whole White Paper draft is circulated to you next month, I thought it best to circulate my proposition on this point in advance. It has separately been discussed with the machinery of Government Division in Cabinet Office.

The background is that a very large number of the representations which we have received on the White Paper from business, environmentalists and local government have concerned the institutions used to control pollution and conserve the countryside. There has been similar interest in this aspect of environment policy in both Houses of Parliament. We cannot therefore avoid discussing the issue in the White Paper, but I do not propose that we should announce any major shakeup now.

The attached paper, which officials have discussed, sets out my proposals in full. In summary I am suggesting that we should announce in the White Paper our intention:

(a) to make HMIP a next steps agency now, and to make it a NDPB at a suitable legislative opportunity;

(b) to consult widely about possible changes in the existing pollution control arrangements; and

(c) to maintain NCC and CC as separate agencies in England for the time being, but to offer consultation on ways of improving co-ordination and other changes in the longer term.

CONFIDENTIAL

I judge that such announcements, suitably drafted, in the White Paper would be enough to show willing on institutional change without causing the massive shakeup or creating the unwieldy and dangerous new bureaucracy which many environmentalists would want.

I seek agreement to draft the relevant White Paper passage along these lines, and MISC 141 will be able to see the results when the full draft is circulated. I am copying this minute to other members of MISC 141 and to Sir Robin Butler.

CP

22 June 1990

(Approved by the Secretary of State
and signed in his absence)

CONFIDENTIAL

ENVIRONMENTAL PROTECTION INSTITUTIONS

1. This paper looks at the institutional arrangements within Government, first, for the control of pollution and, second, for the conservation of nature and of the countryside.

Introduction

2. At present, responsibility for pollution control is divided between the National Rivers Authority (NRA), Her Majesty's Inspectorate of Pollution (HMIP), MAFF and local authorities in England and Wales. In the rural environment, the Nature Conservancy Council (NCC) is responsible for nature conservation in England, while the Countryside Commission (CC) is responsible for countryside conservation. We are obliged to review these arrangements in the White Paper for three main reasons :

(i) The Government has only recently established, and not without difficulty, a number of environmental watchdogs. While there is clearly an argument for seeing how these agencies settle down before initiating further institutional change, we have all along been conscious of organisational anomalies. It has proved difficult to justify the difference in status between NRA as a NDPB and HMIP as a conventional civil service Directorate within DOE. Some areas of regulation involve both HMIP and NRA: we need to ensure that there is no overlap or duplication.

(ii) HMIP is finding it difficult to recruit professional Inspectors. Indications are that a more distinct status would make it more attractive and would improve morale and sense of identity.

(iii) We have to respond to a number of particular proposals for institutional change. Most recently NRA have proposed the creation of an umbrella NDPB to oversee the work of subsidiary pollution control divisions. In 1989 the Commons Environment Committee suggested a single Environmental Protection Agency. And Lord Cranbrook tabled a Bill in the Lords earlier this year proposing a unified Environmental Protection Commission. The Cranbrook proposition, widely supported by environmental groups, is for an agency modelled on the Health and Safety Commission which would incorporate a number of environmental agencies, including HMIP, NRA, NCC and CC. Lord Cranbrook only withdrew his Bill, which would receive wide support in the Lords, on the understanding that the institutional arrangements would be reviewed in the White Paper.

Objectives

3. In considering changes to the present arrangements I suggest we should be guided by the following objectives:

(i) although we are considering a number of market based instruments for tackling environmental problems, regulation will still play a major role, and we need credible inspectorates able to deal with pollution across all media, with clear responsibilities;

(ii) inspectorates should offer independent advice to Government, and be seen to do so, but Government must of course retain responsibility for determining overall policy and standards, and keep the powers to ensure that EC and other international obligations are properly implemented;

(iii) we must create, and fund, institutions which can attract and retain staff of the necessary quality and expertise to carry out the inspectorate functions effectively.

Recommendations

4. I am sure we should oppose the creation of a Cranbrook-style agency: covering not only pollution control but nature and countryside issues, it would be a huge and unwieldy organisation, likely to lack focus in its objectives and to be unable to deal effectively with complex and distinct areas of expertise.

Furthermore its very size would make it virtually impossible for the Government to control or influence it. It is explicitly for this latter reason that the main environmental lobbies support the idea.

5. Nor do I think we should meet public pressure half way by merging NRA and HMIP. Although the proposal of streamlining pollution control by providing us with a single agency responsible for all discharges to water has its attractions, I do not believe that a merger at this stage would improve pollution control. Apart from the administrative upheaval this would create for new organisations which are just beginning to mature and become effective, HMIP would risk being dominated by NRA as a result of the major difference in size between them (some 6740 staff in NRA as against about 200 currently in HMIP). Moreover the two organisations have different objectives: HMIP is more concerned with the control of processes, while NRA focuses on the water quality objectives of rivers, estuaries and beaches.

6. In my view, however, there is a clear need to enhance the status of HMIP. I propose that we announce that, as soon as legislation can be brought forward, we will give it formal independence by making it a non-Departmental public body comparable in status to NRA. Meanwhile, I recommend we make HMIP a next steps agency. There need be no changes to its functions or powers, or to its relationship with other bodies like the Health and Safety Executive. The change in HMIP's status has no direct financial consequences.

7. This development would entail important advantages:

(a) independent NDPB status for HMIP would reflect creditably on the Government by providing a clear and credible framework for rigorous and transparent pollution control;

(b) it would resolve the untenable discrepancy in status between HMIP and NRA;

(c) HMIP's distinct status should improve its potential to attract appropriate recruits;

(d) the decision should help to head off demands for more far reaching initiatives, such as the creation of an American-style EPA.

8. This proposition would of course take some time to come into effect. It would require at least a year to transform HMIP into a 'next steps' agency, and legislation would be needed to make the transition to NDPB status.

Consultations

9. In the longer term this proposition is unlikely to be the last word on institutional arrangements for pollution control. Once HMIP has attained NDPB status, and we have had an opportunity to evaluate the implementation of integrated

pollution control, further rationalisation could well be called for. I believe the Government should demonstrate its readiness to consider this and to that end should use the White Paper to open consultations on the way forward.

10. The White Paper could identify two options in particular to be kept under review:

(i) the possibility of transferring Local Authority responsibilities for the regulation of waste disposal to HMIP. This would provide greater symmetry in the control systems for the different media and would be compatible with IPC; but it would attract criticism from local government. For the time being responsibility for regulating solid and toxic waste disposal sites will remain with Local Authorities together with their responsibility for controlling less serious emissions to air. However, we are already taking powers to keep under review the discharge of their functions by waste regulation authorities, and HMIP is being given enhanced powers to audit their proper discharge. I propose to make the responsibilities of Local Authorities for waste the subject of consultation in the light of experience after the Bill has been enacted.

(ii) a new umbrella body with a strategic Board which would take an overview of the work of all the pollution control agencies. The individual agencies would be subsidiary to

the main Board and represented on it. NRA recently proposed a version of this structure, envisaging the establishment of a new over-arching NDPB with four subsidiary divisions responsible for IPC and other sectors of pollution control. HMIP and NRA would form the basis for the IPC and water divisions.

I do not suggest that the Government expresses support for either option at this stage. But by floating them both in the White Paper, we shall show ourselves open to ideas for institutional change and allow time for discussions of the options.

Countryside Agencies

11. Similarly I do not recommend any further rationalisation of countryside agencies in England at this stage, as set out in my response to the report of the Lords Science and Technology Committee.

12. This report commented on the inter-relationship between nature conservation and countryside conservation, their need for common data and expertise and their tendency to concentrate attention on the same landscapes. Taking into account the decisions to amalgamate the two agencies in Scotland and the provision in the Environmental Protection Bill for a new Welsh agency to take responsibility for both nature and countryside matters, it concluded that the continuing division of the two agencies in England would be illogical.

13. These are informed arguments which carry some force. In my view, however, such a merger would entail the following disadvantages:

(a) The greater size and complexity of the agencies in England, compared to Scotland and Wales, make an effective merger more difficult to achieve.

(b) We have only very recently put forward proposals to divide the NCC into three separate agencies. The rumpus over these proposals in the current Bill militates against immediate further institutional change. The NCC in England needs a period of stability.

(c) Although the proposal for a merger has met with wide approval from groups concerned with countryside and environmental issues, the Countryside Commission themselves have responded cautiously. They are fearful that a merger would amount in practice to their being swallowed by the NCC, since the Commission is much smaller, and owns no land or assets.

(d) While I accept the close relationship between countryside and nature interests, they remain distinct. There is a risk of countryside concerns becoming subordinate to those of nature conservation in a joint agency dominated by NCC.

14. I thus propose that we resist calls for an immediate merger of NCC and CC. However, since reasoned pressure for their amalgamation is likely to remain with us, the Government will wish to keep the option under review and to look at ways of improving coordination betwen the two bodies. I conclude that we should not rule out altogether the possibility of a merger at some point in the future and that we say that we remain open to suggestions on the way forward.

Conclusion

15. I seek approval to ask officials, in consultation with all Departments concerned, to work up a passage for inclusion in the White Paper announcing our intention:

(a) to make the HMIP a 'next steps' agency now, and to make it a NDPB when the necessary legislation can be introduced;

(b) to consult on possible changes over the longer term, including the transfer of Local Authority waste regulation responsibilities and a possible new umbrella council to oversee the work of the various agencies; and

(c) to maintain NCC and CC as separate agencies for the time being, but to say that we are open to suggestions on ways of improving coordination and on change in the longer-term.

16. The machinery of Government aspects of these proposals will be subject to the Prime Minister's approval when the draft White Paper is circulated to MISC 141.

ANNEX A

NATIONAL RIVERS AUTHORITY (NRA)

Status: Non-Departmental body run by Board consisting of 15 members under the chairmanship of Lord Crickhowell. Two Board members are MAFF appointees, one Welsh Office, the remainder DOE. Chief Executive (Dr J C Bowman) is a member ex officio.

Remit: Contained in various parts of Water Act 1989. Best summarised in its "mission statement" as follows: "The NRA will protect and improve the water environment. This will be achieved through effective management of water resources and by substantial reductions in pollution. The Authority aims to provide effective defence for people and property against flooding from rivers and the sea. In discharging its duties it will operate openly and balance the interests of all who benefit from and use rivers, groundwaters, estuaries and coastal waters." Its specific powers include issuing consents for effluent discharges and licensing abstraction from inland waters.

Expenditure and Manpower: Total estimated expenditure for 1989/90 is some £365m; manpower 6727, split as follows:

	Expenditure	Manpower
Flood defence	£204m	3209
Pollution Control	£ 47m	1057
Water resources	£ 60m	452
Fisheries	£ 15m	415
Navigation	£ 6m	124
Recr. Conservation	£ 3m	35
Other	£ 30m	1445

Income consists of precepts and grant aid covering the whole of flood defence expenditure, abstraction charges covering the whole of water resource management expenditure, with grant-in-aid from the Treasury meeting most of the remainder. Grant-in-aid from 1989/90 is £74m. The NRA has bid for substantial extra expenditure, grant and staff in 1990/1 (£435m, over £100m and some 7400 respectively) but it remains to be seen how successful they will be.

Committees: Each of NRA's ten regions has a statutory Regional Rivers Advisory Committee (which has a wide remit including water pollution), a Regional Fisheries Advisory Committee and a Regional Flood Defence Committee. The last of these has executive functions. Under the general supervision of the NRA they discharge its flood defence/land drainage functions except for the financial ones (raising drainage charges, levying precepts and borrowing). The majority of their members are local authority appointees.

ANNEX B

HER MAJESTY'S INSPECTORATE OF POLLUTION (HMIP)

Status

Integral Directorate of DOE - part of Environment Protection Group. Covers England and Wales - reports also to Secretary of State for Wales.

London HQ, and network of local offices.

Remit

- Authorisation and inspection of most seriously polluting industrial processess, currently under Health and Safety at Work Act 1974, but to become "Integrated Pollution Control" (IPC), under Bill. Covers around 5,000 installations, in England and Wales.

- Authorisation/registration and inspection of premises for the holding of radioactive substances or disposal of waste under Radioactive Substances Act 1960, excluding military premises - covers around 10,000 premises.

- Policy on radioactive waste disposal.*

- Audit and oversight of local waste disposal authorities (to become "waste regulatory authorities" under the EP Bill), and production of related technical guidance on waste disposal.

- Oversight of research programme on regulatory aspects of pollution.

- Advice to Ministers and policy directorates on the above.

Staff Numbers and Composition

Complement 1.3.90 240, rising to 250 at 1.4.90

Staff in post 1.3.90 :	Professional	104
	Admin	92.5
	Total	196.5
Composition:	Radioactive Waste policy function:	26
	Regulatory and related functions	170.5
	Total	196.5

Current costs (1989-90) and How Met

Running costs	£ 6.6m
Research contracts	£ 9.5m

Running costs are financed as part of DOE's running costs and Central Administration Vote.

Research is funded from DOE's Central Environmental Services Vote.

Under the EP Bill, cost-recovery charging to operators for IPC and RSA authorisation will be progressively introduced. Charge income is expected to cover 70-75% of running costs in full operation, after 4 years. Remaining costs, mainly policy functions and production of technical guidance, will continue to be funded from taxation.

Interactions

HMIP is required to consult NRA on IPC authorisations involving discharges to controlled waters.

Radioactive Substances Act authorisations for major plants are issued jointly with MAFF.

Expansion Plans

A substantial expansion of staff numbers is required over the next 3-5 years, to deal with 2/3 increase in IPC workload, and to establish satisfactory levels of inspection and enforcement.

* If HMIP is given Agency status, responsibility for policy on radioactive waste disposal will remain with the Department of Environment centrally.

dti

the department for Enterprise

NBPM CRS

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Secretary of State for Trade and Industry

The Rt Hon Christopher Patten MP
Department of the Environment
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LONDON
SW1P 3EB

Department of
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Our ref
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Date

22 June 1990

Dear Chris

ENVIRONMENTAL AWARDS

Your minute of 11 June to the Prime Minister invited my views on the proposal that the Better Environment Awards for Industry (BEAFI) scheme should be boosted by inviting the Prince of Wales to become its patron and with an increased level of DoE financial support for the Scheme.

I have since seen No 10's response indicating the Prime Minister is content for you to proceed in this way. I am too. You will recall I indicated previously an enhanced BEAFI would be my preferred option rather than a new Queens Award.

We would welcome being kept in touch generally with progress and, in particular, if the process of improving BEAFI involves any review with the RSA of the scheme criteria I should be grateful if your officials would liaise with mine on that aspect. Equally, if your officials would find it useful to draw in any way on experience of running the Queens Award, the people in the Queens Award Office here will be glad to offer relevant advice.

Yours ever
Nicholas

Recycled Paper

PRIME MINISTER

PUBLICATION OF THE ENVIRONMENT WHITE PAPER

I have been considering what arrangements might be made for the publication of the Environment White Paper.

As you know, our intention is to publish before the Party Conference. After careful consideration, I have concluded that we should aim for publication in the last week of September. I have provisionally identified Tuesday 25 September as the optimum date for securing maximum publicity and media coverage.

This will be a major document - the first ever comprehensive statement of UK Government policy on the environment - and I intend that the launch arrangements should ensure as far as we can that it receives extensive coverage and that we get our messages across in all the right quarters.

In addition to briefing arrangements for editors, leader writers and other opinion formers I have it in mind that the centrepiece of the launch arrangements should be a conventional press conference to be held mid-morning on the day of publication. As you know, the themes of the White Paper - particularly those relating to global climate issues - cut across the policies and responsibilities of a number of government departments, in much the same way as the first Action for Cities document did in 1988. In view of this, I suggest it might be appropriate for you to chair the Press Conference, flanked by the key departmental Ministers, as you did for the publication of Action for Cities. In this instance, the other main Ministers who would be involved would I think be John Wakeham, Cecil Parkinson, John Gummer and perhaps also John Major.

We would need to find a suitable venue for the occasion and we have provisionally booked Lancaster House.

Scotland, Wales and Northern Ireland also have an interest in the White Paper; since the focus of that interest is inevitably on the environment in those countries, I imagine that Malcolm Rifkind, David Hunt and Peter Brooke might well want to hold simultaneous separate launch arrangements in their own capitals.

I would welcome your views on these proposals. At this stage I am copying this minute only to John Wakeham (in view of his responsibilities for the presentation of Government policy) and also to Bernard Ingham.

CP

19 June 1990

Approved by the Secretary of State and signed in his absence.

CONFIDENTIAL

file to c: Global

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

18 June 1990

Dear John,

GLOBAL CLIMATE CHANGE: VISIT TO WASHINGTON

The Prime Minister was grateful for your Secretary of State's report on his visit to Washington and his assessment of the USA's likely position on targets for CO2 emissions. She notes that Mr. Wakeham believes that the Americans will want to focus on CO2 equivalents when they discuss targets for reduction, because this will enable them to take their record on CFCs and methane into account.

Your Secretary of State suggests in his minute that the UK should think further about the concept of our emission target for all greenhouse gases. The Prime Minister stressed in Misc 141 that CO2 equivalents should be taken into account in international negotiations on CO2 targets, particularly given the UK's good record on other greenhouse gases. The UK's target for stabilising CO2 emissions at 1990 levels by 2005 is of course for CO2 alone. However, the Prime Minister would be grateful if work could be set in hand to formulate a single target of CO2 equivalents covering all greenhouse gases. She recognises that such a target may not be negotiable within the EC, but she feels strongly that there would nonetheless be presentational advantage in finding a way of bringing home how good the UK's record is, taking greenhouse gases as a whole.

I am sending copies of this letter to the Private Secretaries to the members of Misc 141 and to Sonia Phippard (Cabinet Office).

Yours sincerely,

Caroline Slocock

CAROLINE SLOCOCK

John Neilson, Esq.,
Department of Energy.

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

18 June 1990

Dear Kate,

ENVIRONMENTAL AWARDS

The Prime Minister was grateful for your Secretary of State's minute of 11 June proposing some changes which would strengthen the existing Better Environment Awards for Industry (BEAFI). The Prime Minister is happy for your Secretary of State to proceed as suggested, and in particular for the Department of the Environment to sound out with the Prince of Wales' staff the possibility of him becoming Patron of the Awards. She also accepts that the Department would need to increase the funds available to BEAFI; but she has commented that the higher grant of £150,000 per annum for five years should be met within the present PES base line, rather than that which the Department of the Environment is proposing for the 1990 public expenditure survey.

I am sending copies of this letter to Rosalind Cole (Department of Trade and Industry), Carys Evans (Office of the Chief Secretary, HM Treasury) and Sonia Phippard (Cabinet Office).

Yours sincerely,

Caroline

CAROLINE SLOCOCK

Miss Kate Bush,
Department of the Environment.

CONFIDENTIAL

PRIME MINISTER

GLOBAL CLIMATE CHANGE: VISIT TO WASHINGTON

I attach minute from Mr Wakeham to you setting out what he learnt of the American position on CO2 emissions from a recent trip. He says that all the indications he received were that the Americans will continue to drag their feet on this issue and stress that more scientific work needs to be done. He thinks they are unlikely to come up with a target in time for the World Climate Conference in November (which you will open), at which it had originally been hoped to identify targets which could command world support. He points out that the American position will only serve to highlight the positive stance of the UK.

Mr Wakeham believes that the Americans will want to talk in terms of CO2 equivalents when they do discuss targets, because it will enable their record on CFCs and methane to be taken into account. He suggests we should do more to look at CO2 equivalents too; and that the IPCC report now provides a basis for doing so.

You stressed in Misc 141 that you wanted CO2 equivalents to be taken into account in international negotiations; but the UK's target for CO2 emissions of stabilising them at 1990 levels by 2005 is for CO2 only. Carolyn Sinclair in the attached note points out that DOE may be reluctant to reformulate this target in terms of CO2 equivalents because such a target would not be negotiable in the EC. But she thinks that work should be set in hand to do so nonetheless because it would allow the UK at the very least to make the presentational point of how much it has and can achieve on CFCs and methane.

Content to support Mr Wakeham's suggestion that work on an emission target for CO2 equivalents should be set in hand?

CBS

Caroline Slocock
15 June 1990

Yes

CONFIDENTIAL

MISS SLOCOCK 15 June 1990

GLOBAL CLIMATE CHANGE: VISIT TO WASHINGTON

John Wakeham's minute to the Prime Minister following his visit to Washington suggests that the Americans will continue to be very cautious about committing themselves to reduce emissions of CO_2. (This overtakes an earlier rumour - which also came from Department of Energy officials - that the Americans might be about to adopt a CO_2 target.)

John Wakeham suggests that the Americans may argue for a target covering all greenhouse gases, expressed in terms of CO_2 equivalence. This would be much easier for them, and for us, because of the credit which could be taken for reducing CFCs. John Wakeham suggests that we should think about this.

We should do more. As a piece of homework, it would be well worth working out the target we could adopt if reductions in CFCs, methane etc were expressed in terms of CO_2 equivalence. The technique exists to do this. But the Department of Environment have the data. They may be reluctant to do the calculation because they will argue that such a target will not be negotiable in the EC.

Conclulsion

This work should be done, and quickly. What is done with the result is a separate matter. It would be helpful if the Prime Minister could ask for the work to be done.

Carolyn Sinclair

CAROLYN SINCLAIR

CONFIDENTIAL

PRIME MINISTER

GLOBAL CLIMATE CHANGE: VISIT TO WASHINGTON

I visited Washington earlier this week for discussions with a number of senior members of the Bush Administration. The question of global climate change and the greenhouse effect featured prominently in my talks with both Admiral Watkins the Secretary for Energy and William Reilly the Head of the Environmental Protection Agency and members of the President's White House staff and the State Department.

The Americans are clearly still following a very cautious line. Although they recognise the advances made by the excellent IPCC Working Group I Report prepared under Dr Houghton of our Meteorological Office they continue to stress scientific uncertainties and the need for more work before decisions can be made. I received the overwhelming impression that the process of settling a US position is still likely to be a long drawn out one. The Second World Climate Conference in October and November may not therefore turn out to be the crucial event to identify possible emission targets which can command wide support in the international community. We may therefore move next year into the process of preparing a framework convention on climate change without a clear consensus on the targets which the major western countries can accept. The State Department also told me that the Chinese had said they would

not be prepared to take any action which threatened their coal based industrial expansion plans.

The Administration in Washington clearly feels itself under a wide range of conflicting pressures on environmental issues, not least in its relations with Congress, with issues such as clean air and pollution from oil tankers all competing with climate change in their claim for time and resources. The Administration is also sensitive to accusations that it is not taking sufficient action and I was told that they will be bringing forward a substantial paper, in preparation for the Houston Summit, setting out their views on the right balance of economic burden to be borne now against the potential threats in future from climate change (which they see as not that significant). This paper is also likely to draw attention to the other action already in train in the US on clean technology and scientific research as their substantial contribution to the world problem.

In considering targets, those I spoke to in Washington impressed on me the need to address all the gases which contribute to the greenhouse effect and the need to frame any targets in terms of C02 equivalence of total emissions rather than C02 alone. They hinted that the US would find it much easier to accept a target for stabilisation framed in terms of C02 equivalence since they expect their

emissions of C02 itself to grow. Such an approach would of course allow them to take the benefit of action on CFCs and other greenhouse gases such as methane. The emphasis on targets for emissions in all greenhouse gases expressed in C02 equivalence and the likely slow timetable for any commitments in the US also emerged during the very successful IPCC Workshop on the technical factors affecting targets organised by my Department here in London earlier this week.

In the light of this it may be appropriate for us to think further about the concept of an emission target for all greenhouse gases expressed in terms of C02 equivalence. This would be consistent with our decisions in MISC 141 earlier this year and I understand the report from the IPCC Working Group I has set out a reasonable basis for making comparisons between gases.

A slower pace for action in the US will I think ensure that we can demonstrate in the UK's approach, which you have already signalled and which we will set out in the Environment White Paper, the Government's clear commitment to responsible environmental policies for dealing with the greenhouse effect. In addition I believe it will help ensure that the position we have adopted provides a firm base for the flotation of the electricity companies at the end of this year and the beginning of next.

I am copying this to members of MISC 141 and Sir Robin Butler.

SECRETARY OF STATE FOR ENERGY

15 June 1990

The Institute of Energy

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Patron: Her Majesty The Queen

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EMBARGO: PLEASE DO NOT PUBLISH BEFORE 12.00pm (NOON) WEDNESDAY, 13 JUNE 1990

CLIMATE FORECASTS ARE UNRELIABLE

'Foolhardy' to predict next century's temperatures on current data, say US experts in London today

Climate forecasts for the next century are at present so unreliable that they are useless to policy makers. That is a warning given today (Wednesday June 13) by the George C. Marshall Institute, of Washington DC, one of America's most respected scientific educational organisations.

At a briefing for the British media organised by the Institute of Energy in London, Professor William Nierenberg and Mr James Frelk, directors of the Marshall Institute, said that while new results are coming in more and more rapidly as climatic researchers focus on the greenhouse effect, there remains an overwhelming amount of research to be undertaken before conclusions can be reached which will be reliable enough for sound policy making.

MORE FOLLOWS

In a new study to be published later this year, the Marshall Institute concurs with a view expressed in Nature magazine that attempts to predict temperature changes in the next century on the basis of current data would be "foolhardy."

Also in the new study, the Institute finds:

- On the basis of current greenhouse forecasts the 1980s should have seen a substantial rise in global temperatures. But NASA satellite measurements showed no significant change in that decade.

- According to calculations based on the greenhouse data, a major rise in temperatures should have occurred after 1940 to reflect increases in greenhouse emissions. But temperatures fell after 1940, and there is no way the greenhouse effect could have been responsible. Other factors are clearly influencing global temperatures.

- Over the past century global temperature changes have closely followed changes in the sun's activity. Global temperatures rose between 1890 and 1940 when solar activity went up; when solar activity declined between 1940 and 1970 so did global temperatures; since 1970 solar activity and global temperatures have risen again. This correlation suggests that changes in the sun's brightness could have been an important factor in climate changes in the last hundred years.

MORE FOLLOWS

• Earlier predictions of global warming by the UK Meteorological Office forecast a rise of 5.2°C in the next century, but recently that has been reduced to 1.9°C. Other experts believe the answer will prove eventually to be less than 1°C.

• Predictions of catastrophic increases in sea levels seem to have been similarly exaggerated: in 1980 a rise of 25 feet was forecast, by 1985 that had been reduced to three feet, and in 1989 it was further cut to 12 inches. On that trend, by 1991 the forecast will approach zero.

• The Marshall Institute concludes that a major expansion of research effort is vital to accelerate the pace of climatic research in order to yield vital information in a matter of years rather than decades, in time to take sensible action if it is needed.

• A robust research programme will provide policy makers with a usable degree of reliability within five years. Even a five-year delay in making policy decisions about greenhouse gas emissions would make no more than 0.1°C difference in global warming in the next century - a margin well within the experience of the last hundred years.

MORE FOLLOWS

The delegates from the Marshall Institute are to meet Members of Parliament at Westminster this afternoon.

EDITORIAL NOTE The Marshall Institute's new study, entitled **THE GREENHOUSE PROBLEM** will be published by Jameson Books, Inc. in Ottowa, Illinois, and distributed through the National Book Network in Lanham, Maryland, on July 31, 1990. Arrangements are in hand to publish it in Britain at about the same time.

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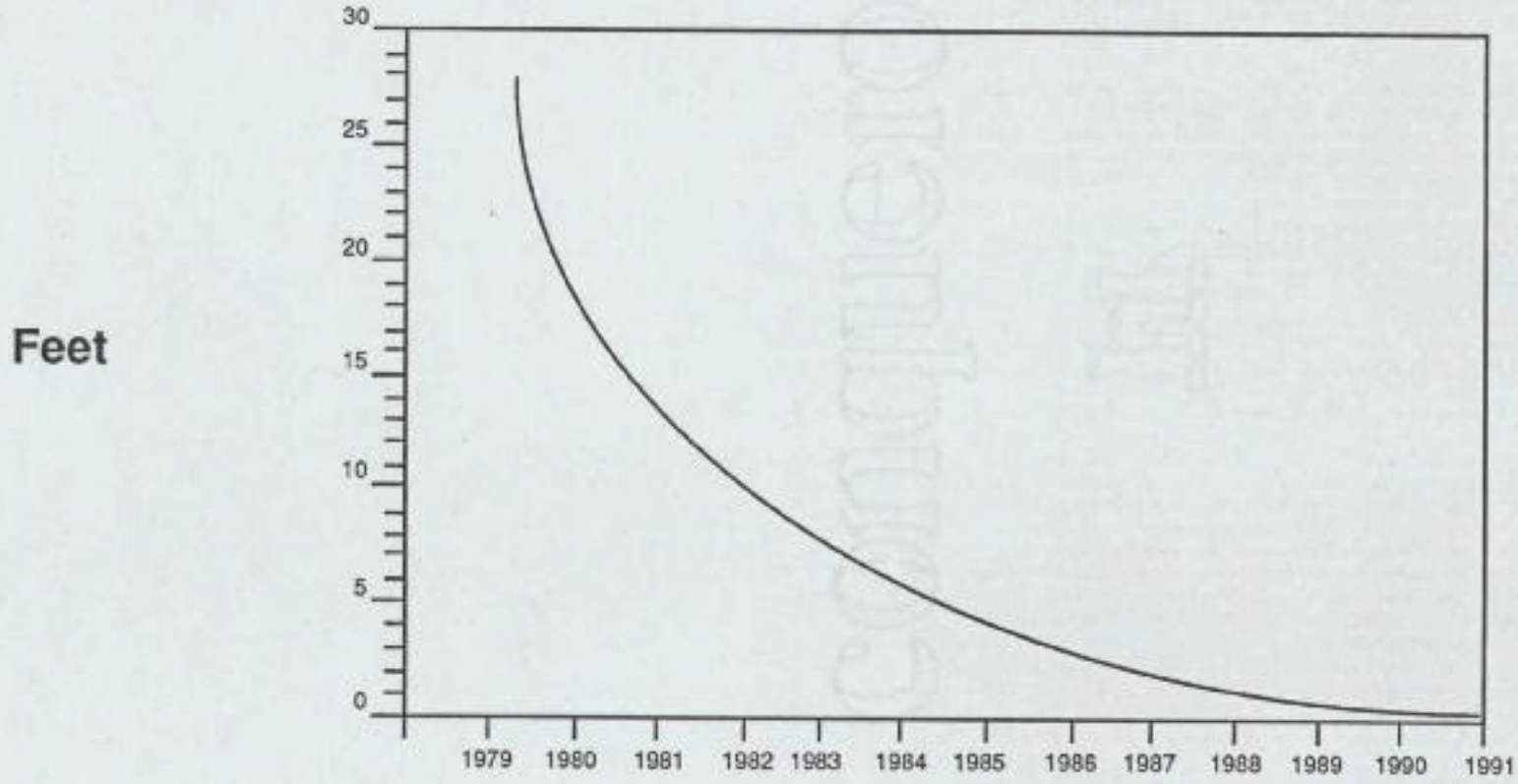
Predicted Sea Level Rise

Changing Predictions of Sea Level Rise
1980-89



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Press

10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

12 June 1990

Dear Dr. Obasi,

Thank you and Dr. Tolba for your kind invitation to me to address the Opening Session of the Ministerial component of the Second World Climate Conference in Geneva on the morning of 6 November. I am delighted to be able to accept this invitation; and perhaps our offices could be in touch to arrange the details.

Yours sincerely

Margaret Thatcher

Dr. G.O.P. Obasi

10 DOWNING STREET

It occurred to me that you might find this useful as background. I have not included it in Annex A as you will have seen it in the MISC 141 paper.

PROFESSOR GRIFFITHS 7 June 1990

ENVIRONMENT WHITE PAPER

You asked for some material on this.

The White Paper - due to appear in September - will range very wide (see Annex A for summary of coverage). It is going to be a large compendium into which people will dip for information. Probably only the wide-ranging lobbies like Friends of the Earth will read the whole thing.

The key issues are:

(a) the thrust of the introductory chapter;

(b) what is said about tax and regulation as methods of tackling global warming;

(c) the scope for public expenditure measures which will please environmentalists.

(a) Introductory chapter

Chris Patten is playing this close to his chest. He has been told to stress sound science and sound economics, as opposed to playing to the green gallery. On past form, he is not likely to strike the right note first time. The Treasury (John Odling Smee) are likely to weigh in heavily if he does not.

The Prime Minister and John Major agree that given the uncertainties of the science, it would be foolish to rush into policies to combat global warming which involve heavy economic costs

the White Paper to strike a reasonably positive note, but to suggest that this is an option for longer term study.

We may see some minor tax changes - eg differential car tax for gas guzzlers as opposed to Minis. But I doubt if John Major will let Chris Patten make a <u>firm</u> announcement in the White Paper.

(c) <u>Public expenditure goodies</u>

This is where the Treasury is at odds with the spending Departments, such as MAFF, who originally saw the White Paper as a splendid way of increasing their budgets for anything environmentally attractive. I think DOE accept that money <u>is</u> going to be very tight, and the Prime Minister has said nothing to encourage a spending spree.

The result is that many of the green lobbies with an intereest in this or that aspect of the environment will be disappointed that we are not doubling or trebling expenditure on this or that scheme.

<u>Conclusion</u>

You may imagine that all this is giving rise to a lot of work in Whitehall. But there is less tension between Ministers than the press have suggested.

Probably the only significant tension now (and it is not great) is between Chris Patten on the one hand, and the Prime Minister, John Major and Nicholas Ridley on the other. Chris Patten repeatedly shows signs of wanting to play to the green gallery, and having little grasp of (or perhaps interest in) the economics. The Prime Minister, with the support of colleagues, is a correcting force in the other direction.

At lot of capital has been invested in the White Paper. Its key decision has now been scooped by the Prime Minister's announcement that we are ready to stabilise CO_2 emissions at 1990 levels by 2005 if other countries take their full share. What does this leave for September?

The White Paper will detail all the measures which the Government has taken on the environment. To that extent it will be a useful document of record. But it must do more than this if it is not to be a damp squib.

Given the limited scope for new or enlarged schemes involving public expenditure, I think the White Paper should boldy set out the economic and scientific case for moving in a measured way on global warming. Such a position is a far cry from US and Japanese indecisiveness on global warming. But it is also a slightly different position from those European countries - such as Germany - whose policies are driven by a great deal of public emotion

I am not sure if Chris Patten sees the White Paper in quite this light. But I believe the Prime Minister does, and I think she is right.

Carolyn Sinclair

CAROLYN SINCLAIR

RESTRICTED

(2)

CS to see

UNITED KINGDOM MISSION
TO THE UNITED NATIONS
845 THIRD AVENUE
NEW YORK, N.Y. 10022

7 June 1990

Prime Minister

You may find this of interest.

CDP
11/6

Duncan Slater Esq CMG
Assistant Under Secretary
WH 331
FCO

Dear Duncan, Yes interesting

CLIMATE CHANGE: THE US POSITION

You may be interested to hear some information which I heard in the last few hours about the evolving US attitude towards action on climate change.

2. Al Gore (Democratic Senator for Tennessee) rang me yesterday to express his anxiety about the negative instructions which he understood had been sent by the US Administration to Fred Bernthal, the Chairman of the Third Working Group on Responses within the Inter Governmental Panel on Climate Change (IPCC). Gore said that he felt not so much angry as ashamed at the lack of US leadership, and the refusal of key people in the Administration to face up to the facts, well set out in the Report of the First IPCC Working Group on Science. He said he was particularly pleased at the stand taken by the Prime Minister in her speech at Bracknell on 25 May. Although her targets for reducing CO_2 emissions were relatively low, and 2005 was 5 years later than he had hoped, he was nevertheless delighted that HMG had accepted the principle of target emissions, and believed that we would probably improve on our figures and their timing in the course of negotiation. By contrast he was in despair at the obduracy of those concerned in the White House. Congress and the business community generally was far ahead of the Administration, not least because they knew what ordinary Americans wanted. Change in the American position might only be a matter of time, but it might be quite a long time, and the price could be high.

3. I heard more encouraging news today from John Topping, the President of the Climate Institute in Washington. He said that his news from friends in the White House was that the likely budgetary deficit for 1990 - which he believed to be of the order of US$300bn - had caused one or two people to look again at the idea of environmental taxation. There had been a presentation on the greenhouse problem to senior officials at the White House. One result had been that for the first time people in the Council of Economic Advisers had realized that because of US wastefulness in using energy, it would in fact be easier and cheaper for the United States to cut back carbon emissions than most other countries. Thus the United States should be able to reduce

greenhouse gas emissions to current levels by 2000 on the important provision that methane, nitrous oxide, and chlorofluorocarbons should be included as well as carbon dioxide.

4. Topping thought that even Darman, who had been against taking environmental problems seriously, had seen that the imposition of a carbon tax of some kind might be a marvellously acceptable revenue earner at a time when the deficit problem was getting so much worse. It would not be so difficult to sell to the public; and it could yield as much as US$33bn, if it were set at the right level. Thus the Administration might be beginning to think in somewhat different terms about this complex issue. He did not know whether it would be soon. He hoped nothing foolish would be said in the meantime. But he expected change before the Second World Climate Conference took place in October/November this year.

5. Topping mentioned another point that was new to me. He said that at the meeting of the Second IPCC Working Group on Impacts, which he had recently attended in Moscow, the Chinese representative had produced and circulated a paper by the Chinese Environment Protection Agency or its equivalent on the likely impact of global warming on China. Topping had obtained a copy and will send me one in the next few days. Briefly the paper brought out heavy negative consequences. Warming would, it said, destroy a lot of the existing permafrost and do damage to houses, roads, factories etc to the tune of hundreds of millions of dollars. Warming was also likely to lead to water loss with reduced summermoisture in some areas and increased run off in soils subject to erosion. Topping pointed out that whereas China had 25% of the world population, it had about 5% of its fresh water supplies, and the 5% could be dangerously reduced. Topping concluded from this analysis that China had a bigger interest than he had first thought in joining international arrangements to control warming. But he did not of course know how widely the paper had been circulated in Peking, and whether it had reached the right people.

6. I am sending copies of this letter to Antony Acland in Washington, Alan Donald in Peking, the Head of the Policy Planning Staff, and John Hobson and David Fisk at the Department of the Environment.

Yours ever

Crispin

Crispin Tickell

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

7 June 1990

Dear Richard.

MONTREAL PROTOCOL: US POLICY ON FINANCIAL ASSISTANCE TO DEVELOPING COUNTRIES

The Foreign Secretary minuted the Prime Minister on 6 June with a recommendation that she should write to President Bush, asking him to review US policy on the provision of additional resources to developing countries, to help them implement CFC controls under the Montreal Protocol.

The Prime Minister has agreed to do this and I enclose her letter to the President. I should be grateful if you could arrange for its delivery as soon as possible.

I am copying this letter and enclosure to Phillip Ward (Department of the Environment) and to the Private Secretaries to other members of MISC 141.

Yours sincerely,

C. D. POWELL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

The National Archives

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10 DOWNING STREET

Prime Minister

The case for
unity is explained
in the attached
minute. I think it
is a strong one, &
will help prevent the
Americans from mishandling
the London Conference. CSP

PM/90/034

PRIME MINISTER

Montreal Protocol: US Policy on Financial Assistance to Developing Countries

1. In his minute to you of 22 May reporting on the Bergen Conference, the Environment Secretary drew your attention to the difficulties created by the Americans' refusal to agree to a financial mechanism to help developing countries under the Montreal Protocol, using new money. The US argues that such assistance should come from within existing World Bank resources. The US position was criticised by all the developed countries who spoke at the Geneva meeting earlier this month, where it was announced; India and China both said they would not join the Protocol if additionality was not agreed and a G77 spokesman made it clear that existing developing country members of the Protocol would block any amendments aimed at tightening controls on CFCs and Halons.

2. At the Geneva meeting and at the separate environmental conference in Bergen the following week, US officials made it clear that the US policy had been made by White House advisers, including Sununu, and the Budget Director. State Department and EPA views had been over-ruled. US officials thought only an approach to the President would have any chance of a successful hearing.

3. I therefore believe that the best chance of influencing the US - and thereby of reducing the risk of failure at the London meeting at the end of June - is for you to write to President Bush asking him to review US policy. I attach a draft letter.

4. Time is now short but if we could get your letter to President Bush as soon as possible he should be able to consider your message and reply in time for us to try to persuade other countries to send Ministers to London with a mandate to agree to tightened controls on CFCs and Halons and to the other issues on the meeting's agenda. For the meeting to be a success, we must get the major developing countries like India and China to send Ministers to London. Unfortunately the Indians have already said they will not do so if the US position is fixed.

5. I am copying this to Chris Patten and to the other members of MISC 141.

(DOUGLAS HURD)

Foreign and Commonwealth Office

6 June 1990

CONFIDENTIAL

file
PHW

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

6 June 1990

Dear Phillip,

GERMANY: POLLUTION AND CO_2 TARGETS

There has been debate within No.10 on whether it is easier or more difficult for a unified Germany to achieve targets specified as stabilising at current levels by some date in the future. One possibility, for example, would be that by raising the base it would be easier to show a dramatic improvement in the future. The consensus of opinion was that for pollutants it would be easier for a unified Germany to show improvements because it would be relatively easy to eliminate the emissions of pollutants from, for example, East Germany's crude vehicle engines. But for CO_2 emissions, Germany's task may become harder because rising prosperity in East Germany will lead to higher car usage and higher electricity consumption. I would be grateful for advice on where the balance lies.

Yours sincerely,

Andrew Turnbull

ANDREW TURNBULL

Phillip Ward, Esq.,
Department of the Environment.

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(1)

PRIME MINISTER

WORLD CLIMATE CONFERENCE, 6 NOVEMBER

You agreed at the last diary meeting that you would like to accept the invitation to give the opening address to the Ministerial session of the World Climate Conference in Geneva on 6 November. This conference, which will consider the IPCC report, is of major importance and will be a significant opportunity for you to maintain your international lead in this field. Unfortunately there is a clash with one of the possible dates for the State Opening which you asked us to try to sort out.

6 November is one of three provisional dates: the others are 14 and 20 November. The final choice will not be made until late September/early October. If there is to be a Community Charge Bill one of the two earlier dates seem likely, with 14 November being the most likely.

Andrew has spoken to the Palace about ways of getting round the clash. The only possibility would be to move it to 7 November. If that date were chosen for the State Opening, this would mean you would travel to Geneva on the evening of 5 November, address the conference the next morning and return to the UK for lunch. The eve of session dinner would be that night; and you would have another major speech the next day.

Are you prepared to address the Conference, even if it means taking the risk of two major speeches in two days?

CJB

Caroline Slocock
6 June 1990

Prime Minister ①

You may recall Mr Ridley consulted you on this earlier to preserve BEAFI's expertise but to give the award greater status, you suggested the Prince of Wales might be approached to be BEAFI's sponsor.

This seeks formal approval for this idea and for DOE increasing BEAFI's grant – within DOE's PES Baseline – present Content?

PRIME MINISTER

ENVIRONMENTAL AWARDS

I was pleased you enjoyed taking part in the Better Environment Awards for Industry (BEAFI) ceremony in March. The awards already provide useful publicity for the companies concerned and a very valuable showcase for UK environmental achievement. They are a great help in combatting the idea that the leading edge of environmental technology always comes from Germany or Japan.

Yes

But we could do better still. I would like to see an awards scheme with a clearer sense of direction and on a more prestigious footing. The scheme should be always in the minds of industry, rather than being only a fleeting interest at the time of the awards. Environmental award schemes are proliferating, and thus defeating their purpose because none achieves prominence. We should aim for an expanded, higher profile scheme of sufficient prestige to clear away competitors and to provide a single focus for firms in their search for 'cleaner' processes and higher environmental standards.

With planning, we might hope to tie in the announcement of an expanded scheme with the Environment White Paper.

I believe Nicholas Ridley sought your views, following discussion between DOE and DTI officials, and that you suggested keeping BEAFI with the Prince of Wales as patron, or a Prince of Wales Award run by the Queen's Award Office. Nicholas has made clear he has little enthusiasm for a Queen's Award, or for a Prince of Wales Award run by the Government. I agree any improved scheme should probably remain distant from Government, and therefore commend an enhanced BEAFI Scheme with the Prince of Wales as patron - if he will accept.

To achieve a higher profile, pre-eminent scheme, we must offer financial assistance which is both more permanent and at an improved level. Hitherto DOE's grant for BEAFI has been year to year. We

should offer support to a relaunched scheme for an initial period of five years, reviewable at that stage. BEAFI now runs on a shoestring budget of about £93K. Even with a highly prestigious patron, an increased outlay on promotion will be necessary to raise awareness of the Scheme. Increased awareness in turn will mean more entries, with additional assessment and administration costs.

A total budget for an enhanced BEAFI of about £300K pa seems reasonable. I therefore propose offering a grant up to a maximum of about £150k pa for an initial five years, to be matched at least pound for pound by non-Government sponsorship. I would seek resources for this new service in 1991/92 from within the present baseline we are proposing in the 1990 Public Expenditure Survey.

If you accept these ideas, my office will sound out the Prince's staff over an invitation (from the RSA, who run the present scheme) to become patron. David Heathcoat-Amory will talk to the RSA and the present sponsors and promoters of the scheme - Shell UK, the Environment Foundation, the CBI and the Financial Times. A formal offer of financial support would be made in the light of those discussions.

I would welcome your views and those of Nicholas Ridley, to whom I am copying this letter. I would like to be able to give the RSA and the BEAFI management committee an indication of the Government's view on future support by the next meeting of the committee on 5 July. To allow for consultation with the Prince of Wales' staff, I would therefore welcome early responses to this minute.

OEJBush

PP CP

11 June 1990

(Approved by the Secretary of State
and Signed in his Absence)

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FILE DSG

bc P.M.

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

6 June 1990

Dear Kate,

CLIMATE CHANGE: ENVIRONMENT COUNCIL DISCUSSION ON 7 JUNE

The Prime Minister has seen a copy of your Secretary of State's letter of 5 June to the Foreign Secretary setting out his objectives for the discussion at the European Council and attaching his speaking note.

The Prime Minister strongly agrees with your Secretary of State's objective that in the discussion nothing should be agreed which contradicts the UK's own declared position on targets for the CO_2 emissions. She also agrees that it is essential that the UK and the EC should not act alone and that the opportunity to bring influence to bear on others is maximised. She is particularly concerned that the UK should not be boxed into a position where it is forced to sign up with northern EC states to stabilise CO_2 emissions at 1990 levels by the year 2000, particularly if southern members were given a looser formula. She therefore agrees that the differences between countries should be stressed as well as the prohibitive economic costs for the UK of stabilising CO_2 emissions at 1990 levels before 2005. She considers that it would be useful to add the further argument, highlighted by the recent IPCC report and underlined by Dr. Houghton's recent letter to the Prime Minister, that given that the scientific position will not be clear until 2005, it would not be right to seek to stabilise emissions before that point. She has also commented that it should be stressed that for many countries the 1990 target will be higher emissions than ours because of the level at which they start. For example, for East Germany to stabilise at 1990 would mean an appalling level of emissions.

The speaking note attached to your Secretary of State's letter suggests that the Commission will be invited to make suggestions at a subsequent Council as to which measures for reducing CO_2 emissions might usefully be developed or co-ordinated at Community level and which might most appropriately be left to national action. The Prime Minister is concerned that the Commission should not be encouraged to take too active an involvement in how Member-States will achieve their targets; and she therefore suggests that the Commission should simply be invited "to make suggestions". As the Chancellor recently pointed out, it was proposed at MISC 141 that detailed policy

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options would need to be kept open as long as possible, and the Prime Minister is therefore concerned that the UK should avoid entering into commitments in the European Community which would mean that it would need in the immediate future to discuss internationally its detailed plans for achieving the CO_2 target.

I am copying this letter to the Private Secretaries to other members of MISC 141 and to Sonia Phippard (Cabinet Office).

Yours ever,

Caroline

Caroline Slocock

Miss Kate Bush,
Department of the Environment.

CCPU.

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref

Your ref

CONFIDENTIAL

5 June 1990

The Rt Hon Douglas Hurd CBE, MP
Secretary of State for Foreign and
Commonwealth Affairs
Downing Street
London SW1A 2AL

Dear Foreign Secretary

CLIMATE CHANGE. ENVIRONMENT COUNCIL DISCUSSION ON 7 JUNE

I minuted the Prime Minister last week with the amendments which we proposed to table to the draft resolution on this matter which the Environment Council is to discuss on Thursday and Friday this week.

The amendments were duly tabled at COREPER on Wednesday, and our representative explained the reasons for them. There was however no further discussion at COREPER, and the amendments will simply lie on the table to be discussed at the Council itself on Thursday. We cannot tell yet therefore how well they will run. We are doing what we can with your people to lobby for our amendments with the Commission and other key players. But we shall not be certain in advance of the Council. or what other compromise texts may emerge in the course of the discussion.

As I see it however our objectives on the resolution are as follows:

i) To ensure that nothing is agreed which contradicts the UK's own declared position of stabilisation of CO_2 emissions by the year 2005 as our objective;

ii) to ensure that all Member States, including the Spanish, Portuguese, Greeks and Irish are committed to an appropriate and comparably demanding target, even if stabilisation at the year 2005 is not the right target for all;

RECYCLED PAPER

iii) to steer the discussion beyond abstract target setting and posturing, so that at subsequent meetings we can begin to have more down to earth discussions of concrete measures (particularly in the energy and transport sectors) that will assist in limiting CO_2 emissions;

iv) to ensure that Europe does not seek to act on its own, but rather to adopt a common position which will maximise the chances of bringing influence to bear on both other developed countries and on developing countries to play their part in what needs to be a global effort.

I attach a speaking note setting out the way in which I would propose to lay out the UK's position in the opening tour de table at the Council. In dealing with any drafting suggestions and amendments that come up during the discussion I propose to be guided by the objectives I have outlined above.

We are circulating more detailed briefing material at official level. If you or any colleagues have comments on the general approach or the speaking note I shall be glad if you will let me know by Wednesday 6 June.

I am copying to the Prime Minister and other members of MISC 141 and to Sir Robin Butler.

CE J Bush

pp **CHRIS PATTEN**
(Approved by the Secretary of State
and signed in his absence)

RECYCLED PAPER

DRAFT SPEAKING NOTE FOR THE SECRETARY OF STATE

ENVIRONMENT COUNCIL 7/8 JUNE 1990

Since we discussed this issue last at our meeting in March, we have all had the chance to examine the report from Working Group I of the IPCC. This has provided us with an authoritative scientific basis for considering the potential dangers of climate change. In the light of their work, and the emerging results from Working Group II, there is now a clear need for the countries of the world to develop policies which will limit emissions of all the greenhouse gases in the years ahead. We shall also need to consider measures to adapt to those climate changes which appear to be inevitable.

I believe that the conclusions of the recent Bergen Conference were an important step towards this. All the Community Member States were at Bergen, and we joined the other countries in the ECE Region, in committing ourselves to establish national strategies or targets for limiting greenhouse gas emissions. These strategies will need to be based on detailed work on the effectiveness, efficiency and economy of various measures to limit emissions as they apply in individual countries. I am sure that Working Group III of IPCC, which is meeting this week in Geneva to finalise its report, will provide essential advice for us all to consider in working up our national strategies.

We have already recognised in previous Ministerial declarations on climate change the importance of stabilising CO_2 emissions. That recognition was the basis for the speech by my Prime Minister on 25 May, when she announced that, in the context of appropriate international action, the United Kingdom was ready to commit itself to achieve this stabilisation at present levels by the year 2005. This is equivalent to a reduction of up to 30% in our presently projected levels of CO2 emissions in 2005.

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This target is the result of a great deal of detailed work to assess the feasibility and costs of possible measures to limit CO2 emissions in the United Kingdom. In particular we have examined the possibilities for generating electricity with less CO2 production mainly by changing the fuel mix; for improving energy efficiency in all sectors; and for improving the fuel efficiency of cars.

The impact of such packages will however depend on the different starting positions of different countries. In the UK for example we have had to consider such factors as the potential increase in car ownership, which is still at a level below that of several other Member States; our capacity to make further improvements in energy efficiency, which has already improved at a faster rate than the Community average over the last decade; the rate of population increase which is expected to be higher in the United Kingdom than most Member States over the next 15 years; and the rate at which it is practicable to turn over the plant in our power generation industry.

There are, also of course substantial costs of limiting CO_2 emissions. These tend to be greater in the short term the more rapidly we seek to bring about such stabilisation. This reflects the greater amount of premature retirement of, for example, coal burning power stations and less energy efficient cars and heating appliances. Choices have to be made about the speed of the adjustment towards lower energy using economies that we wish to make.

The upshot of all this for the UK is that we now think we can develop feasible packages of measures for achieving stabilisation by 2005; but we cannot at present see any practical way of getting right back to 1990 levels before then at an acceptable cost to the economy.

Other Member States starting from different base positions are in some cases hopeful of achieving stabilisation by earlier dates. That is good news - but it is not a compelling reason for pressing other states with less favourable starting positions to make even greater efforts.

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On the other hand there are some other Member States, with less fully developed economies, for whom similar packages of measures would not achieve stabilisation at 1990 levels at all since they have further to go in industrialisation, spread of car ownership etc. That seems reasonable to the UK; - but again it is not in our view a reason for exempting those States from making efforts to limit emissions to an appropriate level for them.

Our recommendation to the Council therefore is that we should not seek to force ourselves into the Procrustean bed of the same target year for stabilising emissions in each country of Europe. We shall not be able to agree on the same year for all twelve and will only advertise our disunity. But I believe we should be able to seek more substantial and significant agreement on the kind of specific measures needed in each Member country to limit or reduce CO_2 emissions. We shall all now need to be drawing up our national strategies or targets, and to ensure that they all at least consider the key elements identified at Bergen including measures to reduce total CO_2 emissions from power generation, to develop renewable sources of energy, to improve energy efficiency generally by energy labelling and other means and to improve the fuel efficiency of cars. I am sure that the Commission will wish to contribute to work in this area, and to make suggestions at a subsequent Council as to which elements might usefully be developed or co-ordinated at Community level, and which might most appropriately be left to national action. Their study should of course embrace existing Community regulations such as those I highlighted in my remarks at the March Council.

The Commission are also already looking at economic instruments that may be useful in developing policies on these matters, and we shall no doubt want to review their progress on this in due course.

We have to recognise that climate change is a truly global problem, not only because its effects would be felt globally, but because it is only global action which can prevent it. We in the Community produce some 15% of world CO_2 emissions significantly less than half of the share accounted for by the United States,

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ENV AFFAIRS: ACID RAIN

Canada and Japan. And, even if we were to take no action at all, that proportion will inevitably decline in the future as developing countries increase their energy use and their emissions.

So action by the Community alone would be ineffective, inefficient and would merely worsen the competitiveness of the Community economy, in particular in relation to other major industrialised countries. We need to develop a position which will maximise our chance of encouraging other countries to start to implement measures to reduce carbon emissions similarly, and will avoid the Community's bearing an unfair share of the global response that is necessary to meet the problem of climate change. We need to influence both the other major developed countries and the developing countries. Seeking agreement on concrete measures in the key energy and transport areas seems to us to provide a better basis for establishing an international consensus than simply trying to force every country, whatever their circumstances to stabilise emissions at the same year, on which we shall probably not be able to secure general international agreement. We should let the target year for stabilisation or reduction for each country emerge from the application of the key measures rather than the other way round. We can then build up a more realistic assessment of what targets Europe as a whole will be able to achieve.

In this way, we can indeed ensure that the Community and the Member States play a full and responsible role in wider international negotiations. We should aim to put forward a framework for international agreement on limiting CO_2 emissions which all countries can feel recognises their interests. I am sure that the IPCC workshop we are hosting next week in London to discuss the ways of allocating emission targets will contribute a great deal to this.

We need to give a lead, and to give a concerted lead from the Community. I hope we can achieve this today, and that the UK's suggestion will contribute to this.

05 FEB PM 3 0

RECYCLED PAPER

MISS SLOCOCK 5 June 1990

CLIMATE CHANGE: ENVIRONMENT COUNCIL DISCUSSION ON 7 JUNE

Chris Patten has minuted setting out the line on climate change which he proposes to use at the Environment Council on 7 June.

The draft has been thrashed out at official level, and is reasonable. Two improvements could be made:

- the fourth paragraph on page 2 suggests that the UK cannot afford to stabilize CO_2 emissions before 2005. But there is a more subtle point to be made. Given the existing scientific uncertainties, the UK believes that it would not be right to stabilize before 2005.

- the penultimate sentence in the second paragraph on page 4 invites the Commission "to make suggestions at a subsequent Council as to which elements might usefully be developed or co-ordinated at Community level, and which might most appropriately be left to national action". We do not want to suggest such a busybody role for the Commission. The sentence should simply invite the Commission "to make suggestions".

There is a general point to be made in addition to the above. We may be faced with a situation in which all the northern member states can sign up to stabilisation by 2000, with a looser formula for southern members. In such circumstances

we must stick to 2005, even at the risk of isolation in the EC, because:

- you have announced that the target date for the UK is 2005. We cannot chop and change with electricity privatisation in the offing;

- there is a rumour that the USA is about to come out for 2005 (we are trying to substantiate this in Washington). It is essential to bring the USA and Japan along - action by the EC countries alone is worthless.

We must avoid vague compromise formulas which suggest that all northern EC countries could accept 2000. It would be worth stressing this point.

CAROLYN SINCLAIR

chex.jp/tt/17

Treasury Chambers, Parliament Street, SW1P 3AG
071-270 3000

5 June 1990

Philip Ward Esq
PS/Secretary of State for the
Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

Dear Phillip,

CLIMATE CHANGE: ENVIRONMENT COUNCIL DISCUSSION ON 7 JUNE

The Chancellor has seen Mr Patten's letter of 5 June to the Foreign and Commonwealth Secretary.

The Chancellor is content with the objectives spelt out in Mr Patten's letter. The overriding need is of course that the United Kingdom should not put its name to any Council statement that is inconsistent with the policy announced by the Prime Minister on 25 May: provided others are ready to take their full share, the United Kingdom is prepared to set itself a target of reducing CO2 emissions to their 1990 levels by the year 2005.

The Chancellor's only comment on the draft opening statement concerns the second paragraph on the second page, which attempts to justify the government's decision to choose 2005 rather than 2000 as a target year. I understand that DOE officials have already agreed to delete the reference to the United Kingdom's capacity to make further improvements in energy efficiency, which is the shakiest of the arguments put forward in the paragraph. The Chancellor would however much prefer to delete the paragraph as a whole. Ministers reached their decision on the basis of an overall assessment of what was economically and politically acceptable: it is asking for trouble to pretend otherwise.

It will almost certainly be necessary at the Council to respond to new texts. The Chancellor would be grateful if the UK delegation could discuss with Treasury officials during the Council any revised drafts of the Resolution which might reasonably be held not to be fully compatible with the Government's policies and objectives.

I am copying this letter to the Private Secretaries to the Prime Minister, other members of MISC 141 and the Cabinet Secretary.

Yours,

Moira Wallace

MOIRA WALLACE
Private Secretary

PRIME MINISTER (1)

CLIMATE CHANGE: ENVIRONMENT COUNCIL DISCUSSION ON 7 JUNE

Mr Patten has written (Flag A) to gain approval for the line he hopes to adopt at the Environment Council on 7 June. Carolyn Sinclair has a number of points at Flag B.

Mr Patten is aiming to ensure:

(i) that the UK and the EC does not act alone and maximises its chances to bring influence to bear on others;

(ii) that nothing is agreed that contradicts the UK's announced target for CO2 emissions;

(iii) that all member states are committed to a demanding target whilst recognising that they may be different because of the different starting points of each country;

(iv) that the discussion focuses on specific measures rather than "abstract target setting and posturing" so that subsequent discussions are more down to earth. He suggests that the Commission be invited to "contribute to work in this area, and to make suggestions at a subsequent Council as to which elements might usefully be developed or co-ordinated at Community level and which might most appropriately be left to national action."

You may like to take a look at his speaking note.

The first two objectives seem entirely right but there may be dangers in the last two. You will recall when Mr Patten floated this strategy early last week the Chancellor sounded a warning note about any commitment to bringing forward a detailed plan. It was agreed at Misc 141 that policy options would need to be kept open as long as possible. This letter from Mr Patten suggests that the Commission might be encouraged to take on an active role at looking at national plans and developing EC strategies.

Carolyn Sinclair is concerned that:

- the Commission's role should not be over-encouraged. She proposes that Mr Patten should simply invite it to "make suggestions;"

- on a more detailed point, the draft speaking note suggests the UK cannot afford to stabilise CO2 emissions before 2005. It must be right to emphasise the costs. But Carolyn helpfully suggests that Mr Patten ought to stress as well the IPCC point, underlined by Dr Houghton's letter to you, that given the scientific uncertainties, it would not be right to stabilize before 2005;

- the UK should not be boxed into a position, which seems possible, where it is forced to sign up with northern EC states to a 2000 target, with a looser formula for southern members. She thinks you should stress this point to Mr Patten.

Mr Patten is presumably seeking to stress the diffences between countries (and the need therefore for different targets) in order to avoid getting boxed into a 2000 target. This may be a very real danger. But if this line is pursued, it will make it difficult to build an international consensus around stabilisation at 1990 levels by 2005, as you suggested might be possible today in the House. Carolyn suggests that the USA may now be moving toward this target. And it means that international discussion will need to focus on specific measures rather than targets, which will make it difficult for the UK to leave policy options open for much longer.

Content to:

- endorse the points made by Carolyn;

- stress the need to avoid entering into commitments which would mean that the UK would need in the immediate future to discuss internationally its detailed plans for achieving its target.

- stress that for many countries the 1990 target will be higher emissions than ours. E.g. to stabilise E. Germany at 1990 would mean an appalling level of emissions.

CAS

Caroline Slocock
5 June 1990

Agreed MT

MT

PRIME MINISTER

GERMANY: STABILISATION OF CO_2 EMISSIONS

I wonder if it is correct to argue that unification makes it easier for Germany to stabilise CO_2 emissions by 2005 because the base is raised. It is true that the addition of East Germany adds to emissions of pollutants e.g. from its crude vehicle engines. But this may not be true of CO_2 emissions which, per capita, may be higher in West Germany as a result of greater prosperity leading to higher car usage and higher electricity consumption. I will ask Department of the Environment for advice.

AT

ANDREW TURNBULL
5 June 1990
c:\pps\co2 (kk)

1. CAB
2 CP

PRIME MINISTER

KK

GERMANY: STABILISATION OF CO_2 EMISSIONS

I wonder if it is correct to argue that unification makes it easier for Germany to stabilise CO_2 emissions by 2005 because the base is raised. It is true that the addition of East Germany adds to emissions of pollutants e.g. from its crude vehicle engines. But this may not be true of CO_2 emissions which, per capita, may be higher in West Germany as a result of greater prosperity leading to higher car usage and higher electricity consumption. I will ask Department of the Environment for advice.

re Miss Slocock

ANDREW TURNBULL
5 June 1990
c:\pps\co2 (kk)

Mr. Turnbull

I am very glad you have raised this. There are 2 points:

- The Environment Minister in Bonn has made it very clear that his proposal to cut CO_2 emissions by 25% (compared with the 1987 base) by 2005 has been worked out solely in relation to the FRG. A lot of detailed work has been done in Bonn which DoE know about.

- adapting East German industry & closing down dangerous nuclear power stations will tend to produce increased CO_2 emissions in the East.

I think we should be very careful about suggesting that unification allows the Germans to sign up to ambitious targets. Our own figures (for energy projections) are in dispute.

Colyn Smith
8/6

Prime Minister

CAS 5/6

PRIME MINISTER

THE ENVIRONMENT: CLEANER TECHNOLOGIES

Sir John Fairclough minuted you on 3 May, with copies to members of E(ST) and Sir Robin Butler.

I agree with the conclusion that Sir John has reached following his discussion with officials including my Chief Scientist. I will await with interest the outcome of the reviews he proposes.

Following discussion in March in MISC 145 David Trippier and Douglas Hogg and other interested Ministers, will be drawing up material for the White Paper on cleaner technology. For our part, David and I would be happy to see a suitable reference to the special importance of significantly new and cleaner alternative technologies.

I am copying this minute to sir John and recipients of his minute of 3 May.

CP

4 June 1990

ENV. AFFAIRS: Acid Rain

pr 16

CONFIDENTIAL

MISS SLOCOCK

4 June 1990

BF 1/6 CB 4/6

PUBLICATION OF ENVIRONMENTAL STATISTICS

You will recall that at the last MISC 141 meeting it was agreed that the proposal to bring together existing statistical material was worth pursuing, but it should not become an annual audit.

You may like to know where things stand on this.

An interdepartmental group of statisticians have agreed the attached coverage of a statistical report. It is very wide.

Chris Patten proposes that the first edition should appear in about two years' time, with updating at three yearly intervals.

It is a relief that the first report will not appear for a while. And three yearly updating is better than annual updating. But the series could still turn into an embarrassment.

Against that, we are likely to have to start contributing to a similar EC-wide publication by the European Environment Agency within two years.

This is an example of someone getting their way by sheer persistence. There has been no real discussion of this proposal either at Ministerial or official level. We know that Ministers and Departments have doubts. I am questioning the scope of the exercise - it looks a bit like a "make work" scheme for statisticians.

Chris Patten wants to make dissemination of information about the environment a major plank in the White Paper. It would be helpful to know if the Prime Minister is content with the way things are going.

CAROLYN SINCLAIR

LIST OF STATISTICAL SERIES FOR STATISTICAL REPORT ON THE ENVIRONMENT

This annex lists the statistical series that would be included along with charts and explanatory notes and commentary in a benchmark set of environmental statistics. The aim would be to bring together available data on the state of the environment, pressures upon the environment and responses to those pressures so as to present a picture of main trends. This work would build on proposals made in the White Paper to improve environmental statistics. Presentation would aim to be non-technical with liberal use of charts to ensure reaching a wide readership. The aim would be for series to cover the UK and to be split to regional level where available. References to further sources would be included for those wishing to go more deeply into a particular subject.

PART 1 BACKGROUND

Climate - rainfall, temperatures (very long time series for climate change comparison), hours of sunshine.

Physical relief and land drainage.

PART 2 STATE OF THE ENVIRONMENT

AIR

Global issues

Global climate change

Relative contribution of different gases (carbon dioxide, methane, nitrous oxide, ozone, CFCs) to greenhouse effect.

UK emissions of greenhouse gases - trends in emissions and sources for carbon dioxide, methane, nitrous oxide.

Concentrations in atmosphere of greenhouse gases (global).

Effect of climate change - trends in sea level, trends in wave heights.

Stratospheric ozone depletion

Annual appearance/sizes of polar ozone holes.
Ultraviolet-B measurements for Europe.
CFC (chlorofluorocarbon) production in EC.

European Issues

Acid deposition and acid rain

Maps showing acidity of rain and acid deposition.

Effects of acid rain - eg trends in quality of selected upland waters.

Tropospheric ozone

Ozone episodes in UK and elsewhere (location, concentrations, duration).

PAN measurements (peroxylacetyl nitrate is an indicator of photochemical activity).

UK issues

Emissions of local significance

Smoke - sources, trends in emissions, breaches of EC limit values, urban concentrations, smoke control orders.

Sulphur dioxide - sources, trends in emissions, emissions from large combustion plants and EC targets, breaches of EC limit values, urban concentrations.

Nitrogen dioxide - sources, trends in emissions, emissions from large combustion plants and EC targets, concentrations.

Volatile organic compounds - sources, trends in emissions.

Carbon monoxide - sources, trends in emissions, concentrations.

Lead - trends in emissions, uptake of unleaded petrol, trends in concentrations of lead in air.

Trace elements - concentrations of zinc, arsenic, selenium.

Number of contraventions of air pollution acts.

WATER

International issues

Marine water quality

North Sea - source and amount of metal inputs, oil discharges, quality indicators, phytoplankton blooms (type, area, duration, time), biological monitoring for birds, seal counts, cetaceans and marine species.

Dumping of sewage sludge, industrial waste and dredgings - amounts of metal content.

UK issues

Sources of pollution

Water pollution incidents and prosecutions - trends in numbers, causes (industry, farms, sewage).

Sewage - compliance of treatment works with discharge consents, sludge disposal routes by size of discharge, compliance with EC directives, expenditure.

Inland water quality

River and canal water quality - trends in lengths in quality classes, annual average concentrations of selected determinands.

Groundwater quality - concentrations of nitrates and pesticides.

Drinking water quality - compliance with standards for lead, nitrates and pesticides by supply zone.

Marine water quality

Oil pollution - trends in spills and clean-up costs.

Bathing water quality - compliance with EC Directives.

Effects of toxic substances on marine life - TBT (tributyl tin) concentrations.

Metal content of seaweed and cockles.

Natural effects

Floods and droughts - number of drought orders, hydrological data for floods.

Coastal erosion - coastal defence expenditure.

WASTE

Main sources of waste - estimated waste arisings from agriculture, forestry, mines and quarries, power stations, industry, sewage sludge, commercial, household).

Trends in waste collected and disposed of by local authorities - amounts and costs. Transport of household waste.

Recycling - reclamation by local authorities, trends in weight and of recycled scrap (glass, paper, metals) and proportion of total consumption in manufacture.

Waste incineration/heat recovery.

Litter - public attitudes. (Other information if available).

Hazardous and special waste - amounts imported.

RADIOACTIVITY

Sources of radiation.

Natural radiation - radon concentrations in dwellings, gamma-ray dose rates in dwellings.

Gamma-ray does rate measurements from the RIMNET system used to monitor for nuclear accidents.

Radiation from nuclear establishments - trends in atmospheric and liquid emissions, solid waste disposal.

Concentrations in air, rain water, drinking water, milk, food, fish, shellfish.

Trends in public radiation exposure to radioactive liquid waste.

NOISE

Noise levels - when available from new survey.

Complaints and prosecutions - trends by source (roads, aircraft, domestic, etc).

Domestic noise - sources of complaints.

Motor vehicle noise - trends in noise offences.

Aircraft noise - trends in areas and population affected around Heathrow and Gatwick.

Exposure - effects on hearing impairment of exposure to varying levels of noise, numbers claiming and awarded Industrial Disablement Benefit for occupational deafness, estimates of numbers exposed to differing levels of noise at work.

TOXIC SUBSTANCES

(Cross-media issues)

Concentrations of heavy metals - blood lead concentrations, concentration of cadmium in kidneys.

Dioxins - emissions to the atmosphere.

Chemical notifications systems - results.

Pesticides - approvals, numbers of reported incidents.

WILD LIFE

Species - number of fully and partially protected species, number of species at risk.

Ecological indicators - trends for selected species (when available).

Trade in endangered species - from CITES.

LAND USE

General

Land cover and use - distribution of main land uses (agriculture, forestry, other) by country, changes in land cover and linear features over last 40 years, current land use change.

Rural

Agriculture - details of land use and information on special categories when available (Environmentally Sensitive Areas, Farm Woodland Scheme, Set-Aside and Nitrogen Sensitive Areas).

Forestry - forest area broken down between broadleaved and coniferous and by age class, trends in forests planted.

Designated and protected areas - numbers and areas of national parks, areas of outstanding natural beauty, heritage coasts, national nature reserves, sites of special scientific interest (SSSIs), special protection areas (SPAs), biosphere reserves, Ramsar wetland sites, environmentally sensitive areas (ESAs), marine nature reserves, etc.

Damage to SSSIs.

Forest health surveys.

Soil - types in UK, suitability for agriculture or forestry), important threats (erosion, contaminated land, acidification).

Mineral workings - area of permissions, area covered by satisfactory reclamation conditions.

Urban

Area of green belt land.

Derelict land - area, type of dereliction, area justifying reclamation, end use of reclaimed land, changes 1974-82-88, expenditure on reclamation.

Vacant land - results of recent survey.

Area reclaimed for garden festivals.

Home improvement grants - number of dwellings and total grant paid.

Heritage

Number of buildings 'listed' and 'scheduled' in last 10 years.

PART 3 SOURCES, PRESSURES AND RESPONSES

Agriculture Forestry and Fishing

Agriculture

Crop areas and livestock population numbers.
Yields of major arable crops, milk and eggs.
Value and quantity of fertilizers purchased and used.
Value of pesticides purchased.

Forestry

Standing volumes and production.

Fishing

Stocks of freshwater, migrating and marine fish and shellfish.
Landings of fish.

Energy	Trends in energy consumption by user. Trends in energy production by source. Trends in fuels used to generate electricity. Grants paid under homes insulation scheme.
Industry and Business	Trends in industrial output. Mineral production and use. Expenditure on environmental protection, pollution charges. Attitudes of managers. Number of visits, licenses issued and notices and prosecutions served by HMIP. Notices and prosecutions served by HSE under the Food and Environmental Protection Act and the Control of Pesticides Regulations. Hazards and accidents - number of sites covered by the Control of Major Hazards and Notification of Hazardous Installations Regulations, industrial accidents of environmental significance, planning applications and fire certificates issued in relation to major hazard industrial installations. Notification of planned releases of genetically manipulated organisms.
Transport	Trends in use - passenger transport by mode, freight transport by mode, road traffic by type of vehicle, traffic at UK airports and ports, number of road vehicles (by fuel type and capacity), public road lengths. Energy consumption, changes in fuel consumption of new cars, petrol and diesel prices and duties.
Population	Population trends (urban/rural) Public attitudes to the environment Membership of environmental organisations, charitable giving by individuals and companies to environment related charities. Recreational activities - visits by overseas residents to the UK and by domestic UK tourists by region and season, recreational and sporting use of forestry land. Education and training - output figures and policies for schools, higher education and industry.
Government	Expenditure on environmental protection, expenditure on flood defence, sea defence, coast protection, government grants made to environmental bodies.

Research - synopsis of ... inet office R&D review lines.

Regulatory and other responses eg economic instruments.

Costs and benefits of particular environmental interventions.

Environmental assessment - forestry.

Structure of assessment and regulation of environmental health hazards.

(NB. Consideration would be given to including some of the series in Part 3 in relevant sections in Part 2 and to cross-referencing).

EPS/DEPA/DOE
22 May 1990

10 DOWNING STREET

Charles

It's not clear that you have seen this. It is the only report on Bergen which I have seen.

4/6.

CS

Secretary of State

BERGEN CONFERENCE

I have already given you an initial account of the Bergen Conference. But I am here setting down for the record some further reflections on the way the Conference went, and pointers for the future.

The Bergen Conference was an ambitious experiment in bringing together Governmental and non-Governmental organisations. In the first week before Ministers arrived there had been parallel conferences of scientists, industry, trade unions, youth organisations, and non-Governmental organisations. These had met alongside the Governments' officials preparing the text for Ministers' consideration and threw up a lot of interesting and challenging ideas.

Inevitably there were some frictions and confusion in this process. Many of the non-Governmental organisations had impractical or over ambitious ideas of what could be achieved. And on the official side some of the participants (not from the UK) found the proceedings confusing and vexatious, and responded negatively. In spite of these difficulties I believe that there was a genuine dialogue between most of those involved, that the official side derived some new thinking from the other organisations involved, and that the NGOs for their part came to appreciate more of the constraints on Government actions.

The UK played a very prominent part in all of this. The proceedings were in English throughout, and our skills as drafters and brokers were much in demand. But our influence went well beyond this. The Norwegian organisers have sought and received our help in preparing and arranging the Conference throughout the last 18 months, particularly in the final stages. And our team (most ably lead as always by Fiona McConnell) played a key part in shaping the final declarations and agenda for action. This excellent groundwork meant that in the final three Ministerial days I was myself able to play a useful role in brokering the final deals on the difficult issues. In particular our EC partners looked to me and the UK team to build bridges on acceptable compromises with the USA delegation which was clearly in a minority of one on some of the key issues. At the same time I was able to work closely and fairly harmoniously with the UK NGO people who were there, and with our own Press representatives, all of whom were I think genuinely appreciative of and impressed by the role the UK delegation was able to play.

Participating in such a Conference as this with a large number of Governmental and non-Governmental organisations present is a complex operation which requires careful planning and significant input of Ministerial and official time. But the benefits for the UK of playing a leading role in the way we were able to, and avoiding being isolated on key issues, is considerable, and does I believe repay the effort we have put into it. We shall need to reflect carefully on the lessons learned in preparing for the even larger and more comprehensive United Nations Conference on Environment and Development in 1992.

On the various issues discussed at the Conference and included in the final declaration officials will be preparing a detailed report and proposals for follow up action. But I should immediately record the position on the three most contentious issues - the precautionary principle, CO_2 emissions, and financial mechanisms for CFC reductions.

On the precautionary principle there was a wide range of views between those who did not want to take any action on any problem until there was full scientific certainity about its causes and effects, and those at the other extreme who wanted to rush into preventive action (typically banning) as soon as any shadow of doubt arose about a product or process. In the end we got a very sensible compromise linking the extent of action appropriate to the seriousness or irreversibility of the risk involved.

On CO_2 the American delegation early on made it clear that they could not accept stabilisation of emissions at 1990 levels by the year 2000, and were not ready to commit themselves to any later year either. They argued their corner on the basis of extremely large figures of the cost to the American economy of adaptive measures which the Council for Economic Advisers have recently published. They are clearly some way yet from defining how far or fast they themselves are prepared to go on CO_2, and were impervious to pressures from the other countries present. In the end I was able to broker a compromise text with them under a formulation on Noordwijk lines stating that "most countries in the ECE" wanted to achieve stabilisation at 1990 levels by the year 2000, thus indicating that there were some who did not. Since the pressure was mainly on the Americans, we were able to avoid much pressure being brought to bear on us on this occasion to achieve the 2000 target which many of our European colleagues want. I am afraid we have only bought time on this however -it is separately becoming clear that our EC partners are planning a major push to reach agreement on a 2000 target for achieving 1990 levels at the Environment Council on 6 and 7 June.

On the Ozone Conference the Americans were completely isolated. They had announced a few days before the Conference that they were not prepared to contemplate committing any resources to financial mechanisms for the Montreal Protocol mainly I understand for US budgetary reasons. Mr Knauss, the leader of the US delegation, was clearly uncomfortable with this position, but in spite of several telephone calls to the White House he was unable to secure any flexibility on this matter. All the other countries present were clear that it will be necessary to support arrangements involving the World Bank for assisting the developing countries to adapt to the changeover from CFCs to other products. The sums involved are not large (Dr Tolba estimates that $260 million for the first three years will probably be sufficient, which implies about $70 million for the USA, $15 million for the UK).

These sums will need to be clearly identified and demonstrated to the world by the donor countries in order to satisfy the Third World. But many of the Member countries will no doubt like ourselves be privately considering other off-setting adjustments in other programmes so as to contain total public expenditure. To my mind the Americans have been flat-footed about this, and have provoked a quite unnecessary international row. It will now be urgently necessary to concert further with them to try to find ways of getting them off the hook in order to ensure the success of the London Conference at the end of June when we are hoping that sufficient progress will be made to bring the Indians, Chinese, Brazilians etc on board the protocol.

Finally I should mention the important contacts we were able to make with a number of environmental Ministers and officials from Eastern Europe. Specifically I have invited the Polish Minister and the Czech Minister to make visits to the UK in the next few months, and have arranged for official reconnaissance missions to go to Poland and Czechoslovakia beforehand to develop appropriate contacts on environmental matters, and identify where we may be able to help most effectively. I hope we can develop these contacts vigorously now, so that when the EC Environment Ministers meet the East European Environment Ministers again on 16 June in Dublin we can begin get beyond generalities into specific proposals for Know How exchanges etc.

J Bishop

pp. D.T.

21 May 1990

(Agreed by the Minister and Signed in his absence)

Foreign and Commonwealth Office

London SW1A 2AH

31 May 1990

From The Minister of State

The Hon Francis Maude MP

The Rt Hon Christopher Patten MP
Secretary of State
Department of the Environment
2 Marsham Street
London SW1P 3EB

Dear Secretary of State,

CLIMATE CHANGE

Thank you for sending Douglas Hurd a copy of your minute of 29 May to the Prime Minister.

Subject to small drafting changes (which I understand your officials have agreed with officials here) I am content that we try to negotiate the amendments to the Resolution which you suggest. We may have to review this again, before the Environment Council, in the light of the COREPER discussions yesterday and of the discussions our officials will have in Brussels later this week.

Copies of this minute go to the Prime Minister, other members of MISC 141 and to Sir Robin Butler.

Yours Sincerely

Nicola Browne

Francis Maude

Approved by the Minister
and signed in his absence

ENV AFFAIRS Acid Rain Pt 16

chex.ps/mw2/12 **CONFIDENTIAL**

cc PU

Prime Minister

CDB 31/5

Treasury Chambers, Parliament Street, SW1P 3AG
071-270 3000

31 May 1990

P D Ward Esq
PS/Secretary of State for the Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

CAD 31/5

Dear Phillip,

CLIMATE CHANGE

The Chancellor has seen a copy of the Secretary of State's minute of 29 May to the Prime Minister.

The Chancellor had no comments on the amendment proposed on conditionality. He is however concerned that the other amendment proposed by Mr Patten might be read as committing the United Kingdom to bring forward at an early date a detailed plan for reducing CO2 emissions to 1990 levels by 2005. MISC 141 concluded that further work needed to be done on the various policy instruments available; and the Chancellor's paper for MISC 141 explained the need initially to keep policy options open. Treasury officials have therefore asked UKREP to amend slightly Mr Patten's amendment to Articles 6 to 8 of the draft resolution so that it refers to "national strategies and/or targets and schedules", as does the Bergen text.

The Chancellor would be grateful if Treasury officials could be kept in close touch with further discussions about the draft resolution, up to and if necessary at the Council. We have yet to learn other Member States' reactions to the texts put forward at COREPER.

I am copying this letter to Charles Powell, and to the Private Secretaries of members of MISC 141 and the Chief Secretary.

Yours sincerely,

Moira Wallace

MOIRA WALLACE
Private Secretary

ENVIRONMENT: Acid Rain Pt 16

dti

the department for Enterprise

The Rt. Hon. Nicholas Ridley MP
Secretary of State for Trade and Industry

The Rt Hon Cecil Parkinson MP
Secretary of State for Transport
2 Marsham Street
LONDON SS1

Prime Minister

CAS 30/5

Department of Trade and Industry
1-19 Victoria Street
London SW1H 0ET
Enquiries 071-215 5000
Telex 8811074/5 DTHQ G
Fax 071-222 2629

Direct line
Our ref 071 215 5623
Your ref PB5AEB
Date 30 May 1990

Dear Cecil

CHECKS ON VEHICLE EMISSIONS

Many thanks for sending me a copy of your minute of 17 May to the Prime Minister.

I very much welcome your proposal. While it is of course important for the long-term control of vehicle pollution to set strict standards for new vehicles, up to now there has arguably been undue emphasis on this, and not enough attention to what really matters, namely the in-service emissions performance of vehicles over their lifetime.

I also welcome your intention in due course to add checks on the functioning of catalysts, which as I understand it will require more sophisticated testing than you propose for the immediate future. It will be important for you to have arrangements for these further tests in place in good time, before significant numbers of catalyst-equipped vehicles reach MOT test age. Otherwise, cars with ill-functioning catalysts could cause much more pollution than properly tuned cars without catalysts.

I am copying this letter to the Prime Minister and members of MISC 141, and to Sir Robin Butler.

Yours ever
Nicholas

Recycled Paper

ENV Aff
Car Exhaust Emission Standards
April 1959

File

PRIME MINISTER (1)

INTERNATIONAL SAVING THE OZONE LAYER CONFERENCE, 27 - 29 JUNE

You will recall that the second international conference on saving the ozone layer is to be held in London late next month. DOE say that this will be a major event which will attract a great deal of media attention. The Secretary of State for the Environment explored some time ago whether you might be prepared to take part in the conference in some way. You were not particularly keen to do so, given your participation in last year's conference.

However, I know that Mr Patten is anxious that you should make an appearance of some kind and feels that if you do not your absence would be commented on. He has now come up with the formal proposal that you should open the conference with a brief speech and receive on that occasion the United Nations Environment Programme Global 500 award from UNEP's Director, Dr Tolba. Your diary is free.

Given the number of environmental speeches which you have made recently, there is very little new which you could say in an opening address. Mr Patten stresses that your remarks could be short and could refer back to last year's London conference, welcoming delegates and urging progress towards strengthening the Protocol. However, any speech by you on this subject would attract a great deal of attention and high expectations; and it might be difficult to get away with something low key.

An alternative might be for you to look in on a pre-lunch reception at the conference, without speaking formally. Dr Tolba might present you with the award there. He is also coming to see you here at Downing Street and might give you the award then. A photocall could be arranged.

Do you agree:

- not to give the opening address to the conference?

- that I should explore whether you might look in at some other conference event, particularly pre-lunch drinks?

Do you have a preference for where you might receive the award:

- either at the conference?

- or at No 10 with a photocall?

CBS

Caroline Slocock
30 May 1990

cc P.M.

dti

the department for Enterprise

The Rt. Hon. Nicholas Ridley MP
Secretary of State for Trade and Industry

Rt Hon Chris Patten MP
Secretary of State for
the Environment
2 Marsham Street
LONDON
SW1P 3EB

Department of
Trade and Industry

1-19 Victoria Street
London SW1H 0ET

Enquiries
071-215 5000

Telex 8811074/5 DTHQ G
Fax 071-222 2629

Direct line 071 215 5621
Our ref JW3AMA
Your ref
Date 30 May 1990

CS to see.

CDP 30/5

Dear Secretary of State

CLIMATE CHANGE

Thank you for sending me a copy of your memorandum of 29 May to the Prime Minister. As my office has told yours, I agree with what you propose.

I agree strongly with the need to emphasise what the Prime Minister said about the need for a concerted international response. Uncoordinated and fragmented action is likely to be counter-productive and raise serious questions about relative international competitiveness.

Equally I agree with what you say about covering all Member States and avoiding vague "let outs" which deal only with some particular features of some countries. Encouraging progress on the basis of the Bergen commitments on establishing national strategies should help focus debate on practicable and cost-effective action which takes account of the circumstances of different countries, rather than vague bids to establish the moral high ground. As you indicate, it should also help build bridges rather than emphasise differences with countries like the USA.

I am copying this to the Prime Minister, members of MISC 141 and Sir Robin Butler.

Yours sincerely

Martin Stanley

(Affairs to the Secretary of State
- signed in his absence)

Recycled Paper

ENV AFFAIRS
Acid Rain Pt 16

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

29 May 1990

Dear Phillip,

CLIMATE CHANGE

The Prime Minister has seen your Secretary of State's minute of 29 May about the tactics which he proposes to follow in discussing the EC Resolution on Climate Change at the 7 June Environment Council. She very much agrees with the changes to the draft Resolution which he proposes to seek. Subject to the views of colleagues, the way is open to table them at COREPER tomorrow.

I am copying this letter to the Private Secretaries to members of MISC 141 and to Sir Robin Butler.

Yours sincerely,

CHARLES POWELL

Phillip Ward Esq
Department of the Environment

CONFIDENTIAL

Amended in the light of FCO + UKREP Brussels Advice

29/5/90

PROPOSED CHANGES TO DRAFT COUNCIL RESOLUTION

Clause 1

should be amended to make clear that any Community action is contingent on it being part of a wider international response;

"the Community and its Member States should play a leading role in the concerted international response needed to protect the global environment."

"[The Council] recognises that fully effective action to control emissions of greenhouse gases can only be taken on a global basis and that action to control emissions within Member States will impose substantial costs on the European economy; regards it as essential that action to counter the greenhouse effect should not disadvantage the economies of Member States in relation to those of third countries, in particular the Community's major industrial trading partners; stresses therefore that Member States should set targets only as part of an international agreement in which all major industrialised countries accept comparable targets; and urges all countries outside the Community to play their full part in the relevant international negotiations."

Clauses 6-8

These clauses will need to be deleted and replaced with a completely new text which would read;

6. NOTES the agreement in the Bergen Declaration that ECE Member States should establish national strategies to limit or reduce greenhouse gas emissions; WELCOMES the identification of targets by a number of Member States to stabilise CO_2 at 1990 levels; INVITES Member States who have not already done

so to draw up national strategies for limiting or reducing greenhouse gas emissions, particularly CO_2; CONFIRMS that such strategies should be prepared in good time for the October Environment Council and should take as their basis the stabilisation of CO_2 emissions as quickly as possible, preferably at current levels *[though taking account of the need for a fair distribution of the burden between countries at different stages of development and different present levels of CO_2 emissions.]

7. CONSIDERS that, in the light of the conclusion of these strategies, the Community and Member States should be prepared to adopt a concerted position at the Second World Climate Conference;

8. RECALLING that at previous Environment Councils the Commission and Member States were invited to take measures which could contribute to these strategies including in particular measures concerning increased energy efficiency, measures in the field of transport, fuel switching and energy saving, and renewable energy sources, now INVITES the Commission to review progress urgently, and to report the outcome to the next Environment Council.

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* not to be tabled immediately - but held back as a Council concession to get the Southern states on board if necessary.

CONFIDENTIAL

①

Prime Minister

Content with this proposed approach?

CDP 29/5

PRIME MINISTER

Yes - wholeheartedly agree

CLIMATE CHANGE

Your announcement on Friday of our willingness to join international action on climate change by stabilising our CO_2 emissions by 2005 was well received. It will ensure we continue to have a leading role in international discussions in the months ahead.

The most immediate follow up to our announcement is the EC Resolution on climate change to be discussed at the 7 June Environment Council. This takes place against the background where other Member states are looking at various forms of target for CO_2 emissions - the FRG environment department, for a reduction of 25% in present levels by 2005, the Dutch, stabilisation at present levels by 1995, and the Danes (with the support of France, Italy, Belgium and Luxembourg) for stabilisation at present levels by 2000. We need to ensure that certain key conditions of our action are properly reflected in the resolution, principally -

- that any European Community action is contingent on it being part of a concerted international response;

- that any common Community position covers all Member States and does not provide for vague 'let outs' for less industrialised Members of the Community (which is the tactic the Commission is using in an attempt to bring on board the Southern states for a target they are not in reality ready to meet.)

The problem with the kind of target that has been under discussion internationally so far of stabilising CO_2 emissions by a particular year is that it takes no account of the different stages of development of different countries, the different levels of car ownership, different forms of energy production, and different levels of CO_2 emissions per capita at present. Stabilisation at present levels is therefore a crude form of target which will be much easier for some to achieve than others. It can really only be defended for the time being as an initial first step indicating the importance and urgency of the subject and the need to make some initial commitment while more detailed strategies are worked out. We ought not to allow the international community to be diverted from working out these longer term strategies by disputes about the target years for initial stabilisation.

CONFIDENTIAL

I propose to ensure that officials press both these points in discussion of the draft resolution next week. I have some hope that in advance I can impress upon the Irish Presidency and some of the other key Environment Ministers who will be present that this is not the time to squabble amongst ourselves about target years for stabilisation, but that we need to find a form of words that can accommodate the range of generally pro active Member States' positions. The Community's aim must be to build on the impetus of the IPPC report, in bringing others to consider the need for some comparable level of initial commitment.

I would therefore wish to offer an alternative way forward which may assist the Presidency in securing some progress in June despite the clear differences which still exist between Member States.

This would be based on the elements of the Bergen Declaration where Member States committed themselves to establish national strategies for limiting emissions by the time of the Second World Climate Conference. If such strategies could be produced in the next few months, we could be in a position at the October Environment Council to identify a first Community position. Agreement to this in October, immediately preceding the Second World Climate Conference, would help to encourage other major emitters such as the USA and others to join us while restraining the more 'radical' Member States. Our White Paper will of course provide the details of our own strategy.

I am attaching the current draft resolution, which is to be discussed at COREPER on 30 May, and our suggested rewording. I would be grateful for your, and colleagues' agreement to this proposed line in time for COREPER. It will be helpful for us to table the proposed amendments there in order to ensure that they are taken on board in the communication to the Council.

I am copying this to members of MISC 141 and to Sir Robin Butler.

CHRIS PATTEN
Approved by the Secretary of State
and signed in his absence

29 May 1990

PROPOSED CHANGES TO DRAFT COUNCIL RESOLUTION

Clause 1

should be amended to make clear that any Community action is contingent on it being part of a wider international response;

"the Community and its Member States should play a leading role in the concerted international response needed to protect the global environment."

"[The Council] recognises that effective action to control emissions of greenhouse gases can only be taken on a global basis and that action to control emissions within Member States will impose substantial costs on the European economy; regards it as essential that action to counter the greenhouse effect should not disadvantage the economies of Member States in relation to those of third countries, in particular the Community's major industrial trading partners; stresses therefore that Member States should set targets only as part of an international agreement in which all major industrialised countries accept comparable targets; and urges countries outside the Community to play their full part in the relevant international negotiations."

Clauses 6-8

These clauses will need to be deleted and replaced with a completely new text which would read;

6. NOTES the agreement in the Bergen Declaration that Member States should establish national strategies to limit or reduce greenhouse gas emissions; NOTES that a number of Member States have already identified target dates to stabilise CO_2

at 1990 levels; CONFIRMS that such strategies should be prepared in good time for the October Environment Council and should take as their basis the stabilisation of CO_2 emissions as quickly as possible, preferably at current levels *[though taking account of the need for a fair distribution of the burden between countries at different stages of development and different present levels of CO_2 emissions.]

7. CONSIDERS that, in the light of the conclusion of these strategies, the Community and Member States should be prepared to adopt a common position at the Second World Climate Conference;

8. INVITES the Commission to give all assistance to those Member States who have not already done so, to draw up national strategies for limiting or reducing greenhouse gas emissions, particularly CO_2; RECALLS that measures which could contribute to these strategies could include in particular measures concerning increased energy efficiency, including measures in the field of transport, fuel switching and energy saving, and renewable energy sources.

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* not to be tabled immediately - but held back as a Council concession to get the Southern states on board if necessary.

REVISED

DRAFT COUNCIL RESOLUTION

ON POLICY TARGETS ON THE GREENHOUSE ISSUE

- proposed by the Chair -

THE COUNCIL OF THE EUROPEAN COMMUNITIES :

1. **RECALLS** and **CONFIRMS** its Resolution of 21 June 1989 on the greenhouse effect and the Community [x] ; **UNDERLINES** its view that a global response to the greenhouse issue should be made without further delay irrespective of some outstanding scientific uncertainties ; and that the Community and its Member States should play a leading role in the action needed to protect the world environment ;

2. **NOTES** the Commission communication of 16 March 1990 [xx] on Community policy targets on the greenhouse issue ; **NOTES** the work underway in the Commission with a view to making proposals for concrete action ; **RECOGNISES** and supports the work in progress in the Intergovernmental Panel on Climate Change ;

3. **CONSIDERS** that, projected emissions of greenhouse gases will not be sustainable (1) in the light of increasing modifications to the composition of the atmosphere and associated climate change risks ;

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COMMENTS

(1) UK : suggested "projected emission of greenhouse gases may not be sustainable etc."

4. RECOGNISES therefore that the projected level of global emissions of greenhouse gases must be curbed urgently ; to this end, [apart from action already underway with a view to phasing out CFCs], (1) priority actions should be the limitation of CO2 emissions, [notably in industrialised countries,] (2) and the vital protection of the world's forests, in particular tropical forests, [including assistance to developing countries with such forests on their territory] ; (3)

5. CONFIRMS its agreement with the statement of the Noordwijk Conference that stabilisation of CO2 emissions should be achieved as soon as possible in industrialised countries ;

6. CONSIDERS that, in the case of the most industrialised countries, such stabilisation should be achieved as a first step by the year 2000 and in principle at present levels ; (4)

7. RECOGNISES that industrialised countries with as yet relatively low energy requirements and/or per capita emissions, which can reasonably be expected to grow in step with their development, may need to have targets set on a basis which accommodates that development ;(4)

8. INVITES the Commission, in the light of the above-mentioned considerations, to include in its proposals for concrete action, which have been requested by the end of 1990 (5), measures which should lead to stabilisation of CO2 Community emissions at present levels by the year 2000 ; RECALLS that such action should include in particular measures concerning increased energy efficiency, including measures in the field of transport, fuel switching and energy saving, and renewable energy sources (6) ; [and that for this purpose there may be appropriate use of economic and fiscal instruments] ; (4)(7)

COMMENTS

(1) E/F : consider this addition is unnecessary in this context.

(2) B/UK : wish to delete this phrase.

(3) B : reservation on this addition.

(4) Several delegations : reservation on paragraphs 6, 7 and 8.

- B/DK/NL/UK : wished to delete paragraphs 6 and 7.

- F : wished to restructure these paragraphs, beginning with the principle of stabilisation of CO2 emissions in the Community at present levels by the year 2000, as set out in the present paragraph 8. In the view of this delegation the text should contain a clear invitation to the Commission to make proposals to meet this objective. Whilst recognizing the specific situation of certain countries with low emissions, F further considered that any special provisions for these countries should be subject to certain conditions. It therefore suggested amending paragraph 7 to specify that per capita emissions of the countries concerned should not grow by a percentage greater than the half of the growth rate of their gross domestic product. This delegation could also however consider delation of paragraphs 6 and 7 as a possible compromise.

- GR/E/IRL/P : opposed to the delation of paragraphs 6 and 7.

- GR/E : moreover considered that paragraphs 6 to 8 were too vague and did not reflect accurately the different situations in the Member States.

- Certain delegations, moreover, requested the Commission to provide comparative figures of the emissions of Member States (global, per capita, related to GDP).

- E : finally recalled its general reservation, considering that any reference to specific targets was premature, such proposals being the prerogative of the Commission.

(5) NL : invites the Commission to present these proposals at an even earlier data.

(6) UK : wishes to add "low and non greenhouse gas emitting energy sources".
GR : opposed to this addition.

(7) GR : wishes to delete this phrase as studies on the use of economic instruments are not yet completed.
UK : suggests rewording this phrase as follows : "and that for this purpose it may be appropriate to consider use of economic instruments".

9. WELCOMES the Commission's intention to propose amendments to existing Community legislation which may no longer be appropriate in the light of the need to combat the greenhouse effect ; (1)

10. INVITES the Commission to present by the end of 1991 (2) a strategy for achieving a subsequent reduction (3) of Community CO2 emissions in the framework of an appropriate international agreement ;

11. STRESSES in this context the need for early negotiations with a view to concluding in 1992 both a Global Convention on Climate Change and [associated] (4) Protocols setting inter alia commitments for action on CO2 emissions and on the protection of forests, in particular tropical forests but including also temperate and boreal forests, through measures of protection, reforestation and afforestation ;

12. CONSIDERS that the Community and its Member States should play a full part in the negotiations for which preparatory work should commence as a matter of urgency and in any event in advance of the 2nd World Climate Conference ;

13. STRESSES the importance of also developing appropriate Protocols on other important greenhouse gases [such as methane] (5) as soon as possible ;

14. INVITES the Commission to take all appropriate initiatives to further strengthen Community action in the field of global climate change both internally and in the relevant international fora.

COMMENTS

(1) UK : suggests replacing "WELCOMES" by "URGE". It further wishes to refer to specific legislation which requires amendment e.g. Directive on use of gas in power stations ; vehicle emissions and cabotage legislation.

(2) F/I : preferred 1990.

(3) DK/D/NL : wish to include specific reduction targets (e.g. 15 - 25%) and dates (e.g. 2005 - 2010).

F : also in favour of setting reduction targets as soon as possible. Therefore invites the Commission to submit as a matter of urgency its proposal on a reduction strategy (see note (1) above).

Certain other delegations : preferred to maintain the text unchanged.

(4) UK : wished to add "as necessary".

Other delegations : did not support this addition.

(5) DK : study reservation.

Intergovernmental Panel on Climate Change Working Group I

SCIENTIFIC ASSESSMENT OFCLIMATE CHANGE

Report to IPCC, 25 May 1990

Executive Summary

We are certain of the following:

• there is a natural greenhouse effect which already keeps the Earth warmer than it would otherwise be.

• emissions resulting from human activities are substantially increasing the atmospheric concentrations of the greenhouse gases: carbon dioxide, methane, the chlorofluorocarbons and nitrous oxide. These increases will enhance the greenhouse effect, resulting on average in an additional warming of the Earth's surface. The main greenhouse gas, water vapour, will increase in response to global warming and further enhance it.

We calculate with confidence that:

• some gases are potentially more effective than others at changing climate, and their relative effectiveness can be estimated. Carbon dioxide has been responsible for over half the enhanced greenhouse effect in the past, and is likely to remain so in the future.

• atmospheric concentrations of the long-lived gases (carbon dioxide, nitrous oxide and the CFCs) adjust only slowly to changes in emissions. Continued emissions of these gases at present rates would commit us to increased concentrations for decades to centuries. The longer emissions continue to increase at present day rates, the greater reductions would have to be for concentrations to stabilise at a given level.

• the long-lived gases would require immediate reductions in emissions from human activities of over 60% to stabilise their concentrations at today's levels; methane would require a 15-20% reduction.

Based on current model results, we predict:

• under the IPCC Business-as-Usual (Scenario A) emissions of greenhouse gases, a rate of increase of global mean temperature during the next century of about 0.3°C per decade (with an uncertainty range of 0.2°C to 0.5°C per decade); this is greater than that seen over the past 10,000 years. This will result in a likely increase in global mean temperature of about 1°C above the present value by 2025 and 3°C before the end of the next century. The rise will not be steady because of the influence of other factors.

• under the other IPCC emission scenarios which assume progressively increasing levels of controls, rates of increase in global mean temperature of about 0.2°C per decade (scenario B), just above 0.1°C per decade (scenario C) and about 0.1°C per decade (scenario D).

• that land surfaces warm more rapidly than the ocean, and high northern latitudes warm more than the global mean in winter.

• regional climate changes different from the global mean, although our confidence in the prediction of the detail of regional changes is low. For example, temperature increases in Southern Europe and central North America are predicted to be higher than the global mean, accompanied on average by reduced summer precipitation and soil moisture. There are less consistent predictions for the tropics and the southern hemisphere.

• under the IPCC Business as Usual emissions scenario, an average rate of global mean sea level rise of about 6cm per decade over the next century (with an uncertainty range of 3 - 10 cm per decade), mainly due to thermal expansion of the oceans and the melting of some land ice. This amounts to a rise of about 20cm in global mean sea level by 2030, and 65cm by the end of the century. There will be significant regional variations.

There are many uncertainties in our predictions particularly with regard to the timing, magnitude and regional patterns of climate change:

- sources and sinks of greenhouse gases, which affect predictions of future concentrations
- clouds, which strongly influence the magnitude of climate change
- oceans, which influence the timing and patterns of climate change
- polar ice sheets which affect predictions of sea level rise

These processes are already partially understood, and we are confident that the uncertainties can be reduced by further research. However, the complexity of the system means that we cannot rule out surprises.

Our judgement is that:

• Global - mean surface air temperature has increased by 0.3°C to 0.6°C over the last 100 years, with the five global-average warmest years being in the 1980s. Over the same period global sea level has increased by 10-20cm. These increases have not been smooth with time, nor uniform over the globe.

• The size of this warming is broadly consistent with predictions of climate models, but it is also of the same magnitude as natural climate variability. Thus the observed increase could be largely due to this natural variability; alternatively this variability and other human factors could have offset a still larger human-induced

greenhouse warming. The unequivocal detection of the enhanced greenhouse effect from observations is not likely for a decade or more.

• There is no firm evidence that climate has become more variable over the last few decades. However, with an increase in the mean temperature, episodes of high temperatures will most likely become more frequent in the future, and cold episodes less frequent.

• Ecosystems affect climate, and will be affected by a changing climate and by increasing carbon dioxide concentrations. Rapid changes in climate will change the composition of ecosystems; some systems will benefit while others will be unable to migrate or adapt fast enough and may become extinct. Enhanced levels of carbon dioxide may increase productivity and efficiency of water use of vegetation. The effect of warming on biological processes, although poorly understood, may increase the atmospheric concentrations of natural greenhouse gases.

To improve our predictive capability, we need:

- to **understand** better the various climate-related processes, particularly those associated with clouds, oceans and the carbon cycle
- to improve the systematic **observation** of climate-related variables on a global basis, and further investigate changes which took place in the past
- to **develop** improved models of the earth's climate system.
- to **increase** support for national and international research activities, especially in developing countries
- to **facilitate** international exchange of climate data

changes incorporated 1915h 24 May 1990

cc/PC

OVERSEAS DEVELOPMENT ADMINISTRATION
ELAND HOUSE
STAG PLACE LONDON SW1E 5DH
Telephone 071 273 0409

From the Minister

23 May 1990

The Rt Hon Chris Patten MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
LONDON SW1P 3EB

Dear Chris

In 1987, when you were the Minister, the ODA published its first booklet on The Environment and the British Aid Programme. An expanded new version has just been produced, which I am launching today as part of our activities for One World Week. You (and colleagues on MISC 141 and 145 to whom I am copying this letter) may like to see it. Further copies are available from Information Department here.

Yours ever

Lynda

LYNDA CHALKER

PRIME MINISTER

22 May 1990

ENVIRONMENT WHITE PAPER

The attached article in this week's "Economist" needs to be refuted firmly. It suggests that you have lost interest in environmental issues, and forecasts a boring White Paper limited to a few public expenditure measures.

There will be an opportunity to refute the first charge this week, when you open the Climate Prediction Centre at Bracknell.

The second charge must be laid by the White Paper itself. The thrust of the "Economist's" criticism is that the Government is not going to look imaginatively at market mechanisms for controlling pollution. The White Paper needs to do two things:

- it should alert people to the potential threat of global warming, based on the work of the IPCC;

- it should bring out the cost of combatting global warming.

Under the second heading, the Government must be able to demonstrate that it has examined carefully all the market based mechanisms - including taxes such as excise duty on fuel - which are possible policy responses to the threat of global warming. This is of course different from proposing specific taxes or other market based measures.

The White Paper will in practice be a Green Paper bringing facts - both scientific and economic - to people's attention and floating various policy options. Decisions on many of the actual measures to be taken to reduce greenhouse gas emissions will come later.

All this will be new. It will also be sobering.

Conclusion

The White Paper must make an impact, and it must do this in the first chapter. We are pressing for an early draft.

CAROLYN SINCLAIR

Cutting back on greenery

Pruned of most of its radical ideas and left only with an outline of how to spend more public money—that looks the likeliest shape of the government's white paper on the environment, due out this autumn

AT LAST year's Tory party conference, Mr Chris Patten, freshly promoted to head the Department of the Environment, gave himself a year to produce a white paper on that topic. He did so with the careless enthusiasm of a new minister leaping on a popular bandwagon. As the white paper starts to take final shape, it is emerging as an uninspiring document, long on detail but lacking a clear definition of what environment policy should cover, let alone a coherent intellectual approach.

Mr Patten's decision to appoint Professor David Pearce, an environmental economist, as an adviser last August raised expectations that the white paper would take as its theme the use of economic mechanisms to make green policies work. The main such mechanism under consideration in Whitehall at the moment is old-fashioned public spending. The combination of rising inflation, imminent electricity privatisation and a looming general election has done away with most thoughts of environmental taxes or charges. Indeed Mr Kenneth Baker, the Tory party chairman, takes an embarrassingly close interest in the paper as a central part of the next election manifesto.

Some early obstacles to Professor Pearce's ideas have disappeared—not least Mr Nigel Lawson, who was vociferously hostile to the concept of environmental taxes. His successor, Mr John Major, is more open-minded. He has been willing to discuss green economic instruments, and a number of research contracts have been signed to see how they might work in practice. His Treasury officials, however, still argue that environmental taxes are their business, not that of the environment department.

A much bigger problem has been the attitude of the prime minister. She chairs the cabinet committee drawing up the white paper, and appears to have lost much of her earlier, over-publicised zeal for the subject. Alarmed by inflation and worried by the trade deficit, she has ruled out anything likely to raise prices or hurt British industry's competitiveness.

Many of the likely proposals in the white paper would eventually increase public spending. It will suggest more cash to exhort industry and the public to save energy; more for public transport; and a hugely elaborate scheme (which may be run by Mr Patten's department rather than by the Ministry of Agriculture) to pay landowners to manage their land in greener ways. Much of that cash will go to offset the environmental harm done by the price incentives of the EC's agricultural policy; though the agriculture ministry hopes to extend "green conditionality"—making payments of EC money dependent on acceptably green behaviour.

The paper's timing is unfortunate: it must be drafted by the end of July, when the annual Whitehall public-spending round will be only half-finished. Mr Patten will have to fight simultaneously for more green spending and, wearing his local-government hat, for large sums to offset the electoral damage done by the poll tax.

Missing targets

Global warming has dominated discussion of the white paper. Pressure for Britain to set a target for some reduction in the "greenhouse" gases will grow later this month, when the first report from the worldwide Intergovernmental Panel on Climate Change is finalised. The report will predict a rise in global mean temperatures of 1.3°-2.5°C above pre-industrial levels by 2020, and of 10-32cm in the sea level by 2030.

Mr Patten has already agreed to stabilise Britain's output of carbon dioxide—the main greenhouse gas—without saying by when or at what level. The white paper will have to go further, if only because it will come out just before the first prospectus for privatisation of the electricity industry. That industry accounts for a quarter of all Britain's greenhouse gases. If the government is going to set a target figure for reducing emissions, it will have to do so before selling electricity.

The prime minister is still thought to be willing—just—to agree to targets. She is, however, keen first to see a price tag. She is particularly anxious to avoid a repetition of the international agreement to cut the use of ozone-damaging CFC gases: third-world countries signed up first and now want cash from the first world to help meet their goals.

Britain would prefer the world to talk about how to cut carbon emissions, rather than targets. But over the past week the government has inched closer to endorsing a target. Mr David Trippier, Mr Patten's ebullient environment deputy, announced that global warming is already happening. Meeting targets, he said with reckless honesty, would cause "pain and anguish". At the

June meeting of EC environment ministers, Britain may take the plunge. The EC Commission and several individual EC countries, want an agreement to stabilise emissions at present levels by the year 2000. The environment department is already calculating that if "present" means 1990, Britain will suffer: the current economic downturn will cut emissions below their usual trend.

As part of the white-paper exercise, the Treasury has co-ordinated an interdepartmental group on environmental economics (or IGEE, affectionately pronounced "Iggy") to try to establish the costs of action to avert the risk of global warming. IGEE argues that the government should take account of the danger that a sudden and unpredictable natural catastrophe might be triggered by an unprecedented acceleration in temperature change, and that some action is justified on purely precautionary grounds.

But without some commitment to ensure higher energy prices, the white paper will have difficulty charting a convincing path towards a reduction in Britain's emissions of carbon dioxide. It will test to destruction the possibilities of exhortation—companies will be urged to conduct environmental audits, industries to set up voluntary green-labelling schemes, car manufacturers to build more fuel-efficient engines. The existing digest of environmental statistics will be brightened up and relaunched, to show a commitment to better public information.

Apart from that, the paper is likely to be limited largely to presenting in a coherent way policies that government departments are already undertaking. It has, indeed, encouraged Whitehall to think harder about green issues. A main decision still to be taken is what mechanism should continue this pressure. Mr Patten, whose own department has no direct responsibility for the central environmental areas of agriculture, energy and transport, has always been sceptical of the case for a special environment agency, on American lines. He would prefer the cabinet committee to become permanent, and to go on being chaired by the prime minister.

Mad cows and ministry men

THE Ministry of Agriculture (MAFF) has been put to shame by the madness and death of Max, a Siamese cat from Bristol. Max's brain—like those of 13,000 British cows, one of which found its way into Max's supper—had gone spongy. It took nothing more than someone in a white coat pointing out that *homo sapiens* might be next, and the stampede was on: within days beef was welcome nowhere but on the front pages of newspapers.

So where was the ministry, when its steadying hand was needed? Being ignored. Although Max's death has failed to prove that mad-cow disease travels easily from species to species on a plate—a highly uncertain proposition—it has proved beyond scientific doubt that nobody trusts MAFF any more. Salmonella, botulism, listeria and now BSE (bovine spongiform encephalopathy)—Max belongs to a sequence of food scandals that the ministry seems powerless to prevent.

MAFF's performance is all the more lamentable because it had ample time to prepare its arguments. The first case of BSE was spotted in November 1986. Despite plenty of juicy facts to pick on, coverage in the tabloid newspapers did not go far beyond a fantasy that the volatile Mr John McEnroe might have contracted the disease by chewing on the gut strings of his tennis racket. But MAFF must be naive as well as ineffectual if it thought that BSE would blow over. Britain's townies, the majority of the population, are only too ready to believe that nasty things happen down on the farm. It took only the death of a pet to get the BSE bandwagon rolling in earnest.

Mr Richard Lacey is a professor of microbiology at Leeds University. He is no expert on spongiform encephalopathies—which break most of the rules of medical science—but he has become a vigilante on the food front, since resigning from a government committee in protest against MAFF's complacent handling of the salmonella scare. On May 12th he recommended that 6m cows—half Britain's herd—be slaughtered. Within a few days local authorities in Humberside, West Yorkshire, Oxfordshire, Staffordshire, Derbyshire, Liverpool, Richmond-upon-Thames and even (though it was promptly arm-twisted into changing its mind) high-Tory Westminster had banned beef in schools.

In vain did government scientists insist that there was no evidence that BSE could nobble people. Still more in vain did the agriculture minister, Mr John Gummer, assure the Commons that they were right. Few people take Mr Gummer as seriously as he takes himself, and his recent assertion to an audience of butchers that vegetarianism was contrary to Holy Writ hardly helped.

The funny thing about the ministry's predicament is that, for once anyway, its experts are at least half-right. BSE is not really novel. It is a bovine version of scrapie, an age-old—though poorly understood—disease which is found in sheep. According to a non-MAFF expert on scrapie, who has seen part of Max the cat's brain, there is no doubt that Max died of scrapie. It also appears that Max had been fed on offal, supplied by a local petfood-maker, from a beef carcass judged unfit for human consumption because it was riddled with scrapie.

Good reason for alarm? No. It has long been known that scrapie can be passed from sheep to other species, including primates. Different species have different susceptibilities to the disease. Knowing that one cat has scrapie tells you nothing about how susceptible man might be. In all species, however, the dose must be extremely high to cause an infection. All the evidence suggests that scrapie does not pass from sheep to humans. If it did, the result would almost certainly look like something called Creutzfeldt-Jakob disease (CJD), a human spongiform encephalopathy. Yet, though scrapie has been known in sheep for centuries, no connection has ever been found between CJD and eating mutton.

Goat's milk, Mr Gummer?

So what should the ministry have been telling people? Because of the nature of the disease, the chances of scrapie passing from cattle to humans are extremely slim. They are diminished still further since cattle that die of (or are slaughtered because of) scrapie are not eaten, but dumped. Scrapie is concentrated in the central nervous system. It keeps clear of muscle—that is, meat. Cautious people can feel safer by not eating any brains. You are more likely to die from choking on a steak than from swallowing it.

Which is good news for the Gummer family. As Mr Gummer bravely told the world, his children are still eating beef.

PRIME MINISTER

BERGEN CONFERENCE

As you know David Trippier represented the UK at this Conference last week.

You have already had briefing on some of the key items in the final declaration, and you may have seen the FCO telegram reporting the main points (Annex A). You may also like to see the attached report which David Trippier has given me with some further reflections on the Conference and the follow up.

My own impression is that David Trippier and the UK team did an excellent job in handling UK participation in the occasion, and in ensuring that we played a leading role while protecting vital UK interests on the key issues. The media coverage has been good, and David Trippier has been beginning to get over the important message that although limiting CO_2 emissions will be a necessary response to the growing evidence of climate warming it will not be easy to achieve this since it involves some difficult measures.

We are now facing the next battle on CO_2 emissions in the European Council in Luxembourg on 7 and 8 June. The signs are that the Commission are trying to line us up for very strong pressure from all our other partners to agree to stabilisation of CO_2 at 1990 levels by 2000; we shall need to counter-attack vigorously. We shall be negotiating hard in bilateral contacts with the Irish Presidency and others during the next two weeks to try to avoid being isolated in this way.

But we must also avoid being manoeuvred into concessions going beyond what MISC 141 agreed as our bottom line. As I suggested at Cabinet last week it may be useful for us to make a clear public

statement of our position and the reasons for it in the first week in June so as to avoid salami tactics at the Council itself. We are preparing such a statement now on a contingency basis. We can decide finally whether to use it nearer the time.

On the Ozone Conference you will know that we have been developing with UNEP and the other leading players including the USA a scheme for providing the small but essential amount of financial assistance necessary to bring the developing countries on board the Montreal Protocol. Unfortunately this has recently met a road block in the USA in wider White House debates about limiting growing international commitments.

The amounts of money involved for CFCs are small in themselves, ($260m over three years for all the donors together, which implies about $70m for the USA and about $15m for the UK). So far as the UK is concerned these sums are within the totals which MISC 141 agreed in February should be found as additional aid for this purpose within the increase in provision for aid for which existing public expenditure plans provide (MISC 141 (90) 2nd). So we shall be able to make the necessary commitment at the London Conference. But I understand that the USA are concerned that any expenditure on CFCs may be a precedent for vastly greater sums being required later on for helping the Third World reduce their CO_2 emissions.

The Ozone Conference is taking place in London at the end of June. It is clear from the preparatory work that the creation of this financial mechanism to provide some modest assistance to the developing countries to adapt to doing without CFCs is the critical issue on which the success of the Conference will depend. With the mechanism there is a reasonable chance of persuading the Indians, Chinese and Brazilians to join a strengthened protocol to phase out CFCs. Without the mechanism those countries and others are likely to go their own way and the chances of restoring the ozone layer will be very much diminished.

All our other European partners appear to be ready to sign up to the new financial mechanism at the London Conference and to make the necessary commitments. But without the Americans these commitments may begin to unravel and the Conference could fail. It is therefore essential that we find ways to persuade the Americans to modify their position and to support the new financial mechanism.

All the other countries represented at Bergen urged this strongly on the American delegation. But I doubt whether that will be sufficient to change their minds since the American change of position seems to have come from the White House itself. I am discussing with the Foreign Secretary how best we can take matters further on this.

I am copying this minute to the members of MISC 141 and OD(AE) and to Sir Robin Butler.

CP
(Approved by the Secretary of State and signed in his absence)

22 May 1990

UNCLASSIFIED
FM OSLO
TO IMMEDIATE DEPARTMENT OF ENVIRONMENT
TELNO 2
OF 161215Z MAY 90
AND TO IMMEDIATE FCO
INFO ROUTINE WASHINGTON, UKMIS NEW YORK, UKMIS GENEVA, NAIROBI
INFO ROUTINE COPENHAGEN, STOCKHOLM AND HELSINKI

MR J HOBSON
DEPT OF ENVIROMENT

OUR TELNO 1: 1992 UN CONFERENCE ON ENVIRONMENT AND DEVELOPMENT: ECE REGIONAL CONFERENCE ON SUSTAINABLE DEVELOPMENT, BERGEN.

FOLLOWING FROM UKDEL TO BERGEN CONFERENCE

SUMMARY

1. MINISTERIAL DECLARATION ADOPTED ON 16 MAY AFTER INTENSIVE NEGOTIATIONS FOCUSSING ON SECURING COMPROMISE TEXTS ON FOUR ISSUES (NEW AND ADDITIONAL FINANCIAL RESOURCES FOR DEVELOPING COUNTRIES, MONTREAL PROTOCOL FINANCIAL PROVISIONS AND CARBON DIOXIDE TARGETS AND PRECAUTIONARY PRINCIPLE).

2. UK CONTINUED TO PLAY THE CONSTRUCTIVE ROLE ESTABLISHED IN LAST WEEK'S WORKING SESSIONS WITH MR TRIPPIER BEING INVITED TO HELP BROKER THE EVENTUAL COMPROMISE TEXT WHICH LED TO THE FINAL AGREEMENT ON THE MINISTERIAL DECLARATION.

DETAIL

3. AS FORESHADOWED IN LAST WEEK'S NEGOTIATION ON THE ''JOINT AGENDA FOR ACTION'' (ADOPTED ON 11 MAY) DISCUSSION AT THE MINISTERIAL SESSION, WHICH BEGAN ON 14 MAY, FOCUSSED ON FOUR ISSUES:

(A) NEED FOR NEW AND ADDITIONAL FINANCIAL RESOURCES FOR DEVELOPING COUNTRIES, IN LINE WITH UN GENERAL ASSEMBLY RESOLUTIONS:

(B) IMPORTANCE OF FINALISING MONTREAL PROTOCOL FINANCIAL PROVISIONS AT LONDON MEETING OF PARTIES IN JUNE:

(C) CARBON DIOXIDE EMISSION TARGETS:

(D) THE PRECAUTIONARY PRINCIPLE.

4. SEVERAL DELEGATIONS HAD DIFFICULTIES WITH THE TEXTS WHICH EMERGED ON THESE ISSUES BUT THE USA'S POSITION ON ALL FOUR RESULTED IN THAT COUNTRY BEING SINGLED OUT AS MORE OR LESS THE SOLE OBSTACLE TO AGREEMENT. AGREEMENT ON THE DECLARATION WAS IN THE BALANCE UP TO AND INCLUDING THE FINAL MORNING. THROUGH STATEMENTS BEFORE AND DURING THE CONFERENCE, MANY DELEGATIONS HAD ENCOURAGED HIGH EXPECTATIONS OF

CONFERENCE COMMITMENTS ON A RANGE OF ISSUES INCLUDING THE FOUR ON WHICH ATTENTION FOCUSSED ON THE FINAL STAGES.

5. AFTER EXTENSIVE NEGOTIATION THROUGH THE NIGHT OF 15 MAY A PACKAGE OF COMPROMISE TEXTS ON THESE ISSUES WAS AGREED WITH WHICH ALL DELEGATIONS WERE PREPARED TO LIVE, DESPITE MISGIVINGS ON THE PART OF MANY OVER WHAT THEY PERCEIVED WAS A SINGULAR LACK OF PROGRESS ON THESE ISSUES.

FINANCIAL RESOURCES FOR DEVELOPING COUNTRIES

6. THE USA ALONE STRONGLY ARGUED AGAINST THE UNGA COMMITMENT TO PROVIDE ''NEW AND ADDITIONAL'' FINANCIAL MEASURES FOR DEVELOPING COUNTRIES. THEY WERE OPERATING TO A VERY TIGHT BRIEF DICTATED BY THE BUDGET REVIEW NOW UNDERWAY IN WASHINGTON. DESPITE SEVERAL REFERALS BACK TO WASHINGTON THE USA DELEGATION WAS UNABLE TO ACHEIVE ANY RELAXATION OF THEIR INSTRUCTIONS. THE TEXT FINALLY ADOPTED, WHILE NOT SPECIFICALLY MENTIONING ''NEW AND ADDITIONAL'' RESOURCES, CLEARLY POINTS TO THIS CONCEPT. PRIVATELY THE US DELEGATION TOLD UK THERE WAS NO INCLINATION IN WASHINGTON TO REVIEW THE US POSITION: PRESSURE ON THE ADMINISTRATION AND THE WHITE HOUSE TO DO SO WOULD NEED TO BE AT THE HIGHEST LEVEL.

MONTREAL PROTOCOL

7. AT LAST WEEK'S PROTOCOL MEETING IN GENEVA, THE USA ANNOUNCED THEY COULD NOT SUPPORT THE PRINCIPLE OF NEW MONEY FOR ASSISTING DEVELOPING COUNTRIES UNDER THE PROTOCOL. IN THEIR VIEW FUNDS SHOULD BE FOUND FROM WITHIN EXISTING ALLOCATIONS IN EG THE WORLD BANK. THIS LINE WAS REPEATED IN BERGEN. AFTER EXTENSIVE NEGOTIATIONS, AND IN RECOGNITION THAT THE LONDON MEETING OF THE PARTIES IN JUNE COULD BE PUT IN JEOPARDY, THE USA FINALLY AGREED TEXT WHICH CALLED ON THE LONDON MEETING TO ''STRENGTHEN INTERNATIONAL ACTION TO PROTECT THE OZONE LAYER, INCLUDING FOR EXAMPLE, THROUGH ADDITIONAL RESOURCES AND TECHNOLOGY TRANSFER''. AS WITH THE GENERAL US POLICY ON FINANCIAL RESOURCES FOR DEVELOPING COUNTRIES, THERE APPEARS TO BE NO INCLINATION IN WASHINGTON TO REVIEW THE US POSITION. US DELEGATION AT BERGEN THOUGHT ONLY A DIRECT MESSAGE TO PRESIDENT BUSH COULD POSSIBLY ACHIEVE A SHIFT BEFORE LONDON MEETING.

CARBON DIOXIDE EMISSIONS

8. SEVERAL DELEGATIONS (INCLUDING DENMARK, NORWAY, AUSTRIA, FRG) INSISTED THE BERGEN DECLARATION HAD TO GO FURTHER THAN THAT ADOPTED AT NOORDWIJK LAST YEAR, AND ADOPT SPECIFIC EMISSIONS TARGETS. THE USA ADOPTED THE OPPOSITE STANCE. IN THE MIDDLE WERE COUNTRIES SUCH AS SPAIN, ITALY AND IRELAND WHO WERE PREPARED TO GO ALONG WITH

PRO-TARGET GROUP PROVIDED THE TEXT ACKNOWLEDGED THE NEED TO MAKE SPECIAL PROVISION FOR COUNTRIES WITH CURRENTLY EITHER LOW PER-CAPITA ENERGY CONSUMPTION OR RAPIDLY INCREASING ENERGY DEMAND. THE MAJORITY OF DELEGATIONS DID NOT SERIOUSLY ENTER THE DEBATE BUT SEEMED CONTENT TO GO ALONG WITH THE PRO-TARGET GROUP, PRESUMABLY RELYING ON THE ESCAPE CLAUSES MENTIONED ABOVE. THE AUSTRIAN MINISTER (MRS FLEMMING) HELD OUT TO THE VERY LAST MINUTE BEFORE AGREEING THE FINAL TEXT.

PRECAUTIONARY PRINCIPLE

9. DISCUSSION REVEALED THAT ANTICIPATED US OPPOSITION CONCERNED WORDING NOT SUBSTANCE AND A SATISFACTORY TEXT WAS AGREED INCORPORATING THE CONCEPT THAT THE PRINCIPLE SHOULD APPLY ONLY TO THE MOST SERIOUS ENVIRONMENTAL THREATS.

UK ROLE

10. THE UK WAS INITIALLY PERCEIVED, WITH THE USA, AS AN OBSTACLE TO A POSITIVE OUTCOME AT THE CONFERENCE. DESPITE LIMITATIONS ON OUR ROOM FOR MANOEUVRE IN SOME AREAS, WE PLAYED A CONSTRUCTIVE AND EFFECTIVE ROLE IN ACHIEVING CONSENSUS ON A WIDE RANGING DECLARATION. THIS WAS EVENTUALLY APPRECIATED WITHIN THE CONFERENCE. MR TRIPPIER, WHO IS UNDOUBTEDLY SEEN AS A LEADING FIGURE AMONG HIS EUROPEAN COLLEAGUES, WAS AGAIN ABLE TO PLAY A KEY ROLE IN BROKERING THE FINAL AGREEMENT ON THE MINISTERIAL DECLARATION.

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PS/MRS CHALKER
MR BAYNE
MR BROOMFIELD
MR SLATER
MR LING
MR BEAMISH

ADDITIONAL 15
ENVIROMENT.

NNNN

Secretary of State

BERGEN CONFERENCE

I have already given you an initial account of the Bergen Conference. But I am here setting down for the record some further reflections on the way the Conference went, and pointers for the future.

The Bergen Conference was an ambitious experiment in bringing together Governmental and non-Governmental organisations. In the first week before Ministers arrived there had been parallel conferences of scientists, industry, trade unions, youth organisations, and non-Governmental organisations. These had met alongside the Governments' officials preparing the text for Ministers' consideration and threw up a lot of interesting and challenging ideas.

Inevitably there were some frictions and confusion in this process. Many of the non-Governmental organisations had impractical or over ambitious ideas of what could be achieved. And on the official side some of the participants (not from the UK) found the proceedings confusing and vexatious, and responded negatively. In spite of these difficulties I believe that there was a genuine dialogue between most of those involved, that the official side derived some new thinking from the other organisations involved, and that the NGOs for their part came to appreciate more of the constraints on Government actions.

The UK played a very prominent part in all of this. The proceedings were in English throughout, and our skills as drafters and brokers were much in demand. But our influence went well beyond this. The Norwegian organisers have sought and received our help in preparing and arranging the Conference throughout the last 18 months, particularly in the final stages. And our team (most ably lead as always by Fiona McConnell) played a key part in shaping the final declarations and agenda for action. This excellent groundwork meant that in the final three Ministerial days I was myself able to play a useful role in brokering the final deals on the difficult issues. In particular our EC partners looked to me and the UK team to build bridges on acceptable compromises with the USA delegation which was clearly in a minority of one on some of the key issues. At the same time I was able to work closely and fairly harmoniously with the UK NGO people who were there, and with our own Press representatives, all of whom were I think genuinely appreciative of and impressed by the role the UK delegation was able to play.

Participating in such a Conference as this with a large number of Governmental and non-Governmental organisations present is a complex operation which requires careful planning and significant input of Ministerial and official time. But the benefits for the UK of playing a leading role in the way we were able to, and avoiding being isolated on key issues, is considerable, and does I believe repay the effort we have put into it. We shall need to reflect carefully on the lessons learned in preparing for the even larger and more comprehensive United Nations Conference on Environment and Development in 1992.

On the various issues discussed at the Conference and included in the final declaration officials will be preparing a detailed report and proposals for follow up action. But I should immediately record the position on the three most contentious issues - the precautionary principle, CO_2 emissions, and financial mechanisms for CFC reductions.

On the precautionary principle there was a wide range of views between those who did not want to take any action on any problem until there was full scientific certainity about its causes and effects, and those at the other extreme who wanted to rush into preventive action (typically banning) as soon as any shadow of doubt arose about a product or process. In the end we got a very sensible compromise linking the extent of action appropriate to the seriousness or irreversibility of the risk involved.

On CO_2 the American delegation early on made it clear that they could not accept stabilisation of emissions at 1990 levels by the year 2000, and were not ready to commit themselves to any later year either. They argued their corner on the basis of extremely large figures of the cost to the American economy of adaptive measures which the Council for Economic Advisers have recently published. They are clearly some way yet from defining how far or fast they themselves are prepared to go on CO_2, and were impervious to pressures from the other countries present. In the end I was able to broker a compromise text with them under a formulation on Noordwijk lines stating that "most countries in the ECE" wanted to achieve stabilisation at 1990 levels by the year 2000, thus indicating that there were some who did not. Since the pressure was mainly on the Americans, we were able to avoid much pressure being brought to bear on us on this occasion to achieve the 2000 target which many of our European colleagues want. I am afraid we have only bought time on this however -it is separately becoming clear that our EC partners are planning a major push to reach agreement on a 2000 target for achieving 1990 levels at the Environment Council on 6 and 7 June.

On the Ozone Conference the Americans were completely isolated. They had announced a few days before the Conference that they were not prepared to contemplate committing any resources to financial mechanisms for the Montreal Protocol mainly I understand for US budgetary reasons. Mr Knauss, the leader of the US delegation, was clearly uncomfortable with this position, but in spite of several telephone calls to the White House he was unable to secure any flexibility on this matter. All the other countries present were clear that it will be necessary to support arrangements involving the World Bank for assisting the developing countries to adapt to the changeover from CFCs to other products. The sums involved are not large (Dr Tolba estimates that $260 million for the first three years will probably be sufficient, which implies about $70 million for the USA, $15 million for the UK).

These sums will need to be clearly identified and demonstrated to the world by the donor countries in order to satisfy the Third World. But many of the Member countries will no doubt like ourselves be privately considering other off-setting adjustments in other programmes so as to contain total public expenditure. To my mind the Americans have been flat-footed about this, and have provoked a quite unnecessary international row. It will now be urgently necessary to concert further with them to try to find ways of getting them off the hook in order to ensure the success of the London Conference at the end of June when we are hoping that sufficient progress will be made to bring the Indians, Chinese, Brazilians etc on board the protocol.

Finally I should mention the important contacts we were able to make with a number of environmental Ministers and officials from Eastern Europe. Specifically I have invited the Polish Minister and the Czech Minister to make visits to the UK in the next few months, and have arranged for official reconnaissance missions to go to Poland and Czechoslovakia beforehand to develop appropriate contacts on environmental matters, and identify where we may be able to help most effectively. I hope we can develop these contacts vigorously now, so that when the EC Environment Ministers meet the East European Environment Ministers again on 16 June in Dublin we can begin get beyond generalities into specific proposals for Know How exchanges etc.

J Bishop

pp D.T.

21 May 1990

(Agreed by the Minister and Signed in his absence)

cc Mr Heathcoat-Amory
Sir Terry Heiser
Mr Osborn
Dr Fisk
Mr Hobson
Mr Young
Miss McConnell
Mr Davis
Mr Monaghan
Mr M Hammond
Mr Bright
Mr Rock
Mr Marsh

CABINET OFFICE

70 Whitehall London SW1A 2AS Telephone 01-270 0259

From Sir John Fairclough FEng
Chief Scientific Adviser

W0485

Dr R F Coleman
Department of Trade and Industry
1- 19 Victoria Street
London SW1H 0ET

21 May 1990

Dear Ron,

THE ENVIRONMENT: CLEANER TECHNOLOGIES

As you know I have been concerned that thinking on the mitigation of environmental problems should not be limited to incremental changes to current technologies. There are important areas where the improvements needed can only come from the development of fundamentally different approaches. The Prime Minister has agreed that work should be taken forward.

The meeting on 26 April of officials from interested departments confirmed that DTI are playing the role of lead department for environmentally-friendly technology.

I have asked Sir David Phillips in consultation with the Research Councils to identify those areas with potential, where fresh thinking unconstrained by premature economic considerations might encourage the radically new approaches that will be needed to mitigate the difficulties we face.

It would be helpful to have a report from DTI by October. This, together with the ABRC input, could then go forward to ACOST which the Prime Minister has agreed should monitor and comment on the potential of cleaner technology.

I am copying this letter to Peter Gregson and to members of ESTO.

Yours sincerely

JOHN FAIRCLOUGH

Silent copies to
PS/members of EST

1

CABINET OFFICE

70 Whitehall London SW1A 2AS Telephone 01-270 0259

From Sir John Fairclough FEng
Chief Scientific Adviser

W0484

Lord Tombs of Brailes
Advisory Council on Science and Technology
Cabinet Office
70 Whitehall
London SW1A 2AS

21 May 1990

Dear Francis,

THE ENVIRONMENT: CLEANER TECHNOLOGIES

As you know the Government is examining its policies which influence the environment and is preparing a White Paper which, it is hoped, will be published in the Autumn. Alternative and cleaner technologies could make a significant contribution. There are important areas where the improvements needed can only come from the development of fundamentally different approaches.

Clearly significant improvement can be achieved from adapting best practice and through incremental advances of existing technologies. Within Whitehall DTI are the lead department for environmentally-friendly technology. They will be developing a strategy for carrying such work forward with the other interested departments including DOE, DEn, DTp and MAFF, but the emphasis will be market oriented.

To complement the work of DTI, the Prime Minister has agreed that the research councils should be asked to identify those areas with potential to mitigate the difficulties we face. I have asked David Phillips that ABRC undertake a study which I hope will stimulate thinking within departments. SERC and AFRC are developing a clean technology programme but it is appropriate to take a broader look. There is a need to challenge the scientific community to come forward with fresh ideas, unconstrained by premature economic considerations.

The Prime Minister would be grateful if ACOST could, through its Standing Committee on the Environment, monitor and comment on the potential of cleaner technology when the reports from ABRC and DTI are available in the Autumn.

Yours sincerely

JOHN FAIRCLOUGH

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Caroline Slocock
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

16 May 1990

Dear Caroline,

CLIMATE CHANGE: PRESENTATION TO THE PRIME MINISTER: 21 MAY

We wrote to you on 26 April confirming 21 May at 1730 hours as the time for the presentation to the Prime Minister by the Met Office on the findings of Working Group I of the IPCC. I understand it will be held at 10 Downing Street.

I attach an outline which will be given by Dr John Houghton, Chief Executive of the Met Office. It is expected to last about 30 minutes followed by 30 minutes discussion.

I attach the latest draft of the Policy Makers Summary of the Working Group I Report, which is not significantly different from the earlier draft enclosed with my Secretary of State's minute of 6 April to the Prime Minister. Finally, I attach a list of participants.

I am copying this to the Private Secretaries to members of MISC 141, Sir John Fairclough and Sonia Phippard.

Yours

Phillip

PHILLIP WARD
Private Secretary

DEPARTMENT OF THE

ENVIRONMENT

NEWS RELEASE

Prime Minister 2

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16 May 1990

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DAVID TRIPPIER WELCOMES OUTCOME OF BERGEN CONFERENCE ON SUSTAINABLE DEVELOPMENT

David Trippier, Minister of State for the Environment, said today that he was delighted at the outcome of the 34-nation Bergen Conference on Sustainable Development which, he said, was a major step forward in protecting the world's environment.

Speaking in Bergen, he said:

"I am very pleased that the UK was again able to play a key role in brokering the final agreements in the Ministerial Declaration.

"The Declaration covers many areas, but I would like to highlight the ones I think are most important.

"First, and perhaps most importantly, the Bergen Process has broken new ground for all member countries in working together with a wide range of organisations to tackle environmental problems. I have been delighted to work very closely with our own Non-governmental Organisations here at Bergen, whose contributions have been essential to the success of the Conference.

2 MARSHAM STREET · LONDON SW1P 3EB · TELEPHONE 01-276 3000

"This builds on the United Kingdom's specific responsibility within the Bergen Process for raising public awareness and participation in environmental matters. We are embarking on collective action to combat a global problem and we can all learn from each other's experience.

"Second, we have given a strong endorsement of the Precautionary Principle. This makes it clear that, in cases where we face the risk of serious environmental damage, we must be prepared to act to prevent this - even if science does not yet provide a full understanding of the problem.

"This recognition of the need to prevent environmental damage, and not just clear up afterwards, will I think be a landmark in providing a new basis for our individual and collective approach to environmental protection.

"Third, we have agreed that developing countries will need substantial help to enable them to play their part in protecting the global environment. We felt that agreement to this principle was essential to demonstrate to them that their participation in international action to tackle environmental problems will not demand that they sacrifice their right to economic development.

"Fourth, we have unanimously reinforced our commitment to both the Inter-Governmental Panel on Climate Change (IPCC) and the need for a Climate Change Convention; we have made the very important commitment to establish national strategies for limiting or reducing emissions of carbon dioxide (CO_2) and other greenhouse gases; and have also described examples of the sort of measures which we could take to help achieve this aim.

"These include the launch of a campaign throughout Europe and North America, 'Energy Efficiency 2000', to enhance trade and cooperation on energy efficient techniques and practices, as well as policies to promote energy efficiency and renewable energy sources.

"We welcome this emphasis on concrete steps to control emissions, which reinforces the call that Secretary of State, Chris Patten, made at the last European Community Environment Council for the Community to take specific steps to help limit emissions of CO_2.

"We felt that it was important to follow up the agreement in the Noordwijk Declaration that targets and schedules for limiting CO_2 emissions should take account of the different circumstances in different countries. The IPCC will be looking at these issues at the Workshop we are hosting in London next month.

"I am sure most countries, like the United Kingdom, will be looking at the IPCC's work to provide the basis for considering their strategy. We look forward to the Second World Climate Conference, which will be the principal forum for discussing the results of the IPCC and way forward on international cooperation.

"The Bergen Conference with its major emphasis on partnership has been a novel and exciting occasion. We believe that it should be a beginning not an end. We have urged the international community that the NCOs, who have participated so constructively at Bergen, should have a full involvement in the preparations for the 1992 UN Conference on Environment and Development, in Brazil.

"Our immediate objective now is to carry forward the results of Bergen through the specific achievements on chlorofluorocarbons (CFCs), at the Montreal Protocol Conference on the ozone layer in London next month.

"The progress we have been able to make on identifying the need for additional financial support for developing countries substantially increases the chances that we will be able to persuade some key countries to join us in phasing out CFCs -which is vital if we are ever to repair the hole in the Ozone Layer."

Press Enquiries: 071 276 0929
(Out of Hours: 071 276 4120)
Public Enquiries: 071 276 3000

*** END OF DOCUMENT ***

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PRIME MINISTER (1)

PRESENTATION ON THE IPCC REPORT, 21 MAY

On Monday you are to be given a presentation on the IPCC report. We have allocated an hour in the diary and plan to hold the presentation here. The following people would like to attend:

Mr. Patten Mr Macgregor
Mr. Hurd
Mr. Ridley
Mr. Parkinson
Mr. Wakeham
Mrs. Chalker
Lady Hooper
Sir John Fairclough

Officials from the IPCC and DoE:

Dr. David Frisk (Chief Scientist)
Sir Terence Heiser
Dr. Houghton
Mr. Jenkins
Mr. Parry
Ms Sarah Lowe

Slides will be shown during the presentation, which will last for half an hour. There will then be half an hour for questions.

Content for the presentation to be in the Cabinet Room, or would you prefer it to be in the Large Dining Room?

CAS

(CAROLINE SLOCOCK)
16 May 1990
a:\home\IPCC (srw)

File PM
cc PU

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

SIR JOHN FAIRCLOUGH
CABINET OFFICE

THE ENVIRONMENT: CLEANER TECHNOLOGIES

The Prime Minister has seen your minute of 3 May and is content that you should proceed as suggested.

I am sending a copy of this minute to the Private Secretaries to members of E(ST) and Sonia Phippard (Cabinet Office).

CAROLINE SLOCOCK

15 May 1990

RN CCP

Foreign and Commonwealth Office

London SW1A 2AH

9 May 1990

Dear Myrna,

Report of the Intergovernmental Panel on Climate Change

With reference to your letter of ~~26 April~~ Thor to Caroline Slocok, I confirm the Foreign Secretary is able to attend the presentation at 1730 on 21 May at 10 Downing Street.

I am copying this letter to Caroline Slocock, Private Secretaries of members of MISC 141, Sir John Fairclough and Sonia Phippard.

Yours ever,

(S L Gass)
Private Secretary

Myrna Ireland
PS/Secretary of State for
the Environment
2 Marsham Street
LONDON SW1P 3EB

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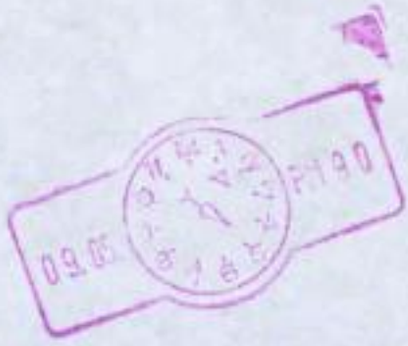

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Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Lynda Chalker MP
Minister of State
Overseas Development Administration
Eland House
Stag Place
London
SW1E 5DH

9th May 1990

Dear Lynda

ENVIRONMENT WHITE PAPER

Ack with CWS

Thank you for copying me your letter of ~~23~~ April to Chris Patten.

2. I was interested in the range of policy options in your letter; but I would like to focus on the public expenditure context rather than on the details. You will be aware of the difficult situation which will face us in this year's Survey. I set this out in my minute to the Prime Minister of 17 April, the substance of which was endorsed by the Cabinet on 19 April. My minute of 20 February to the Prime Minister pointed out, in relation to the work of MISC 141, that any new initiatives should be financed through the reordering of priorities within existing programmes. The Prime Minister endorsed this. Accordingly I would expect ODA to find any resources needed for new or expanded environmental programmes to be found from within the present baseline. I welcome, therefore, your recognition that there is scope for switching expenditure to new, higher priorities within the aid programme. Indeed, I believe that the ordering of priorities needs to be particularly rigorous. In this connection I would suggest that as 'sectoral' issues - eg energy efficiency and population control - become more prominent, it will become increasingly important that plans for the aid programme are drawn up on a sectoral as well as a geographical basis so that switching of priorities can be clearly signalled in the way resources are allocated. I know that there have already been some discussions on this point between ODA and Treasury officials. I believe it is important that a new system of sectoral planning should be in place in time to affect the forward planning for 1991-92.

CONFIDENTIAL

3. I note your comments on the scope of the White Paper. I had thought that the White Paper would be primarily for a domestic audience. This would suggest that only international action which is/will be of benefit to the UK should be covered - eg action on global warming. In this context, I wonder whether, in general, the aid programme should be used to help tackle local and regional environmental problems unless such action is directly related to the alleviation of poverty or economic progress. It seems to me that there are many potential calls on the aid programme, and, as I said above, it is important that relative priorities are rigorously assessed.

4. The same applies to that part of the aid programme for assistance to Eastern Europe. There are already a variety of calls on the Know How Fund; and it is not a bottomless pit. Its primary purpose is to assist economic recovery in the former Communist countries. It seems to me that it is the creation of wealth in these countries which, in the long run will provide the means to put right the environmental damage inflicted by central planning.

5. I am copying this letter to the Prime Minister, Douglas Hurd and members of MISC 145.

NORMAN LAMONT

ENV AFFAIRS: Acid Rain PTIS

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CC P/C

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Charles Powell Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

CMM 9/5.

8 May 1990

Dear Charles

The Prime Minister mentioned to my Secretary of State that in the margins of the recent European Summit in Dublin M.Delors had told her that it was Councils rather than the Commission which were more prone to ignore the principle of subsidiarity in pressing for action. He mentioned the Environment Council in particular, apparently citing both the Birds Directive and the draft Habitats Directive.

As the note below explains, we have no idea what might lie behind such an accusation. There has been no Council discussion of the Birds Directive for some considerable period. On the draft Habitats Directive, the UK's line has been firmly related to the need to limit its scope to what is necessary and achievable in a European context. We can in short offer no explanation for the remark.

Yours

A D RING
Private Secretary

ENVIRONMENT COUNCIL - BIRDS AND HABITATS DIRECTIVE

SUBSIDIARITY

1. There has been no recent Council discussion on the Birds Directive. The Directive has been in force since 1979. The only currently live issues of which we are aware are the Commission's concern about the rate at which Member States have designated Special Protection Areas; action taken by the Commission in the ECJ to clarify the obligations of Member States in relation to such areas; and our own attempts to obtain a relaxation of the provisions governing the killing of pest species. None of these raises issues of subsidiarity.

2. Nor are we aware of any pressure from the Environment Council for a comprehensive, detailed Habitats measure of a kind which might offend the subsidiarity principle. Discussions to date at Ministerial level have been fairly brief, and severely constrained by the absence of a complete text. Most Governments have stated publicly that they support the principle of Community action, but without prejudice to their negotiating position when the complete proposal is on the table.

3. The pressures referred to are more likely to come from

- the Commission, whose initial draft showed their preference for a detailed and intrusive mechanism;

- Non-Governmental Organisations who would like to see a comprehensive regime in place as a means of enforcement, a source of funding, and a mechanism for diverting EC expenditure away from purely industrial and agricultural objectives;

- individual member states with a federal structure who may see Community action as a means of bringing their regional authorities into line.

4. The UK line throughout has been to support the principle of Community action provided that it does not breach the principle of subsidiarity (this was clearly stated by Lord Reay on behalf of the Government in the House of Lords in November 1988). In negotiating terms it has meant arguing (successfully) for the deletion of excessive powers for Brussels Committees, and a variety of bureaucratic proposals for implementation.

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Private Secretary to
The Rt Hon John Major MP
Chancellor of the Exchequer
HM Treasury
Parliament Street
LONDON
SW1P 3AG

8 May 1990

CVD875

Dear John,

WORLD BANK DEVELOPMENT COMMITTEE: GLOBAL ENVIRONMENTAL FACILITY

This is to confirm that my Secretary of State was grateful for the Chancellor's letter of 3 May about this.

The draft speech fully meets his concerns and he is very happy with what it is proposed to say at the Development Committee.

I am sending copies of this letter to the Private Secretaries to the Prime Minister, Foreign Secretary and Minister for Overseas Development.

Yours

PHILLIP WARD
Private Secretary

ENV AFFAIRS - Acid Rain PTS

THE RT HON JOHN WAKEHAM MP

Department of Energy
1 Palace Street
London SW1E 5HE

01 238 3287

Myrna Ireland
Private Secretary to the
Secretary of State for the Environment
2 Marsham Street
LONDON
SW1P 3EB

4 May 1990

Dear Myrna

INTER-GOVERNMENTAL PANEL ON CLIMATE CHANGE

Thank you for copying your letter to Caroline Slocock of 26 April to this office.

My Secretary of State would like to attend Dr Houghton's presentation on Monday 21 May. Mr Wakeham will be attending an Energy Council meeting in Brussels that day but hopes to be back in London by 5.30pm. If circumstances on the day require Mr Wakeham to remain in Brussels I will of course let No 10 know.

I am copying this letter to Caroline Slocock.

Yours sincerely

KEITH LOADER
Private Secretary

ENV AFFAIRS
Acid Rain Pt 15.

Prime Minister

Content for Sir John to proceed as proposed here?

W0459

PRIME MINISTER

3 May 1990

THE ENVIRONMENT: CLEANER TECHNOLOGIES

You agreed that I should discuss with Departments the potential for significantly new and cleaner alternative technologies in addition to the contribution that can be made by adopting best practice and taking incremental forward steps.

2. I have now held a useful discussion with officials and it was confirmed that the DTI are playing the role of lead department for environmentally-friendly technology. They accept the challenge willingly and their recent reorganisation should assist in carrying the work forward. They will of course work closely with other Departments including the Department of the Environment, the Department of Energy, the Department of Transport and the Ministry of Agriculture, Fisheries and Food.

3. The Research Councils should be asked to identify those areas of science which have potential to mitigate the difficulties we face. If you are content, I will write to the Chairman of the ABRC to invite him to arrange a review for further consideration by Departments.

4. ACOST has recently established a standing committee on the environment. With your agreement, I will arrange that they are invited to monitor and comment on the potential for cleaner technologies when papers from the ABRC and DTI are available.

5. I hope that an appropriate reference to this subject can be included in the forthcoming White Paper.

6. I am sending copies of this letter to the members of E(ST) and to Sir Robin Butler.

JOHN FAIRCLOUGH
Chief Scientific Adviser

chex.jp/mw1/62

ceb.C
PM.

Treasury Chambers, Parliament Street, SW1P 3AG
01-270 3000

3 May 1990

Rt Hon Christopher Patten MP
Secretary of State for the
Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

ODA 315

Dear Secretary of State,

WORLD BANK DEVELOPMENT COMMITTEE: GLOBAL ENVIRONMENTAL FACILITY

Thank you for your letter of 30 April.

I strongly agree with you that we should take a constructive line on the World Bank's ideas for a new environmental facility, and I propose to do so. At the Development Committee, I intend to encourage them to do further work on those ideas. It is clearly right that they should play a leading co-ordinating role in work on the problems of climate change and ozone depletion. We do not wish to encourage the proliferation of new institutions and funds.

I also agree that in due course, when work on the proposed World Bank facility has progressed, we may well think it worth supporting additional World Bank resources for such a facility - although I have to say that we may look to ODA to fund their subscription to such a facility by redirecting their resources.

But, all that said, the Bank's ideas are simply at too early a stage at present to allow us to take a view on whether additional funding is justified, or if so, how much. So the line taken in the speech (relevant extract attached) merely reflects a natural reluctance to sign blank cheques, and a wish to moderate the ambitions of those - particularly the French - who seem to want funding on a large scale. I understand that, at official level, the United States too have taken a cautious line in discussions so far.

In the circumstances, I think it is right to keep an open mind. But naturally, if you have any specific drafting comments, I will look at them carefully and adopt them if at all possible.

I am sending copies of this letter to the Prime Minister, Douglas Hurd and Lynda Chalker.

Yours sincerely,

Moira Wallace

pp JOHN MAJOR

(Approved by the Chancellor and signed in his absence.)

Extract from 2 May
draft of Development Committee
Speech

20. At present, local issues, for understandable reasons, overshadow global environmental concerns in most developing countries' list of priorities. But action must be taken to counter the growing damage to the global environment. Action is needed now. We need an appropriate international framework to help developing countries play their part in alleviating threats to the global environment. New institutions are not required. Effective and far-sighted management is.

21. For that reason, we welcome the Bank's recent initiative in outlining a possible framework of collaboration. We see two key requirements for a successful framework:

- first it must be a flexible framework, able to encompass a broad range of global issues;

- secondly, it must involve all relevant international agencies. The Bank is well placed to take a lead coordinating role, with its growing experience in taking account of the environment in its operations. It should collaborate closely with UNEP, UNDP, and draw in other multilateral and bilateral donors.

As for financing we agree that further work ought to be done on the Bank's proposals on a Global Environment Facility. Detailed analysis is urgently required of what activities can be financed through existing mechanisms - especially the Bank's own efforts to take account of the environment in designing its programmes - and what activities might require a new source of finance.

22. The specific environmental issue on which we are most advanced is phasing out CFCs. The UK will be hosting in June the second meeting of the Montreal Protocol - the first international commitment to reduce global emissions of ozone-depleting substances. Most developed nations are parties to the Protocol and have already cut back drastically on their consumption of ozone-depleting substances. We shall be looking to the June conference to set a tougher agenda for moving towards the phasing out of the production and consumption of CFCs and to broaden the scope of the Protocol to cover other ozone-depleting substances. The time is now ripe for those developing countries who have not yet joined the Protocol to do so and to work with us to tackle this global problem.

23. Developing countries will need financial and technological help to phase out ozone depleters. Work has been going on within the Montreal Protocol to assess the needs and ways of meeting them. I hope we shall reach agreement, involving a central role for the World Bank, in June. We in the UK are ready to play our full part.

ENV AFFAIRS: Acid Rain Pt 15

GB / sh

CONFIDENTIAL

PRIME MINISTER

MINISTERIAL GROUP ON THE ENVIRONMENT
MISC 141(90)11 - OUTLINE OF ENVIRONMENT WHITE PAPER

I refer to this paper, which we are to discuss at a meeting of MISC 141 under your Chairmanship tomorrow.

The draft summary of the proposed Environment White Paper demonstrates the wide range of subjects which our environmental policies properly touch on. It does, however, carry the implication that, as these policies are implemented, a great deal of regulation will be required. Much of this will be possible under existing legislation but no doubt in some areas new primary legislation will also be required. We should, therefore, remind ourselves of the continuing need to guard against unnecessary regulation, not only because of the burden handling the necessary secondary (or primary) legislation will place upon Parliament, but also on wider grounds of principle. Rather than find ourselves resorting all too readily to regulation, we should examine very carefully the contribution which market-based control strategies can make. Some encouraging thoughts in this direction are expressed at (iv), (vii) and (viii) of the summary of principles in Annex 2 to the paper and I believe we need to extend and develop those approaches. John Major helpfully reviews some of the options in relation to carbon dioxide emissions in paragraphs 13-20 of his paper (MISC 141(90)12).

I therefore suggest that we should commission further work on both sides of the problem:-

CONFIDENTIAL

1. To ask for an overall assessment of the regulatory burden likely to emerge from the policies canvassed in the White Paper, in terms of both primary and secondary legislation.

2. To ask for further development of the thinking on market-based control strategies, with a view to giving these greater prominence in the White Paper.

I am copying this to the members of MISC 141 and to Sir Robin Butler.

GH

2 May 1990

P 03667

PRIME MINISTER

THE ENVIRONMENT

[MISC 141(90)12, 13 and 11] — with CHS.

DECISIONS

You need to decide policy on greenhouse gas emissions, in particular the UK's negotiating stance in international negotiations. You also need to consider Mr Patten's draft outline of the Environment White Paper.

2. There are three papers:

i. Policy instruments for controlling CO_2 emissions (MISC 141(90)12). The Chancellor's key conclusion is that we should be prepared if necessary to commit ourselves to stabilisation of emissions at 1990 levels by 2005, although we should prefer a later date. He also says that we should maintain maximum flexibility over our choice of policy options to achieve the target, and that these should be the subject of further work. You will want to consider whether these conclusions can now be agreed.

ii. Control of greenhouse gases: international aspects (MISC 141(90)13). The Foreign Secretary and the Environment Secretary discuss tactics for the international negotiations. Their advice is that we should be fairly open about our negotiating aims. This would mean seeking to build an international consensus around stabilisation by 2005, rather than holding this back as a concession for use later. You will want to consider whether to endorse this approach.

iii. Outline of Environment White Paper (MISC 141(90)11). The Environment Secretary seeks agreement to the outlines attached to his Memorandum, so that drafting can proceed. He also seeks agreement to produce a shorter popular version. Finally, he returns to his proposal for a statistical report on the state of the UK environment, and seeks agreement to further work on this by officials with a view to an announcement in the White Paper. You will want to consider:

(a) whether the outlines represent the right approach for the White Paper;

(b) whether it is desirable to produce an additional short popular version; and

(c) whether the proposal for a statistical report should be endorsed and developed further by officials.

You will also need to consider how new policy proposals are to be handled, including the public expenditure implications.

3. Provided you can reach agreement on these issues, they can be remitted to MISC 145 for further work. MISC 141 should not need to meet again until July, when you will wish to consider a full draft of the White Paper, and discuss any outstanding policy issues.

MAIN ISSUES

Policy instruments for controlling CO_2 emissions

4. MISC 141 agreed at their last meeting that the UK could not agree to stabilise carbon dioxide emissions at 1990 levels by 2000, but that stabilisation by 2005 might be possible. The Chancellor's paper reflects the outcome of work on this option by an inter-departmental group of economists chaired by the Treasury. They concluded that the cost of measures to stabilise

carbon dioxide emissions by 2005 could be equivalent to as much as 1/2% of GDP by 2005. Energy prices might nearly double, but the general price level need not rise much. On the assumption that the UK would not take such action except in concert with other countries, international competitiveness should not be affected, even in the short term.

5. The Chancellor's conclusion is that, while we should prefer a later date, we should if necessary be prepared to commit ourselves to stabilisation at 1990 levels by 2005. The Foreign Secretary and the Environment Secretary make it clear that they welcome this conclusion. You will also want to seek the views of the Secretaries of State for Energy and Transport, whose responsibilities would be most effected, but we believe they are content. Subject to that, you will want to consider whether the group can now endorse stabilisation by 2005 as the bottom line for international negotiations.

6. The Chancellor's paper discusses two other issues:

i. choice of measures to reduce emissions. He concludes that market-based instruments are likely in principle to impose lower costs on the economy than regulation. But a mix of policies is likely to be necessary in practice to meet the 2005 target, and the first step might be to introduce cost-effective regulatory measures, eg to encourage greater energy efficiency. The Chancellor says that no decisions are needed at this stage, and that we should not close off any options until we know what other countries are planning;

ii. implications for electricity privatisation. To avoid prejudicing electricity privatisation, the Environment White Paper and the prospectus for the first stage of the flotation will need to set out the Government's firm intentions for the next two or three years. This will

reduce our freedom of manoeuvre at the Second World Climate Conference in November, and the Chancellor concludes that it will be important to try to influence the international negotiations at an earlier stage. He proposes that officials should do further work on exactly what should be said in the White Paper about policy in the short and long terms.

7. Subject to your conclusion on the 2005 target, MISC 141 should be able to endorse these proposals for further work.

Control of greenhouse gases: international aspects

8. The paper by the Foreign Secretary and the Secretary of State for the Environment makes proposals on the UK's objectives and tactics for forthcoming international discussions.

9. As far as objectives are concerned (paragraph 4 of the paper), they propose that the UK should continue to try to play a leading role, seeking to reconcile the views of other Western European states (generally in favour of ambitious stabilisation targets) with those of the USA and Japan (who favour delay, or at least less demanding targets). The alternative would be for the UK to take a back seat, siding more with the USA and Japan, in the hope of negotiating less demanding targets at the Second World Climate Conference in October/November. You will want to consider whether we should aim to continue our leading role.

10. On tactics, Mr Hurd and Mr Patten consider whether we should be open about our negotiating position, or hold back in the hope of striking a compromise at a later date. They favour the more open approach, which they suggest should be deployed at the next EC Environment Council on 7 June. The advantages would be that we might be able to build a consensus around 2005 among our EC partners, who may otherwise agree the more ambitious targets favoured by the Germans and the Dutch; that we might have a better chance of influencing the USA, following your conversation

with President Bush in Bermuda; and that the arguments for 2005 are better deployed earlier rather than later. The main disadvantages are that it would mean abandoning any chance of agreeing to a less ambitious target than 2005 (which the Chancellor suggests would be desirable, although he also accepts the arguments for influencing the negotiations at an early stage); and that it might mean a long period of pressure on us to improve on the 2005 date.

11. You will want to consider the balance of the arguments and decide whether to endorse the proposal for an open approach to the negotiations, which would effectively mean a UK initiative for a 2005 target date.

Outline of the Environment White Paper

12. Mr Patten's paper makes proposals on the structure and content of the White Paper. Annex 1 provides a short summary of contents, and suggests the "headlines" from each chapter. Annex 2 gives a full outline of Chapter 1, covering the principles underlying Government policy. Finally Annex 3 gives a detailed outline of the remaining chapters.

13. A White Paper on this basis will clearly be a very substantial document. It will provide a full account of the Government's existing environmental achievements, as well as setting out future policy. It will cover land use, planning, countryside and other related issues as well as pollution control. This is all in line with the previous decisions of MISC 141, and other discussions. But you will want to take this opportunity to look at the draft outline in the round, and decide whether it strikes the right balance.

14. You will want to pay particular attention to the proposed statement of the principles underlying Government policy (Annex 2). Some references you may wish to discuss are:

Don't like this phrase

i. to "sustainable development" (ii. on page 2). Any reference to this phrase will need to be drafted carefully if it is not to be misinterpreted, eg by the Green movement. It may be best to avoid using the phrase altogether, referring instead to "stewardship" of the environment;

ii. to new economic and market control strategies (eg at viii. on page 3). The drafting here will have to be cleared with the Chancellor;

iii. to building environmental considerations into Government procedures for deciding policy (at xi. on page 3, and more explicitly in the third paragraph on page 2). We understand Mr Patten may have in mind new proposals to achieve this in relation to future policy decisions. You may want to ensure that he puts these to you personally in the first instance, since they bear on arrangements for the collective consideration of Government policy.

15. Subject to the discussion, you will want either to endorse the outline White Paper, or to ask Mr Patten to circulate a revised version for agreement in correspondence. MISC 145 can then be remitted to produce a full draft and submit it to MISC 141 in July.

A popular version

16. Mr Patten also proposes a shorter, popular version of the White Paper setting out the principles behind Government policy and the action points for Government, business and the public. The full version will not be a very accessible document; you may therefore want to endorse this proposal.

Handling policy proposals

17. The draft contains a range of specific policy proposals. These will need to be decided one way or another before the White

Paper is published. MISC 145 should be able to resolve some issues, but others will call for consideration in other fora, especially where there are public expenditure implications. You might ask that when the full draft is submitted in July, outstanding policy issues should be properly highlighted, together with proposals on how they should be resolved.

Public expenditure

18. Mr Patten's paper contains a paragraph about public expenditure (paragraph 2) inserted at the insistence of the Treasury. This goes beyond earlier statements that the public expenditure implications of proposals in the White Paper will need to be the subject of agreement with the Treasury in the normal way. It says that the White Paper should not refer to any new policy or possible policy unless Treasury Ministers have agreed that resources can be made available; and that these issues should be dealt with in the 1990 public expenditure survey in the normal way.

19. Since the White Paper is to be published in September, before the conclusion of the PES round, this seems to rule out the announcement of any changes in policy which have resource implications, however small. You may want to explore with the Chief Secretary whether this is his real position. If so, Mr Patten may suggest that the White Paper will have to be delayed until later in the year, after the end of the round.

Statistical report on the state of the UK environment

20. When Mr Patten first proposed the publication of the White Paper, he also suggested the simultaneous production of a new UK "State of the Environment Report", to be published periodically thereafter. But you and other colleagues expressed reservations about what implications this might have for the Government. Mr Patten subsequently revised his proposals, dropping the suggestion of publication at the time of the White Paper and any commitment to a particular timetable for subsequent reports, and

stressing the statistical nature of the report (his minute of 23 March). You agreed that further work should be done by officials on the form and content of such a report. But you asked Mr Patten to put his proposal to MISC 141, so that you could discuss the political advantages and disadvantages of announcing the intention to produce such a report in the White Paper.

21. You will want to consider whether MISC 141 should now endorse Mr Patten's proposal, and ask MISC 145 to make detailed recommendations.

NEXT STEPS

22. If you can reach agreement on greenhouse gases and the outline White Paper, MISC 141 should not need to meet again for some time. These issues can be remitted to MISC 145 for further work, and the production of a full draft White Paper. This would come back to MISC 141 in July.

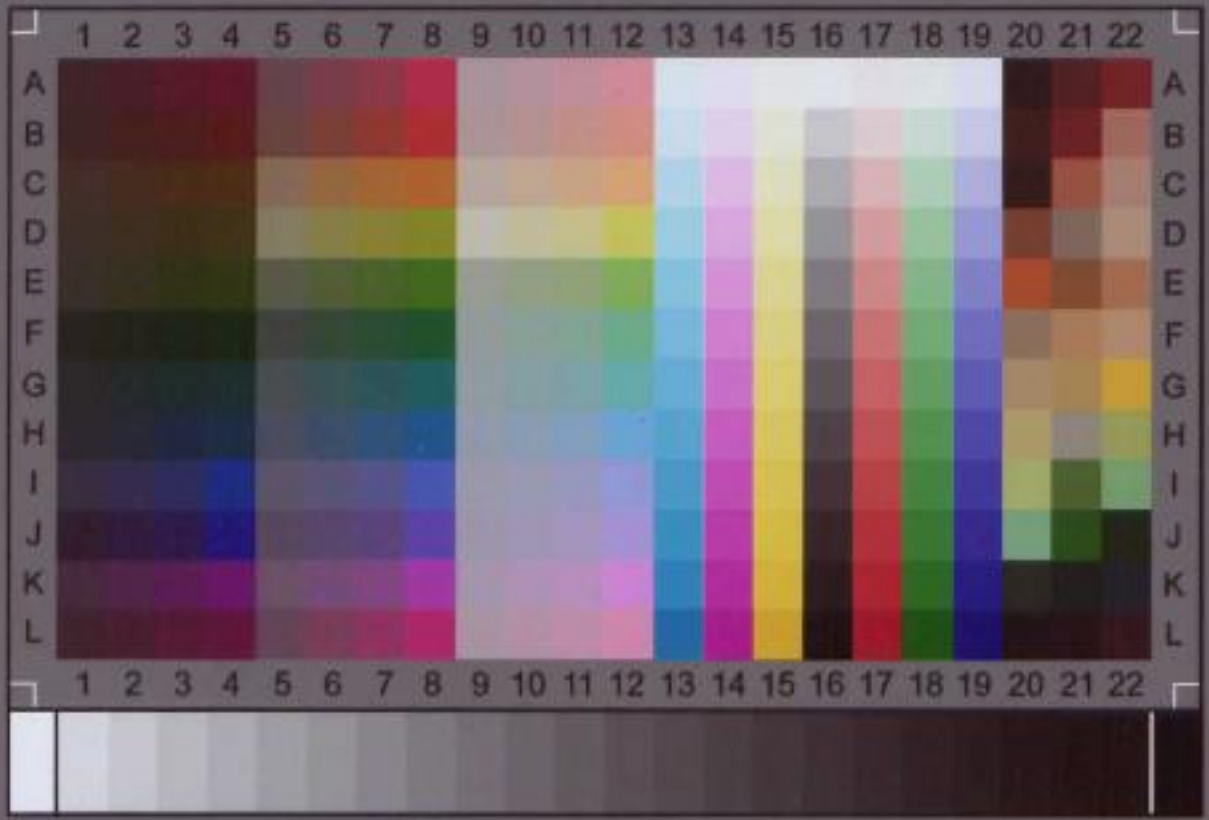
P F OWEN
Cabinet Office
1 May 1990

PART 15 ends:-

GAS Note for file WD

PART 16 begins:-

C.O to PM 1.5.90



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