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PREM 19/2653

PART 7

CONFIDENTIAL FILING

ROYAL COMMISSION ON ENVIRONMENTAL POLLUTION.
EFFECTS OF ACID RAIN
OZONE LAYER CONFERENCE
AGRICULTURE AND CONSERVATION
CLIMATIC CHANGE
In attached folder: DOE leaflets: Environmental Threat

ENVIRONMENTAL AFFAIRS

PT 1 SEPTEMBER 1979
PT 7 FEBRUARY 1989

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
3-2-89							
~~8/2/89~~.							
~~5.2.89~~							
~~18.2.89~~							
28-2-89 TRM							
PT 7 ENDS							

PREM 19/2653

PART 7 ends:-

J. HARDS to DM. 28.2.89

PART 8 begins:-

MRS BRUNDTLAND to PM (TQS/89) 1.3.89

Marks and Spencer p.l.c.

REGISTERED NO. 214436
(ENGLAND AND WALES)

Registered Office: MICHAEL HOUSE · BAKER STREET · LONDON W1A 1DN **01-935 4422**

Cables: MARSPENZA LONDON · Telex Number 267141 · Fax(GROUPS II/III)01-4872679

Mr Dominic Morris
10 Downing Street
London
SW1

28 February 1989
JH/KW

Dear Mr Morris,

Please find enclosed a selection of St Michael aerosols and a pump hairspray.

As I mentioned, all production of our aerosols is CFC-free.

All the aerosol packaging is being amended to incorporate the wording "Ozone Friendly". In the transition period "Ozone Friendly" stickers are featured prominently in our stores.

Yours sincerely,

Janice Hards

JANICE HARDS
PRESS OFFICE

J N HARDMAN CHAIRMAN

TIG/JC
28 February 1989

Mr D Morris
10 Downing Street
LONDON SW1A 2AA

Dear Dominic,

As discussed on the telephone, please find enclosed a selection of our OZONE friendly Asda Brand body sprays deodorants and hair sprays.

As a point of interest we changed from Chlorofluorcarbon to Butane (which is a hydrocarbon) in June 1988.

Should you require either further information or assistance, please give me a call.

With kind regards.

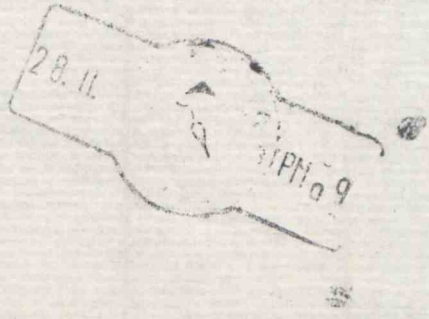
sincerely

Trevor Greenwood

Trevor Greenwood
Personal Assistant to the Chairman

ASDA GROUP PLC

ASDA HOUSE, SOUTHBANK, GREAT WILSON STREET, LEEDS LS11 5AD. TELEPHONE (0532) 435435


28.11.
PM 9

R311

TESCO

Tesco House, P.O. Box 18,
Delamare Road, Cheshunt,
Waltham Cross, Herts. EN8 9SL

Telephone: 0992 - 32222
Facsimile: 0992 - 30794
Telex: 24138 Tesco G.

RFP/BAC

Ext:-

Mr. D. Morris,
10, Downing Street,
London,
S.W.1.

28th February, 1989.

Dear Mr. Morris,

Further to our telephone conversation, I am pleased to forward the Tesco Cares information as discussed.

On Ozone specific issues, we have completely replaced the CFC solvents in our entire range of aerosol products and of course all new products will be 'ozone friendly'. The plastic foam packaging, previously formed using CFC gas is now blown with pentane, and fibre board has replaced plastic in some egg packaging.

All new stores (24 due in 1989/90) are fitted with refrigeration plants which use R22 solvent. Whilst this is still a CFC type it is considerably less damaging than the CFC 11 and CFC 12 type solvents. Longer term we anticipate the successful development of the 134a type solvents.

The wider issues of environmental care are addressed in our booklet, which we have distributed free to our customers in every one of our 380 stores since we launched our campaign in January.

I hope you will find the information interesting and useful. If there is anything else I can add, please do not hesitate to contact me.

Yours sincerely,
for and on behalf of
TESCO STORES LTD

Dr. R.F. Pugh
TECHNICAL DIRECTOR

Tesco Stores Ltd. (519500). Tesco Management Ltd. (636964). Companies Registered in England.
Registered Office: Tesco House, Delamare Road, Cheshunt, Waltham Cross, Herts. EN8 9SL

MISS CHARMAN

Just to let you know that the Prime Minister has agreed that she will leave the Ozone Layer Conference on Sunday, 5 March at the end of Joe Farman's presentation and then look round the exhibition with President Moi before seeing the latter off at 12 noon.

D C B MORRIS
28.2.89

Cite M

MR. THATCHER

On the morning of Sunday 5 March the Prime Minister is opening the Ozone Layer Conference and greeting President Moi and some of the other 600 delegates.

That evening she is hosting a reception, along with Nicholas Ridley, at Durbar Court in the Foreign Office for the delegates. The reception runs from 1830 to 2000. I understand you have a dinner that evening but would you wish to join the Prime Minister for some or all of the reception?

D C B MORRIS

28.2.89

cst.ps/12jm27.2

CCRL

CHIEF SECRETARY TO THE TREASURY

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
London
SW1P 3EB

28/2

28th February 1989

Dear Nick,

OZONE CONFERENCE: ASSISTING DEVELOPING COUNTRIES

Thank you for sending me a copy of your letter of 21 February to Geoffrey Howe.

I fully support the need to make some concrete proposals at the Conference at the beginning of March. This is clearly important. However, we must also be clear about the implications of any paper we table at this stage.

Several of the proposals in the paper have resource implications. Some of the costs will fall - I assume, on a purely voluntary basis - on British industry. The second sentence of paragraph 3. carries this implication. I do not think this matters, provided David Young is content.

Others carry implications for government departments. The third sentence of paragraph 3 ("The UK will encourage the establishment of mechanisms under the protocol...") involves some small scale expenditure in the organisation of "work shops" and conferences. I assume DOE is willing to pick up the cost of this.

Paragraph 4 is, I understand, a reference to the Patent Office. Once again, I assume DTI is prepared to absorb any additional costs.

I have no problems over paragraph 5, which carefully preserves ECGD's normal underwriting conditions. But paragraph 6 seems to be dangerous. It replaces an earlier formula proposed by the Treasury at official level. I understand that ECGD officials have not actually thought through what new policy initiatives they might propose either in OECD or at the Berne Union. Until they are clearer on this, it seems to me a mistake to commit ourselves now to tabling new proposals. I suggest this paragraph should be deleted.

Provided Geoffrey Howe is content with paragraph 7, so am I.

I understand that the bulk of the costs that arise in paragraph 8 will fall on the United Nations Environmental Programme, and that it has already been agreed at official level to increase the UK contribution to the programme from £1.25 million to £2.5 million, within the present DOE PES allocation. Any additional costs to UK institutions should of course be met similarly, out of existing PES provision.

I am sorry to be tiresome about this, but past experience suggests that international conferences of this kind can easily build-up a head of steam for further expenditure, without any clear understanding between ministers about the financial consequences. I thought it would be useful, therefore to put these on record right away so that we may clarify any misunderstandings at an early stage.

I am copying this letter to the Prime Minister (for information); to Geoffrey Howe, David Young, Chris Patten, and to Sir Robin Butler.

Yours Ever,

John

JOHN MAJOR

810

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Dominic Morris Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

27 February 1989

Dear Dominic,

"ENVIRONMENT IN TRUST" LEAFLETS

I am enclosing with this letter a folder of the leaflets on major environmental issues, collectively entitled "Environment in Trust", which we have had in prepration for the last few weeks.

The folder contains seven leaflets, of which 3 are in a booklet format and 4 are "fold-outs" (lending themselves to wall-charts). They are arranged as follows:

- "Environment in Trust": general principles of environmental protection in the UK (in booklet format);
- "Cleaner Seas" (in fold-out format);
- "Air Quality", including sections on climate change and depletion of the ozone layer (large fold-out);
- "River Quality" (large fold-out);
- "Radioactive Waste Management - A Safe Solution" (booklet);
- "The Countryside" (Fold-out)'
- "Pollution Control Systems" (booklet).

Mr Ridley will be launching the leaflets on Wednesday 1 March, at a reception at the Queen Elizabeth II Conference Centre. Thereafter, we shall be sending them to all secondary schools in England, as well as to a number of the top companies, and to all UK diplomatic posts overseas.

In addition, however, we shall be making them available to delegates to the ozone conference at the end of this week. The Department of

the Environment display, which will be included in the exhibition at the conference, is drawn from the material in these leaflets; and, as well as the English originals, we plan to have translations into French and Spanish available for those delegates who want them. Translation in German will be available also.

We shall wish to see how the leaflets are received. If reactions are favourable, we have plans to produce additional leaflets - for example, on waste policy - later this year.

I am copying this minute and its enclosure to the private Secretaries to all Cabinet Ministers and to PS/Sir Robin Butler.

Yours,

Deborah.

DEBORAH LAMB
Private Secretary

QF? for Conf. file

Vile Sh

10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

27 February 1989

Dear Professor Lovelock

I very much enjoyed meeting you at the dinner given here for the President of Bangladesh. I was so very sorry to learn subsequently that your wife, Helen, had died earlier in the month. Please accept my deepest sympathy. At what I know must be a difficult time for you it was very good of you to have come on 16 February.

I mentioned to you that you would shortly be getting an invitation both to the International Conference on 'Saving the Ozone Layer' (which is being held at the QEII Centre in London on 5-7 March) and to a smaller seminar of experts on the question of global climate at Downing Street in late April.

I would very much welcome and value the contribution which you can make. I know too that in a time of grief, throwing oneself into additional work can in fact be a solace. So, if you would like to, those invitations are very much open to you. But if in your present circumstances you felt you would sooner let things be I would very readily understand.

Yours sincerely

Margaret Thatcher

Professor James Lovelock, F.R.S.

Lie (Ozone Confidence)

(1)

PRIME MINISTER

You asked about President Moi's plans for lunch on Sunday 5 March. He has already organised a private lunch in his hotel. Hitherto he has said he was happy to fall in with anything you wanted to do that morning, but I understand that he definitely wants to be away from the Conference by 12 noon.

I suggest therefore that you leave after Joe Farman's presentation which gives you 20-30 minutes to walk around the exhibition stands outside with President Moi before his departure at 1200.

Agree?

Yes MT

DM

(D.C.B. MORRIS)

27 February 1989

SAVING THE OZONE LAYER LONDON CONFERENCE 5-7 MARCH 1989

"SAVING THE OZONE LAYER" CONFERENCE
QUEEN ELIZABETH II CONFERENCE CENTRE, LONDON
CLOSING CEREMONY, TUESDAY 7 MARCH 1989

PROGRAMME FOR THE PRIME MINISTER

9.45 am — Prime Minister and party arrive.

Met in foyer by Secretary of State for the Environment.

Retire to Nightingale Room for short briefing on Conference with Secretary of State, Dr M.K. Tolba (Executive Director, UNEP), Lord Caithness and Dr M.K. Holdgate (Conference Rapporteur).

10.00 am — Closing Ceremony

Platform Party
(in order of seating):

Dr Holdgate
THE PRIME MINISTER
Secretary of State
Dr Tolba
Lord Caithness

Programme

i) video "opener"
ii) Secretary of State
iii) Dr Tolba
iv) **PRIME MINISTER**

c.10.45/~~11.00 am~~ — End of Opening Ceremony

Prime Minister, Secretary of State, Lord Caithness and Dr Tolba retire to Nightingale Room to prepare for Press Conference.

~~c.~~11.15/~~11.30 am~~ — UK Press Conference

~~by~~
~~12.30 pm~~ — ~~Press Conference ends.~~

DEPARTMENT OF THE ENVIRONMENT
27 February 1989

This is recycled paper

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OF 260315Z FEBRUARY 89
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INFO IMMEDIATE PARIS
INFO PRIORITY WASHINGTON

FOR RESIDENT CLERK

YOUR TELNO 238 (NOT TO PARIS): FRENCH ENVIRONMENTAL INITIATIVE

SUMMARY

1. INITIATIVE WAS NOT (NOT) RAISED AT BUSH/MITTERRAND LUNCH.

DETAIL

2. SUBRENAT (MINISTER, FRENCH EMBASSY), WHO ATTENDED THE LUNCH, TOLD US THAT MITTERRAND RAISED ENVIRONMENTAL ISSUES WITH BUSH (AND LATER TAKESHITA) IN REVIEWING TOPICS FOR THE PARIS SUMMIT. IN ADDITION TO THE TRADITONAL MACRO-ECONOMIC POLICY ISSUES, MITTERRAND THOUGHT THE SUMMIT SHOULD FOCUS ON A) GLOBAL ENVIRONMENTAL ISSUES AND B) THE DEBT PROBLEM. ON A), HE REFERRED TO CHANGES TAKING PLACE IN THE WORLD, WHICH WOULD HAVE ENORMOUS EFFECTS ON HUMANITY IN FUTURE DECADES. THERE WERE 5-6 MAJOR ISSUES, SUCH AS DESERTIFICATION. (EG MALI) AND CHRONIC FLOODING (EG BANGLA DESH) WHICH REQUIRED A CONCERTED RESPONSE. THE DEVELOPED COUNTRIES COULD PROVIDE THE ADVANCED TECHNOLOGY REQUIRED. THIS WOULD NOT BE WITHOUT AN ECONOMIC RETURN. WE NEEDED TO TACKLE THE PROBLEMS AT BOTH A GLOBAL AND LOCAL LEVEL: IT WAS NO GOOD TRYING TO PERSUADE A BRAZILIAN FORESTER NOT TO CUT DOWN TREES FOR THE SAKE OF THE WORLD CLIMATE IF HE STOOD THEN TO LOSE HIS LIVELIHOOD. BUSH SEEMED BROADLY IN AGREEMENT WITH ALL OF THIS. THE ROCARD INITIATIVE WAS NOT RAISED BY EITHER SIDE.

3. DISCUSSION OF DEBT AT THE LUNCH CENTRED ON THE FRENCH PROPOSALS INVOLVING NEW SDR'S. BAKER ASKED IF THEY WOULD NOT REQUIRE NEW ECONOMIC REFORMS IN THE RECIPIENT COUNTRIES. MITTERRAND AGREED THAT THERE WOULD NEED TO BE NEW STRUCTURES IN THEM. IT WAS NECESSARY TO DIFFERENTIATE CAREFULLY BETWEEN PUBLIC AND PRIVATE DEBT AND BETWEEN LDC'S AND NIE'S. SPECIFIC CASES WERE DISCUSSED (BRASIL, PERU, CAMEROON). MITTERRAND STRESSED THE NEED TO RESPOND TO THE BASIC DEVELOPMENT NEEDS OF THE LDC'S. SUBRENAT THOUGHT THERE WAS A GENERAL CONSENSUS ON A DOUBLE APPROACH: ECONOMIC REFORMS AND DEBT ALLEVIATION.

FIELD

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OF 251104Z FEBRUARY 89
INFO PRIORITY WASHINGTON, TOKYO, PEKING

FOR RESIDENT CLERK

YOUR TEL 238 TO TOKYO: FRENCH ENVIRONMENT INITIATIVE.

1. SUBJECT WAS DISCUSSED BETWEEN PRESIDENTS BUSH AND MITTERRAND BUT DETAILS HAVE NOT YET REACHED ELYSEE OFFICIALS AND ARE UNLIKELY TO BE AVAILABLE UNTIL AFTER PRESIDENTIAL PARTY RETURN TO PARIS.

FERGUSSON

YYYY

PCLNAN 2621

NNNN

Sunday Times magazine 26/2/89

The green light

World environmentalists have awarded Norway's prime minister Mrs Gro Harlem Brundtland (right) 10 out of 10 for her environmental record. Bottom of the class, scoring one out of 10, is Japan's Noboru Takeshita (left), whose country has the reputation of being the world's worst plunderer of natural resources. Mrs Thatcher scores a mediocre four, yet next week she hosts an international conference on the ozone layer. Has she seen the Green light? John Lloyd traces the history of Green politics

Last year's crop of 20-year-on books about 1968 were pretty miserable, I thought. Not because they were all miserably written or miserably dull: not at all. But because they all had the common assumption that the "Sixties' children" summed up the era, did the most important things in it, and have gone on being decisive ever since.

They *were* important, but not really because they were a revolutionary vanguard. In truth, they part kicked against, but more *expressed*, the irresistibly mounting urge to consume. Some of the British social realist films showed the phenomenon well, if a little self-consciously. They were not just films about the working class, they were about the working class getting and spending (*Saturday Night and Sunday Morning*) or getting ahead (*Room at the Top*). But the early US imports showed it better: I got my abiding love of American gas-guzzling cars from *77 Sunset Strip*. That, and series like it, seemed so luxurious, so full of splendid waste.

Hedonistic consumption of every kind was not discovered in or by the Sixties, but what a boost it gave to it! It was the decade which took the waiting out of wanting, and introduced the dangerous principle that what everybody wants, everybody gets.

This was Western capitalism, of course. But the socialist world had its own imperatives. "We will bury you!" Kruschev warned the land of the gas-guzzlers, and he did not mean in volumes of Lenin, nor indeed in a nuclear holocaust, but with greater material plenty. No less than capitalism were the socialist heartlands locked into production: more, arguably, since the ideological basis of their regimes privileged the working class, conceived of as a factory-bound proletariat. Thus the construction of huge industrial complexes served at once an economic *and* ideological imperative.

These were heroic enterprises – conscious efforts to alleviate the domination of man by man through the domination of nature by man. No matter that Engels had once warned that man should not "flatter ourselves overmuch on account of human victories over nature. For each such victory nature takes its revenge on us" (his family had, after all, made its fortune in early Victorian Manchester): Lenin had decreed the conjunction of the Soviets and electricity as the building blocks of socialism, and that was that.

Growth and materialism thus passed into the bloodstreams of both developed capitalism and developed socialism. They shared the guilty secret of despoiling land, sea and air to give their people what they most wanted – more room, more food, more things. Consumption became sanctioned in morality: "I want my family to have the best." To put it so was to place it beyond the reach of cavill.

Until our times. For the Green movement has made war on the active ingredients of both socialism and capitalism. It is right for its devotees to claim the status of radicals, for in theory at least they would overturn the deepest of our everyday political assumptions. Jonathon Porritt, director of Friends of the Earth, put it this way: "The malign trends that confront us now grow out of a growth-based economy. Meeting rising needs is so obvious that it is never questioned. It's not just that these trends are already at work, it's that the background assumptions are so solidified that you would need hammer blows to break them up... We must ask ourselves, do we want sustainable development? Do we want equality in the world? If people think five to 10 billion people will live in this world at our level, then it is a mirage. So if we use the word equality we must be clear what it means."

Being clear what it means, rather than soupy-sentimental, Oxfamish about it, is a terrible thought. It means our living standards will *fall*: we will have less to eat, less with which to clothe ourselves, less power, less shelter. That is part of the platform of the Green Party, of which Porritt is a member. "People say, 'Why do you commit political suicide by saying these things?' But if we don't act on them we will be committing ecological suicide."

This is a neat syllogism but, as Porritt will at other times say, not a basis for a movement. And it *is* a movement, of sorts. This article is being written to mark a conference, in London, on the thinning of the ozone layer. It will be chaired by Mrs Thatcher, the environmental movement's most surprising convert, who joined the ranks with an out-of-the-blue Green speech to the Royal Society last September.

The ozone layer got through to the Prime Minister, thinks Porritt, because she got high-level briefings from NASA, and her chemist's training enabled her to take it seriously. According to another occasional visitor, she got an unusually well-argued paper in a box one night from a UN diplomat, and responded in her usual fashion: "No one told *me* this." Perhaps, others think less charitably, she saw the royal family running with the ecological baton to some applause, and so snatched it up herself.

In so doing she builds on the two decades of often reviled work done by Friends of the Earth, Greenpeace, the World Wide Fund for Nature and others. Work which once, in the words of Stephen Elsworth, director of Greenpeace's atmospheric pollution division, "used to be perceived as a bit fruity, but has now moved much more into the centre of things".

The World Commission on Environment and Development's special report, *Our Common Future*, chaired by the other woman prime minister, Norway's Gro Harlem Brundtland, came to see the ecological crisis "not in its restricted context of economic growth in developing countries (but) that a new development path was required, one that sustained human progress not just in a few places for a few years, but for the entire planet into the distant future."

This massive and increasingly popular agenda has inserted new confidence into the ecology nuts. They are now consulted by ministers (who themselves are now rather Green: William Waldegrave was credited with being the first Green minister while he was at Environment, and the brief is being held now with less flair but with much public sincerity by Lord Caithness). They are summoned by select committees, commissions and others to the point where they have to turn down invitations – though "we don't," says Colin Hines, Greenpeace's director of the nuclear-free seas division, "sit down and plan things with the thought: how will this go down before a select committee?"

In the past two months the main groups have banded together to throw down the "Green Gauntlet" – a checklist of 30 action areas in which, they say, the government would have to convert rhetoric to measures before its Greening could be pronounced genuine. The Gauntlet is also, possibly unconsciously, a way of ensuring that the groups stay in business, with a mission, since no government, genuine or not, is likely quickly to take on the ambitious programme which it proposes.

An example: the Gauntlet calls on the government to "set emission standards for power stations on the pollution tolerance of natural ecosystems. This will require a reduction in sulphur dioxide emissions of at least 80-90 per cent..." The cost of providing all coal-fired power stations with "scrubbers" to clean out the sulphur dioxide is estimated in the hundreds of millions. Indeed, the expense of the programme has become one of the largest arguments for nuclear over coal-fired energy.

The example illustrates two things. First, that to become properly Green is such an expensive option in both money and short-term political support that it is impossible not to share the scepticism with which the Greens view political parties' conversion to their ranks. Second, that at the core of the Greens' philosophy and practice is a notion of responsibility – direct and personal; the kind of responsibility which refuses simply to dump the inconvenient or noxious side effects of one's own or one's company's actions →

Action Plan: Politics

Politically active conservationists will know how to lobby within the established political parties. Others can choose to support a wide range of non-political pressure groups.

Greenpeace: campaigns on nuclear issues, marine mammals, water and air pollution, and promotes the concept of a pristine Antarctica. *30-31 Islington Green, London N1 8XE.*

Friends of the Earth: campaigns on rain forests, air pollution and chemicals in agriculture and promotes recycling. *26-28 Underwood St, London N1 7JQ.*

World Wide Fund for Nature: paymaster of the conservation movement, WWF has helped save the panda, tiger, vicuna, polar bear and Arabian oryx, and established 330 national parks covering 81 million hectares. *Panda House, Freepost, Godalming, Surrey, GU7 1XR.*

Survival International: campaigns on behalf of threatened tribal peoples. *310 Edgware Road, London W2 1DY.*

The Royal Society for the Protection of Birds (RSPB): 100 years old in 1989, Britain's biggest wildlife group. Campaigns on habitat destruction. *The Lodge, Sandy, Beds, SG19 2DL.*

Council for the Protection of Rural England (CPRE): strives to preserve the essential British countryside against development. Effective lobbyists at Westminster and Brussels. *4 Hobart Place, London SW1W 0HY.*

Royal Society for Nature Conservation (RSNC): Britain's largest voluntary organisation with 48 county nature trusts, 50 urban wildlife bodies and WATCH, RSNC's junior wing supported by *The Sunday Times*. *The Green, Nettleham, Lincoln, LN2 2NR.*

Gareth Huw Davies

on someone or something else. It should appeal to Thatcherite values and perhaps an inkling of that is behind the Prime Minister's "conversion". It conflicts fatally, however, with the more politically potent and cross-party notion that self enrichment is always and everywhere and infinitely possible.

Meanwhile, as nations as diverse as the Baltic Soviet republics and Scotland struggle to define themselves nationally once again, they reach for the language of ecology to protest against a fouling of *their* land by the alien occupier. In Estonia last year I saw the results of the heroic period of Soviet industrialisation: miles of chemical works, huge oil shale mines, polluting both sky and water; responsible – says the burgeoning Estonian Green Party, among the first of the independent parties to form itself in the Soviet Union – for an unnaturally high proportion of deaths, especially among children. It is easy to make the national-ecological connection. The big chemical and mining enterprises are under the direct control of Moscow-based ministries, largely (until recently) exempt from any republican control; further, most of the management and workers are Russians, not Estonian. The rhetoric used by the Estonian Popular Front can sometimes conflate atmospheric/environmental pollution with ethnic intermixing, in either a deliberate or subconscious way. It is sure that many Estonians, and their next-door neighbours the Latvians, see their stock as weakened.

If the movement is to grow to the point where it will suppress the "outdated" ideologies of capitalism and socialism – its adherents are no less ambitious than that for it – it will, it is a fair bet, have to mobilise this "dark Green" side as well as the "light Green" forces of reasoning, debating and campaigning. It already has a huge advantage: it can offer almost anyone, from the crofter to the commuter, a loose framework within which to express his or her opposition to "progress" – or that part of progress, be it nuclear power station, Channel tunnel, new runway – which runs through the back garden. In locating the cause of our future discontents and diseases in the water and the earth and the air, the groups invoke the power of fear of unseen things entering our bodies (how many horror films have been based on *that* common nightmare?). The movement can be at once expert and mysterious, matching anyone's database while retaining the ability to bathe you in a cold sweat.

At its best it holds out a vision, and the start of a practice, of a way of life which would give flesh to many of the ideals by which we sometimes try to live; would let us leave a better place to our children, better than the phoney benison of more things.

I can see that, see it much more clearly, having talked to the Green people and learned that they are not "fruity", though they are a touch pompous. But my inner eye, unlike Wordsworth's which was wholly turned towards the daffodils, has in it a gas-guzzler out of an old American series, a proxy for the wonderful world of things which the Sixties opened up to its real children.

I want to grow up to be Green. But not yet – me and millions like me – not yet.

Florida. Holidays you'll jump at.

Our huge new American brochure contains details of all the best deals and offers on Poundstretcher holidays to the USA.

You'll find a lot of space devoted to Florida, the perfect place for a holiday, with a wider choice of destinations than ever and exciting offers such as free car hire on all Florida two centre holidays.

Send for your Florida pack today. But jump to it, they're going fast.

SEE FLORIDA

Coast to coast to coast

(2)

Foreign and Commonwealth Office

London SW1A 2AH

24 February 1989

Dear Charles

Anglo French Summit: French Environment Initiative

Since the Prime Minister spoke to M Rocard on 8 February, we have consulted the Japanese, Canadians, Australians, New Zealanders and Italians about the proposed Hague Conference. The New Zealanders appear not to be concerned about the proposed declaration. But all the others to a large extent share our reservations and have expressed their views to the French and Dutch. But they all apparently intend to be represented at the conference, the Canadians at Prime Minister level. The Australians gave the co-sponsors a revised draft of the declaration which omitted a reference to a supra-national authority and turned the draft into a general political statement. This would have been much better from our point of view, but it has been coolly received by the co-sponsors who also rejected an Australian proposal for a small drafting group to meet some time in advance of the conference to consider amendments to the declaration. The co-sponsors have however said that they will themselves issue a revised draft of the declaration early in March. We are therefore making further approaches to the French, Dutch and Norwegians re-stating our objections to the declaration as it stands.

The Hague Conference has now been announced publicly and, according to the announcement, some 20 countries have agreed to attend. The Americans have recently told us that they have now been invited to the conference: but they think it unlikely that they will attend. They share our objections to the draft declaration and are making their views clear to other invitees. The Russians, when we consulted them last week, were puzzled at not having been invited to the conference. We do not know whether they (or the Chinese) have subsequently received an invitation.

/During

During her last meeting with M Rocard, the Prime Minister explained to him frankly our objections to the declaration. She also told him that she would not go to The Hague. At the present meeting the Prime Minister may wish to re-state our objections to the draft declaration, not only to M Rocard but also to President Mitterrand. This may cause Mitterrand to put pressure on Rocard to modify the declaration to make it more acceptable to us. The Prime Minister may wish to repeat that she does not intend to go to The Hague. But we suggest that we should not completely close the door on British representation until we have seen the revised draft declaration. We should also bear in mind the need not to irritate the French to the point where they make difficulties at our CFC Conference or with any other subsequent environmental initiatives we may take.

The Prime Minister may therefore wish to tell President Mitterrand and M Rocard that we share a common concern about the global climate and a common objective in seeking to generate action. But we favour working within existing international bodies and fixing practical targets for action. We are therefore opposed to the creation of a new agency which would cut across work under way in the inter-governmental panel on climate change and in UNEP. We also cannot accept the concept of majority voting, of sanctions and of compensation. We therefore cannot accept the draft declaration as it currently stands. We know that other countries share our concerns about it. We understand that the co-sponsors may issue a revised declaration in the early days of March. Is this true and, if so, what would be the nature of the changes?

The Prime Minister might then ask about the position of the US, USSR and China at the conference. Without them any attempt to make progress on global environmental issues is meaningless.

As regards our own attendance, the Prime Minister might say that, as she made clear to M Rocard at their last meeting, she does not intend to be present. Unless the co-sponsors are able to make radical changes to the declaration, there would be no point in the UK being represented at all.

Yours ever

Bob Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

R2712

Denys H. Henderson
Chairman

ICI Group Headquarters
9 Millbank
London SW1P 3JF
Telephone 01-834 4444
Telex 21324 ICIHQ G
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Mr D Morris
Prime Minister's Office
10 Downing Street
London
SW1A 2AA

24 February 1989

Dear Mr Morris

I enclose a letter to the Prime Minister from Mr D H Henderson. Following a conversation between Amanda Ponsonby and Anthony Weale of ICI on 23 February, Miss Ponsonby, in your absence, suggested that I forward to the letter you, as you are concerned with the Prime Minister's movements over the period of the Ozone Conference.

Yours sincerely

Carol Bird

(Miss) C A Bird

Prime Minister 2

You might like to glance through this before the session, on the speech which Charles has drafted, tomorrow. His comments on timetable for elimination on pages 4 and 5 are interesting.

Denys H. Henderson
Chairman

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DHH
27/2.

The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
London
SW1A 2AA

Line with Mrs T

24 February 1989

Dear Prime Minister,

While I hesitate to add to your heavy reading burden, I thought you might find it useful to glance through the short speech which I shall be making at your Conference on Saving the Ozone Layer on 5 March. I attach a copy of the text and I hope you will find my comments broadly supportive to the main theme of the Conference. I have also sent a copy to the Department of the Environment.

What I plan to cover is, given the time available, inevitably somewhat general in nature, but it may be that after the Conference is concluded there will be issues which you might want to pursue with ICI in more detail.

With this in mind, I would very much like to invite you to have lunch or dinner with my Board colleagues and myself in our recently refurbished Headquarters, which we had the pleasure of showing to Mr Thatcher last December.

I am very aware of your enormously busy schedule, but may I suggest that my secretary contacts your private office to look for a convenient date, if the idea has any appeal.

Yours Sincerely

Denys Henderson

cc GR

This pale ruby: NDH

N + R

You were inclined to accept if time permitted. You are very busy before Easter. Do you wish us to find a suitable [illegible] later in the year?

2. Peter Lilley (Environment)

F I N A L V E R S I O N

(Tuesday, 21 February)

'SAVING THE OZONE LAYER' LONDON CONFERENCE

5-7 MARCH 1989

C F C s A N D T H E O Z O N E L A Y E R
- T H E S E A R C H F O R S O L U T I O N S

Speech by Denys Henderson, Chairman
Imperial Chemical Industries PLC

5 March 1989

Mr Chairman, Minister, Delegates, Ladies and Gentlemen:

It is a privilege to be invited to speak to you as an industrialist on what is a notable occasion. I understand that Government Ministers from over 70 countries are here today at this unique conference as also are many internationally respected scientists and leading industrialists. This is very encouraging, because today we face a challenge that will only be solved by international agreement and the determination to succeed. It will require co-operation across Government, science and industry and each one of us by attending this conference indicates a willingness to play our part in finding answers.

The Prime Minister herself has pointed out that the depletion of the ozone layer is a complicated issue and that we must have 'proper scientific substitutes' for CFCs. As Chairman of a major international chemical company I recognise the complexity of the issue from a business, as well as a scientific, point of view - not least because I have responsibilities towards my customers, shareholders, fellow employees, the scientific community and the general public. ICI has been much concerned with the ozone layer investigations which have been taking place in recent years but, even so, after careful study there seems to me to be still much

continued/...

to explain. Nevertheless, my company accepts that the scientific data which has been published points to a potential threat to the ozone layer which must be taken very seriously. We also accept that chlorofluorocarbons - CFCs - may well be contributors to this problem. CFCs are also one of the so-called 'greenhouse' gases and so may be relevant, too, to the problem of global warming although in that context their significance is likely to be comparatively minor.

CFCs are still, however, one of the wonders of the modern chemical industry. They are a family of different products, each with a unique set of properties designed to meet important market needs, many of which are essential to modern industrialised society. At the same time they are non-flammable, very stable, non-toxic and relatively cheap.

Let me describe the main applications, and the progress industry is making to achieve these benefits by other means.

CFCs are well known as propellants in aerosols. The vast majority of that use can, and is, being eliminated by reformulation to use hydrocarbon propellants in the very near future. Some critical medical and industrial aerosols, however, will need other techniques or propellants, which will take time to develop.

continued/...

Many CFCs are used as the working fluid in refrigerators, freezers and air conditioning units. Without such temperature control, modern food processing, delivery and storage would be impossible, many hospital operations would be unsafe and large computer installations would become unreliable. The development of safe, effective substitutes is one of the most difficult challenges facing industry. Nevertheless, ICI has announced plans for the first commercialised production of one product in both the UK and USA - namely HFC 134a. This product is ozone benign but many plants will need to be built around the world and other products will need to be found to meet the wide range of refrigeration needs.

Another CFC is used extensively in producing a wide variety of foams which contribute very significantly to the saving of energy by insulating houses and refrigerators and by reducing the weight of components in cars. ICI's own Polyurethane Business is producing novel blowing systems which over a period of 5 years will enable CFC use to be eliminated in many flexible foams and reduced by half in rigid foams. Much work is now focussed on finding a suitable product to replace that vital 50% still needed in rigid foams.

One further CFC use is in solvents - particularly for cleaning delicate electronic components. No alternative chemical or technology has yet been found, but considerable reductions in use

continued/...

can be achieved by better equipment design and recycling, and meanwhile research continues to find a suitable replacement product.

Finally, we must remember that the family of products called Halons, which are closely related chemically to CFCs, provide vital fire protection in aircraft, computer installations and numerous industrial premises. For these products there are no immediately available replacements.

The figure which Charles has used in the draft speech.

Nevertheless, in total ICI will spend over £100m in a programme of research to meet our customers' needs, and expects in the years ahead to invest several hundred million pounds in plant to produce alternatives. But we must ensure that the solutions are safe, that they really work and that they are a sound investment for ourselves and our customers. To help speed up this process, the major CFC producers of the world have pooled their resources to complete collectively the rigorous toxicological and environmental assessment of each new product to be introduced.

Let me turn now to the Montreal Protocol which ICI unequivocally supports. The Protocol says, in summary, that this year, 1989, there should be a freeze on CFC consumption; that there should be a 20% reduction by 1993 and a 50% reduction around 1998. But I believe we must go further. I believe we must go for elimination not just reduction. I believe, therefore, that in addition to

continued/...

the Protocol's three existing controls, there should be a fourth which takes as its target the elimination of CFCs by a date to be set as soon after 1998 as is practicable, bearing in mind the need to develop safe alternatives.

There are understandable pressures for the existing timetable to be speeded up and for each stage of the phase out of CFCs to be brought forward and we are working with our customers to help to achieve this. However, our view of the science is that it is of much greater environmental benefit to agree and implement a phase out, than to attempt dramatically earlier reductions with the risk of unsafe, unworkable solutions.

Even so, whatever the outcome of any decision to extend the Montreal Protocol, it will not be adequately implemented unless there is international commitment by Government and industry alike. Our distinguished Chairman today, Sir Shridath Ramphal, said in a recent article in The Times : "Global commons like the oceans, outer space and Antarctica that no country owns are transnational problems that simply cannot be solved nationally". The depletion of the ozone layer is exactly one such trans-national problem. For this reason, we hope that all Governments of the world will unite in supporting the Montreal Protocol and in contributing to its development.

continued/...

Let me summarise my views :

1. The problem of CFCs and their effect on the ozone layer is extremely complex. It simply cannot be solved overnight by technology. There are no scientific shortcuts to safe substitutes.

2. Imaginative research and development and skilled process design will give us the best prospect of finding practical solutions which are environmentally safe and toxicologically sound. My own company, ICI, is deeply committed to finding satisfactory answers as quickly as possible and we are investing heavily to achieve that purpose.

3. Manufacturers of CFCs who are prepared to devote significant resources to finding alternative products will require a commercial return on their investment.

4. However enthusiastically the chemical industry accepts this challenge, the problem will only be solved by co-operation at international level between Governments and industry as a whole.

5. Governments, with the support of the chemical industry worldwide, should move now to extend the Montreal Protocol in order to achieve in due course a phase out of CFCs.

continued/...

I welcome the British Government's initiative in calling this conference and I am much encouraged by the experience and calibre of those attending. Let me close by giving the conference the following specific assurances on behalf of ICI :

1. We recognise the necessity of solving the problem of ozone depletion, to the extent that it is caused by man-made chemicals.

2. We will continue to give the highest priority to meeting our customers' present and future needs with high quality, safe products.

3. We will continue to devote substantial resources, both scientific and financial, towards finding satisfactory CFC replacements at the earliest practical opportunity.

4. We will wholeheartedly support any international Governmental proposals to extend the Montreal Protocol to achieve a phase out of CFCs on the time-scale I have indicated.

May I wish the conference success in its deliberations from which I hope positive proposals will emerge.

Denys H Henderson
Chairman
Imperial Chemical Industries PLC

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AND TO IMMEDIATE TOKYO, PARIS

FCO DESKBY 261200Z FOR RESIDENT CLERK

YOUR TELNO 238: FRENCH ENVIRONMENTAL INITIATIVE

1. WE HAVE BEEN INFORMED BY SENS, DIRECTOR OF OFFICE OF ENVIRONMENTAL PROTECTION, STATE DEPARTMENT THAT PRESIDENT BUSH HAD NOT BEEN BRIEFED TO RAISE THE FRENCH ENVIRONMENTAL INITIATIVE IN HIS MEETING WITH MITTERRAND. HE HAD NO KNOWLEDGE IF THE MATTER HAD BEEN RAISED BY MITTERRAND ALTHOUGH PARA 4 OF PARIS TELNO 247 SUGGESTS THAT THIS MAY HAVE HAPPENED.
2. SENS REAFFIRMED THAT THE US DID NOT INTEND TO SEND A REPRESENTATIVE TO THE MEETING IN THE HAGUE.

ACLAND

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INFO PRIORITY WELLINGTON, MOSCOW

YOUR TEL 147 : FRENCH ENVIRONMENT INITIATIVE

SUMMARY
1. NO STRONG FRENCH REACTION TO THE STATEMENT OF THE UK POSITION ON THE FRENCH ENVIRONMENT INITIATIVE.

DETAIL
2. AS INSTRUCTED THE COMMENTARY ON THE DRAFT DECLARATION OF THE HAGUE WAS HANDED TO CARCASSONNE, COUNSELLOR FOR PARLIAMENTARY RELATIONS IN ROCARD'S CABINET, BY COUNSELLOR (TECHNOLOGY) TODAY. COPY ALSO HANDED TO CHABASON, DIRECTEUR DU CABINET OF THE MINISTER FOR THE ENVIRONMENT.

2. CARCASSONNE WELCOMED THE COMMENTARY ON THE UK VIEWS ON THE FRENCH INITIATIVE. HE MADE THE FOLLOWING POINTS IN DISCUSSION:

(I) THE FRENCH SUPPORTED MRS THATCHER'S INITIATIVE WHICH COMPLEMENTED THEIR OWN AIM TO DRAW ATTENTION TO THE GLOBAL CLIMATE PROBLEM.

(II) THEY CONSIDERED THAT THIS PROBLEM MERITED VERY URGENT ACTION AND ON THE BASIS OF PAST EXPERIENCE THEY DID NOT CONSIDER THAT THE EXISTING INTERNATIONAL ORGANISATIONS COULD RESPOND IN AN APPROPRIATE TIME-SCALE. IT WAS FOR THIS REASON THAT THEY WERE PROPOSING THE NEW INITIATIVE.

(III) THEY WERE AWARE OF THE NEED TO WIN THE SUPPORT OF THE AMERICANS AND TO ALSO INVOLVE THE RUSSIANS AND THE CHINESE BUT HAD FELT UNABLE TO WAIT FOR THE OUTCOME OF THE AMERICAN ELECTION BEFORE PROCEEDING. CARCASSONNE JUDGED THAT PRESIDENT BUSH WOULD BE MORE SUPPORTIVE THAN REAGAN OF SUCH ACTION ON THE ENVIRONMENT AND THEY STILL HOPE TO BRING THE AMERICANS ALONG WITH THEM.

(IV) HE SAID THAT HE REGRETTED THE USE OF THE WORD SANCTIONS WHICH HE THOUGHT DID NOT TRULY REFLECT THE SPIRIT OF THE FRENCH INITIATIVE.

3. CHABASON HAD NO PARTICULAR COMMENTS TO MAKE.

FERGUSSON

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SRWBVQ

PRIME MINISTER

I learned today by chance (and subsequent enquiries from the Royal Society have confirmed) that Professor Lovelock's wife died on 5 February. I gather she had had multiple sclerosis for some time. Andrew Turnbull said he had been fairly quiet at the dinner for the President of Bangladesh and this was no doubt why. Lest, when he gets his invitations to come to the CFC conference and global climate seminar he feels he must come regardless, I thought you might like to send him a note of sympathy and set the invitations in context.

A draft is attached for your signature, please.

(DOMINIC MORRIS)
24 February 1989

JANICE

Amanda would like this to be kept with the file on the forthcoming Ozone Conference to be considered nearer the time.

Lizzie

EAM

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

24 February 1989

Thank you for your further letter of 22 February to the Prime Minister.

Mrs Thatcher was interested to hear that your Association is having an exhibition stand at the Chlorofluorocarbons Conference in March and hopes very much that she will have an opportunity to visit this.

MRS AMANDA PONSONBY

Denis Foulger Esq

OVERSEAS DEVELOPMENT ADMINISTRATION
ELAND HOUSE
STAG PLACE LONDON SW1E 5DH

Telephone ~~01-XXX XXXX~~ 01-273 0409

COPY

From the Minister

24 February 1989

Nicholas Ridley Esq
Secretary of State for the Environment
2 Marsham Street
LONDON SW1P 3EB

Dear Nicholas,

OZONE CONFERENCE : ASSISTING DEVELOPING COUNTRIES

Thank you for your letter of 21 February to Geoffrey Howe, to which I am replying in his absence overseas.

I very much agree that the participation of developing countries is essential if international initiatives to protect the global environment are to succeed. As you rightly point out the difficult issue is how to persuade them that it is in their own interests as well as the global good. We must be able to allay their natural fear that in accepting the need for collective action now, largely in response to problems that we have created through our own industrialisation, their own economic development will be retarded. These are questions which I address in a speech I am giving in Cambridge next Tuesday, a copy of which I enclose. The Conference must start to tackle this.

I attach a slightly revised paragraph 7 of the draft statement, which is intended to give a rather more positive tone. It is difficult to go further until we know more precisely what needs to be done. However, I do feel that it is entirely inappropriate to refer to the Aid and Trade Provision in this context. The ATP is only a small part of our bilateral aid programme - and while I would be only too happy to have proposals put to me to use ATP to help protect the environment, it is not going to be our main instrument for doing so.

I am sending copies of this letter to the recipients of yours.

Yours ever,

CHRIS PATTEN

MONTREAL PROTOCOL - POLICY STATEMENT ON ASSISTING DEVELOPING COUNTRIES

Redraft of Para 7

Within its overseas aid programme the UK is ready to do all it can to respond positively to requests for assistance from developing countries. We will be prepared to help find ways of avoiding the use of CFC's and examine the implication of adopting CFC-free strategies. We are ready to help as part of our bilateral aid programmes, to finance research relevant to developing countries, and to use our position in multilateral aid institutions in encouraging them to consider similar assistance.

"COMMON FUTURE - COMMON CHALLENGE: BRITISH AID POLICY AND THE ENVIRONMENT"

1. Groucho Marx was once asked a simple question to which he did not know the answer. "But every school boy knows that", he was told. "Well", he replied, "go outside and get me a school boy".

2. It is obvious from my own domestic breakfast table that schoolgirls are at least as well informed as schoolboys. My youngest, 9 year old daughter lectures me over the marmalade on the ozone layer, acid rain and the destruction of tropical rainforests. I say nothing of whales! You would have to be a pretty bull-headed father, or an extremely obtuse politician, not to recognise that the world has turned. Environmental issues are no longer confined to the bottom of the inside pages of serious newspapers. Instead they are front page news and prime-time television. There have been leaders on forests in "The Sun". "Time" magazine captured current concerns when, in place of its usual Man of the Year for 1988, it nominated the Endangered Earth as Planet of the Year.

3. So environmental issues are moving fast up the political agenda. I hope the debate will be increasingly well-informed. This lecture series should be a contribution to that. I want to start by congratulating the organisers for arranging this series and for attracting, dare I say, such a distinguished list of speakers. Through the live audience and the attention some of the lectures have received in "The Times", you are making a valuable contribution to the debate on the crucial issues of environment and development.

4. When Prime Minister Brundtland launched "Our Common Future" in the Queen Elizabeth II Conference Centre in April 1987 she knew that a London launch would maximise worldwide **publicity.** She even made sure she had those essential modern marketing tools - an excellent video and a couple of TV series. However, the World Commission's report did not really capture popular imagination and concern. As far as I am aware "Our Common Future" never entered any "best seller" list.

5. The Government's reply "Our Common Future - a UK Perspective" (copies of which are available in the Hall) barely made the newspapers at all, even though it was and remains one of the few national responses to the Report. 'Britain and the Brundtland Report,' a booklet by 7 organisations ranging from Oxfam, through the World Wide Fund for Nature, to Friends of the Earth, also sank virtually without trace - something I particularly regret since it complimented me and my then Permanent Secretary (who actually deserved the compliments) at least 4 times! Six of those organisations have just published a critique of the Government's response and I look forward to discussing the aid issues in their paper with them.

6. No, the Brundtland Report may have articulated concerns which are of increasing importance to our age, but I fear the real impetus for their rising political profile was a series of natural, man-enhanced and man-made **disasters.**

7. The Report itself recorded that during the 900 days the World Commission was at work:

- the African drought put 35 million people at risk and may have killed a million;
- the Bhopal accident killed 2,000 and injured 200,000 more;
- the Chernobyl reactor explosion caused damage across Europe;
- a chemical fire in Switzerland poisoned the Rhine, all the way to the Netherlands;

and least heralded and most shocking of all -

60 million people (more than the population of Britain) died of diarrhoeal diseases caused by malnutrition and dirty water.

8. Since then we have had floods in Bangladesh and Sudan, hurricane "Gilbert", and the earthquake in Armenia. In all four cases, man's failure to respect his environment (by deforestation, by ripping out mangroves and hence coastal defences, and by failing to enforce building codes) added to the scale of destruction. It

seem that we still find it hard to give serious attention to major problems until we are forced to do so. You could be forgiven for thinking we are no wiser than when A E Housman wrote:

> "The signal fires of warning
> They blaze but none regard
> And on through night to morning
> The World runs ruinward".

9. But the case is not hopeless. Ruin can be averted. Environmental issues are coming sharply into political focus. As I shall show, action is underway in a variety of fora.

10. I have called my lecture "Common Future - Common Challenge: British Aid Policy and the Environment". 'Common Future' because the Brundtland Report was absolutely right - we are all in this together. "Common Challenge" because, I shall argue, we need to move, and we can move, beyond the reactive to the pro-active.

11. I make no apology for limiting myself to the **international challenges**. I regard the international dimension as both the most challenging and in some key respects, the most interesting. What is more, Ministers are invariably well-advised to stick to their own responsibilities.

12. With that in mind, I should like to start by drawing two **distinctions.**

13. The first is the obvious one, namely that environmental problems not only have different impacts in developed and developing countries, but that solutions in the two pose different degrees of difficulty. The problems faced by developing countries are often more acute, their environments are more fragile and more liable to flood, cyclone and drought.

14. In saying this, I am not minimising our own domestic environmental challenges and opportunities. Developed countries have made mistakes in the past, which will prove costly to correct. Ensuring that our future development takes careful account of the environment, and that it is based on sustainable growth, will involve dislocations and economic trade-offs. It will need imagination to make full use of the new possibilities available to us. But we are a rich country, with good soils, a temperate climate, educated, healthy and well fed people, a long scientific tradition and democratic institutions. We face the problems of affluence and have the resources to determine the quality of growth. In Britain we have the luxury of making choices, and probably both the time and the resilient resource base to be able to afford some mistakes. We exercise those choices in an atmosphere of vigorous debate.

15. Poor countries have to deal with the problems posed by fragile ecologies and uncertain weather against a background of poverty, rapidly expanding populations, lack of qualified manpower and a limited scientific base. While they face exceptionally difficult choices, many countries do not have the democratic institutions needed to develop a consensus which all can respect. That said, developing countries perhaps stand to gain even more than we do from responsible use of the environment - and at least they may be able to avoid the mistakes we have made. Experience has taught us that prevention is cheaper than cure. If one addresses environmental concerns early enough in implementing projects, a "green" approach may actually save money.

16. My second distinction is between 2 classes of environmental problems - the global and the local. **Global problems** are those that inevitably affect the whole of mankind and can only be solved if all the world's nations collaborate. **Local problems** are to some extent "location specific" and are amenable to national or regional action.

17. Of course, in the real world the distinction is not clear-cut. So, for example, widespread deforestation is global to the extent that it destroys species and increases carbon dioxide, but also local in its effects on soil erosion and rainfall. Most people would surely agree that global problems include depletion of

the stratospheric ozone, the build-up of green-house gases, climate change, loss of genetic diversity and the exhaustion of major irreplaceable natural assets. In a sense it is the collective scale of national or regional problems which produces the global threats.

18. The local problems of principal concern to developed countries are largely caused by reckless industrialisation and unthinking affluence. They include the pollution of air, water and soil. This may be very widespread but it is still capable of solution by the north alone. Developing countries on the other hand face a long litany of local resource degradation problems including deforestation, desertification, soil erosion and salinisation. They suffer industrial pollution and the effects of rapid urbanisation, unclean water and inadequate sewerage disposal.

19. One of the most important international environment issues we will face over the coming years will be to engage the developing world in the drive to tackle global issues; this will certainly involve helping them tackle what they see as their own priority environmental difficulties which may not currently pose any global threat.

20. In focussing on the international dimension I have been greatly helped by the **excellent lecture** by Sir Sonny Ramphal. He sketched out the scale of degradation through deforestation, desertification and pollution of soil, water and air. He graphically demonstrated what he called:

> "The simple, and terrible, truth... that poverty and environment are inextricably interlinked in a chain of cause and effect".

21. He stressed the role of population pressures. He touched on the implications of possible climate change. He looked at the emerging international response to environmental issues and suggested some tools that decision makers needed. He raised the problem of national sovereignty. His presentation was eloquent, but like all good inaugural speakers he stopped when the argument got interesting!

22. I share many of Sir Sonny's views on the environment, above all his stress on the linkages between poverty, population pressure and environmental degradation. I want to try to develop his arguments further and to suggest that there are practical measures we can and should be taking. There are many important issues such as global warming and the depletion of the ozone layer, but since I am Minister for Overseas Development, I propose to focus this evening on the problems of population growth and the fate of the tropical forests.

First, the scale and nature of the problem.

23. Sir Sonny made the **population** issue more immediate by quoting statistics from just 2 countries. We need to look at the overall picture as well. The Brundtland Report cites United Nations figures which suggest that World population will stabilise somewhere between 8 and 14 billion or from 60% to nearly 200% above today's level.

24. The range in these projections is enormous. It is as large as this precisely because we have the chance to influence the outcome. At the bottom end of the range, we could increase food production per head, through forseeable improvements in agriculture, and could keep present food habits. At the top end, we could not. There would have to be massive changes in diet and in our use of the environment.

25. It is one of the most **important paradoxes** of development that, in order to ensure that population growth stabilises near the bottom end of the projected range, we need to **improve** children's chances of survival. Provide mothers with literacy, education, employment opportunities, and child health programmes, and you provide alternatives to numerous births as a way of ensuring security in old age.

26. As Minister for Overseas Development, I try to explain that paradox to the public at large. Too many people in the rich countries still think that the poor of the developing world are feckless because the rational behaviour of the individual does not coincide with the good of the local or the global community. Very poor families have so many children mainly because so many of their children still die before reaching puberty. If development efforts and aid programmes have one fundamental purpose, it is to stop so many babies dying. That does not just need primary health care programmes, but sustained increases in incomes and improved sanitation, agriculture, education and the rest. One good way to measure whether real progress is being achieved in a developing country is to look at the figures of infant mortality.

27. It is the same with environmental degradation. Poor people do not deplete their resource base out of perversity. As experienced farmers the rural populations of developing countries know only too well the consequences of over-using marginal lands. But they do not have resources on which to fall back in hard times. Their savings are not put into Volvos or BMWs; they take the form of trees or cattle. Once those are gone, survival itself dictates the choices. Help a family today to find a way out of dire **poverty** and sustainable use of resources tomorrow becomes a possibility.

28. Poverty and population pressures, which are increasing faster than peoples' ability to adapt systems of production, are very powerful causes of environmental degradation. It is no wonder that the symptoms of that degradation are so alarming.

29. Sir Sonny properly drew attention to tropical **deforestation** and quoted the FAO figure of an annual loss of 11 million hectares. That figure represents an area the size of Scotland, Wales and Northern Ireland. It is the most widely quoted because it is the latest we have for global forest loss drawn up from internationally comparable data. However, it relates to 1980 and certainly underestimates the present position. Figures for the last burning season produced by the Brazilian Space Research Institute suggest that that country alone lost 30 million hectares of savanna woodland and rainforest in 1988. British newspapers under "Shock Horror" headlines described that as being an area equivalent to the size of Belgium. Sadly the reality is even more shocking and horrifying. 30 million hectares is 10 times as big as Belgium, larger indeed than the whole of the British Isles.

30. But let me move on from statistics to their consequences. Why does such destruction matter? After all, deforestation was so widespread in Russia and North America in the 1860s that it was then responsible for the largest release of carbon dioxide into the atmosphere. The expansion of agriculture, which followed this burning and cutting down of the forests, provided the basis for subsequent industrialisation and growth.

31. Unfortunately, as we all know from horrifying television programmes, today's burning of the rainforest is unlikely to have such providential results. The **soils** below the lush vegetation of Amazonia are **fragile** and poor. When the forest is cut down and burnt the ash gives a once for all boost to the soils, but the minerals are soon leached out and the organic matter, with its valuable water-holding and soil-conditioning properties, is destroyed. The poor migrants from the drought-ridden north east of Brazil or the slums of its large cities all too often find that their dreams of growing abundant crops on a secure homestead are an illusion. Their back-breaking work has merely cleared land for absentee ranchers. Even pasture deteriorates, and ten years after clearing, much of the land is hard baked desert or scrub unpalatable to cattle.

32. This cycle is tragic enough. But in the process a resource of global environmental importance is being destroyed. Forests, and especially rainforests, can play a major part in checking the gradual warming of the earth's atmosphere. Mankind releases carbon dioxide into the air from power stations, transport systems, factories and homes. The forests counteract this, in part, by absorbing carbon dioxide as long as they grow and are not burnt or left to rot. The forests, while they live, help to stabilize the earth's climate. But as long as they are being cut down and burnt at present rates, this contributes between 10 and 20 percent to net

global carbon dioxide emissions. So, while power generated from fossil fuels - and most such power is generated in rich countries - is by far the most significant source of greenhouse gases, we cannot afford to ignore tropical deforestation in our studies of possible climate change.

33. The rainforests are important, too, in a global context for their genetic diversity. Because almost all the insects have yet to be identified, no one knows whether rainforests harbour 2 or 50 million **species!** We do know that the complex ecosystem of the forests means that many of the species are highly adapted to their ecological niche and have unusual and therefore valuable properties. It is no accident that 40% of all drugs prescribed in the US are based on chemicals derived from rainforest species. Nor is it accident that the US National Cancer Institute has identified 2,000 rainforest plants with the potential to fight cancer.

34. Darwin taught us that species loss is an inevitable part of natural selection. Probably 98% of all the species there have been over the past 400 million years are now extinct. But that works out at one loss every 27 years. Burning of the forest for unsustainable agriculture means we are losing species at a rate of 2 a day. You may recall that Lady Bracknell told Ernest.

> "to lose one parent may be regarded as a misfortune; to lose both looks like carelessness".

35. If the World Resources Institute is right and we lose 13,000 plant species by the year 2000 from Latin American rainforests alone, our wanton destruction will be more than careless, and our decendants will talk of calamity not misfortune.

36. The British public is most concerned about loss of rainforests because of these global interests. But as an aid donor concentrating on the poorest countries, I am at least as worried by the damage to the **local** environment by loss of forests throughout the developing world. Deforestation affects regional weather patterns and rainfall: there is evidence of this from Amazonia and from West and Central Africa. The forests of Rwanda need to be protected, not only for the sake of the mountain gorilla, but also to protect the livelihood of Rwandan farmers. Trees are of the greatest importance in arid areas. This has been graphically described by a Somali pastoralist:

> "Villagers have no factories or industries. We have land, we have water and after that we need trees.
> Allah created trees because animals need them just as people need land... our lives depend on our animals and they depend on trees.
> The trees save our lives in drought.
> Trees are male camels for us - they bear our burdens".

In the west, "energy crisis" means sudden shocks in the price of oil. In Africa, it means shortage of **fuelwood**, the price of which - assuming it is available at all - is measured in womens' time. As wood becomes even more scarce, dung is burnt instead. That means essential nutrients are no longer available for crops. The crops foregone each year because of that loss of natural manure may well be greater than the annual total food aid provided by all the world's donors.

37. The degradation does not end there. Organic matter and trees both help to prevent **soil erosion.** The World Bank estimates that to make up the nutrients carried off by soil erosion would cost India $6 billion in replacement fertiliser each year. That is 45 times our substantial aid programme to India.

38. Soil degradation wreaks appalling human misery. The Horn of Africa has had more than its share of suffering in the 1980s. Displaced people trek back and forth across hostile land. We are faced with the heart-rending sight of starving babies in feeding camps - that appalling symbol of the failure of every sort of development, political as well as economic. The immediate causes are war and drought, but these people are also environmental **refugees.** It is no coincidence that Ethiopia's descent into acute vulnerability to famine follows the stripping of forest cover from

its highlands. Ethiopian forests now cover one tenth of the area they did in 1900. Lands stripped of their tree cover cannot retain what moisture there is. When rain comes, it is not absorbed. We are faced with the mocking spectacle of disastrous floods in areas usually regarded as arid wastes. When life is precarious, people are more likely to fight over precious water and pockets of good soil. Tribal loyalties become more important if group survival is in question.

39. So even one type of degradation - deforestation - can have profound consequences: loss of genetic diversity, climate change, loss of soil fertility, soil erosion, flood and famine. And I should stress again that deforestation is only one example of the environmental problems we need to overcome.

40. This may all have seemed a touch apocalyptic. But we must not be paralysed by pessimism. Asked once whether he was an optimist, Winston Churchill said he didn't see much point in being anything else. What we need is to be imaginatively, practically and resiliently constructive. Indeed that is the whole value of the Brundtland Report. The earlier Club of Rome was politically, not to say economically and technologically, naive in insisting that we must all give up the benefits of 20th century affluence. By preaching 'No Growth', they ensured they had 'No Influence'.

41. The World Commission chaired by a serving Prime Minister, and including 8 Ministers or former Ministers, was much more astute and realistic. The Report does not say 'Carry on as You Were', but it does give a **message of hope.** It points to sustainable growth and the elimination of poverty as the basis for an environmentally sound world. It asserts that technologies can be found if the will exists. Faced with that approach, which politician will dare cast doubt or refuse to take up the challenge?

42. I believe profoundly in the importance and possibility of **sustainable development.** It is, of course, difficult to define simply, but it was neatly characterised by the Brundtland Report as meeting the needs of the present without compromising the ability of future generations to meet their own needs. To bring that about, requires three things. It requires **political will, resources and the right mechanisms.** I want to spend the rest of the lecture exploring all three.

43. Political will appears to be available in developed countries and in some developing ones. The Prime Minister's speech to the Royal Society last September made her personal commitment quite clear and showed that growth and environmentalism go together. She pledged:

> "The Government espouses the concept of **sustainable** economic development.
> Stable prosperity can be achieved throughout the World provided the environment is nurtured and safeguarded."

44. President Bush stressed environmental issues in his election campaign and Budget Address, and has nominated the President of the American World Wildlife Fund as head of the US Environment Protection Agency. President Gorbachev, who has a background in agriculture, apparently has plans to double expenditure on environmental protection by the early 1990s. President Mugabe and Prime Minister Gandhi both chose to take part in the UN Debate on the Brundtland Report.

45. Two swallows do not, alas, make a summer. Other developing countries will need to follow the lead taken by Zimbabwe and India. They will also need to join in action on both global and local problems. As I have argued already, that is more difficult for developing countries than it is for us. We can and we must help to generate the necessary political will. That will is demonstrated by the welcome decision of President Moi of Kenya to address the Ozone Layer Conference in London next Sunday.

46. Generating political will involves action and persuasion at several levels. First, to have any credibility at all, we in the West must solve our own problems. I call this the older greenhouse effect - people who live in glasshouses shouldn't throw stones!

Developed countries must adopt the right policies to deal with both global and local environmental problems. Only if we do that can we hope to convince developing countries that global issues, like climate warming and the ozone layer, affect them as much as they do industrial nations. The Maldives know that global warming and a rise in the level of the oceans could mean disaster for them. But other developing countries may regard global preoccupations as not their concern. They will point out that it is the North's demand for thermal energy, not the burning of forests, which is the main source of carbon dioxide emissions and they will emphasise the enormous scope for energy saving in the North. So developed countries will have to show that they are doing all they can to solve the problems they themselves are causing.

47. Second, we must make clear that we recognise that developing countries will have different priorities. Their own local environmental problems - of drought, flood control or soil erosion - will often have greater urgency for them. They will insist that global concerns should not penalise them for their present poverty; they need the freedom to develop and industrialise. If energy efficient and "environment friendly" industrialisation demands higher additional costs, developing countries will naturally push their own priorities. They will seek more open markets, so that they can earn the necessary resources to afford action, and they will be right to do so. The poorest countries will look for more effective aid and for more of it. The developed countries for their part will need to show appreciation for recipients' domestic concerns and priorities. There may be scope for **packaging assistance** to cover, not only those factors which contribute to global problems, but also help for local environmental issues such as soil erosion or fuel wood shortage. Both partners (the aid donor and the recipient), and the world at large, would gain. In all such cases, we need to find a way forward which allows poor people and poor countries to improve their material well-being.

48. Some have tried to short circuit this cooperative building of political will. They have argued for using blanket environmental **conditionality** against developing countries [redacted] seem to be ignoring the global environmental good. It has been suggested that aid should be conditional upon a developing country's policy on all environmental issues. As some may know I certainly do not reject the principle of conditionality linked to aid. But it must be sensible and practicable conditionality. I certainly believe that one should encourage environmental concern in aid recipient countries, for example by trying to persuade them to give forestry projects a higher priority. This is an example of the policy dialogue that is such an important instrument for ensuring that our aid is effective. Equally, it is right to make specific project conditions about pollution standards. What I oppose is the argument which says one should cut off all aid to a country which does not immediately respond, for instance, to what the outside world says about its approach to this or that aspect of environmental policy. That smacks of sanctions. What we want are enthusiastic converts not press-ganged laggards. If we do not help countries to develop their resources sustainably, and to find alternative livelihoods, it is all too likely that they will be forced to pillage their existing resources even faster.

49. Equally I cannot agree with those North American pressure groups who seek to make progress by imposing their own domestic environmental protection legislation on development projects. For one thing it's bad ecology. Standards set for temperate, highly urbanised environments may make no sense in tropical rural areas. For another, it wrongly assumes that developing countries have the basic data and monitoring capacity required. While global standards are often inappropriate, internationally agreed guidelines linked to local or regional factors may well have a role to play here. As part of a more constructive approach there is the need to **strengthen institutions** in developing countries so they can decide on appropriate standards, monitor them and enforce them. We are doing just that ourselves, for example by financing a number of trainees in environmental disciplines. It might seem to take longer than conditionality, but the results will, we believe, be more sustainable.

50. So much for political will. What about **resources?** That is not just a question of money. It is important to remember the Brundtland Report's strong message that environmentally sensitive development could often reduce costs.

51. The first need is to follow the Prime Minister's dictum in her Royal Society speech:

> "We must ensure that what we do is founded on **good science** to establish cause and effect".

52. I suspect that members of that Society and of this University would not be surprised to learn how many gaps there are in our understanding of tropical ecosystems and of the interactions of development and environment. To devise solutions which are simple, appropriate, affordable and therefore sustainable, we will often need the best scientific minds. A Nobel Prize has not gone to those who made the oral rehydration therapy salts, used to combat diarrhoea, cheap enough to be distributed on a massive scale. Yet the problem was not an easy one and I suspect the benefit to mankind outweighs that from some much more prestigious scientific endeavour.

53. One area requiring attention is improving the genetic potential of trees which are hundreds of years behind agricultural crops in terms of selective breeding. We need to start by taking and labelling seeds of known provenance. To ensure the high status of such work we need wider recognition of its importance at the higher levels of academia.

54. To encourage more emphasis on **forestry research** of all types I have recently announced an additional £500,000 a year for international collaborative work. We shall be using part of that for a study by the World Conservation Monitoring Centre which is associated with these lectures and located on Huntingdon Road. The Centre will be making a special study of protected areas when FAO updates those obsolete deforestation figures I mentioned earlier.

55. One area where our understanding is particularly weak is on the extent, expected trends and strategies for coping with **desertification.** A UN Conference on Desertification provided the opportunity for a baseline assessment in 1977 which was followed up by a questionnaire from the United Nations Environment Programme in 1984. The latter was based on a broader definition of the area at risk. Yet a comparison of the two has provided virtually all the widely quoted statistics on desertification used ever since. A whole United Nations Plan of Action to Combat Desertification was drawn up on the basis of the 1977 figures. The Plan calls for inputs of more than $4.5 billion each year but has never received backing on anything like that scale.

56. The ODA has always preferred to tackle desertification as part of natural resource management rather than as a separate problem with its own priorities. The latest analysis from Ridley Nelson of the World Bank suggests we were right and claims that there is little point in throwing huge sums at what he prefers to call dryland degradation. The new study questions the scanty data and rejects the old concept of steadily advancing sand dunes moving southwards from the Sahara. Instead Nelson claims that, after allowing for fluctuations in rainfall, deterioration flows outward from centres of population pressure. So the problem may be as much socio-economic as climatic. The study urges new localised adaptive research and rejects the famous grandiose plan to put a green belt across the Sahel from Dakar to Djibouti. Faced with such contradictory advice, a decision maker could be forgiven for prevaricating and calling for more research!

57. The emphasis on science needs to involve developing country scientists, especially on work on global problems. We can expect the governments of developing countries to be more heedful of predictions on global warming if their own researchers have played a part in formulating the assumptions or processing the results. A world scientific constituency needs to be built which can sensitise decision-makers in north and south alike.

58. Apart from - or perhaps as a part of - good science, we need **good economics.** We need economics because the science will

tell us what we need to do, while the economics should help to tell us how we can best do it. This University has a particularly proud tradition in that discipline. It also has a Department of Land Economy which is associated with these lectures.

59. I hope both the Faculty and the Department will take on board a fervent plea to step up work on environmental economics. It is crucial that those worried about the environmental effects of projects and policies should talk the language of economics if they are to influence Ministries of Planning and Finance in developing countries.

60. Some in this University used to object to **cost benefit analysis** on the grounds that it did not take proper account of the long-term future, nor of factors which could not be quantified. Both points are important in assessing the environmental dimension of projects. However, we still need a mechanism for helping to allocate scarce capital amongst the developing world's possible projects. We have commissioned a Cambridge graduate who went on to be one of our Senior economists, to write a practical handbook on integrating environment in project analysis. It is a difficult task and I am sure others should be encouraged to comment (though not at our expense!) His text will complement a general **manual** that we have just produced for all our programme managers, which is intended to ensure that the environmental dimension is properly considered throughout the project cycle.

61. Apart from micro economics we are working with the World Bank at a more "macro" level. We have commissioned British consultants to study the trends in the supply of and demand for natural resources in the Hills of **Nepal** and to explore the possibilities for encouraging environmentally appropriate behaviour through macro-economic and other policies. The study is based on the World Bank's premise that degradation in developing countries is too widespread to be tackled by projects alone. The first phase suggested that on some reasonable assumptions food, fuelwood and fodder deficits would be common throughout the Hills by 2011 and might have an economic cost per head of as much as $60 to import substitutes from outside the Hills. This top figure is a t[illegible]d of current GNP per head. No wonder the Nepal National Planning Commission has shown great interest in what started off as a donor initiative, and has played a major role in selecting the policy instruments to be analysed in the second phase of the project. The World Bank is financing similar work in up to 29 other countries. The series should provide some much needed insights into the true causes of degradation.

62. Good science and good economics should help us make best use of the third kind of resource, **money.** They should also remind us that throwing money at a problem may not solve it.

63. You will expect me to talk about aid flows and I will come back to that, but firstly I want to talk about even more significant resource transfers. For example, energy pricing, agricultural trade and debt management are just as much part of good environmental economics as the study in Nepal I have just described.

64. The most obvious way to promote sustainable development is to ensure that consumers and producers pay the full environmental cost of their activity. We all know countries where demand for electricity is almost infinite because tariffs are set very low or charges are not collected. The results are unnecessary thermal power stations and an environmental cost to all of us. It is not always easy to ensure that the market reflects full environmental cost, but we can make a start by eliminating harmful subsidies.

65. Those subsidies can take many forms. The EC's Common Agricultural Policy and the agricultural support systems of the United States and Japan conspire to ensure that the world prices facing many developing country commodity exporters are far too low. That increases their need to deplete their resource base more quickly, and it reduces their ability to afford environmental protection. I am not saying higher prices would automatically improve the environment - they might instead lead to increasing pressure on more marginal land (as the CAP has done). My point is

that more open agricultural trade is a necessary, though not a sufficient, condition for sustainability.

66. The argument is not just true for agriculture. Trade has a much bigger impact on most developing countries than aid ever can have or should have.

67. Many people would argue that we also need to think about debt in our effort to find resources for environmental protection. We have always rightly distinguished between two types of debt. The first type is that owed by the very poorest countries to governments and the International Financial Institutions - basically the debt of sub-Saharan Africa. The other type is that owed to commercial banks by the better-off developing countries and here I am thinking primarily of Latin America. We launched some 18 months ago our initiative on African debt and, thanks to the breakthrough achieved at the Toronto summit, Paris Club rescheduling is now underway, reflecting the Toronto consensus. Seven countries have already benefited. The problem of Latin American debt is again under active discussion. Our approach to these problem is to avoid two particular risks. We do not want to transfer the problem from banks to taxpayers, nor do we want to deter the banks from lending in these countries again. Too many of the proposals made so far would have this effect.

68. Some environmentalists want to bring in additional resources through **debt swaps.** One might expect them to have been supported by northern pharmaceutical companies who may have a more immediate interest in keeping rainforests than do hard-pressed governments of poor countries. Lending banks are likely to be more cautious. But where such swaps are entered into voluntarily and genuinely release additional resources, they can be a useful tool. I note an interesting debate among academics and voluntary organisations on this issue. But I would not want to overstate their potential contribution. Naturally, if NGOs provide large sums of money for this purpose, they will need to be convinced that the environmental commitments undertaken are firm and durable.

69. I come then to aid. I am not seeking to re-open the public expenditure round. However, I think that it is clear that official development assistance of the right quality, properly spent, is an essential part of the cooperative effort to find resources for sustainable development. Our own economy is now sufficiently strong for us to have started increasing our aid programme again in real terms. I hope that we can continue to afford to do that.

70. We must also look for ways to focus our aid effectively. Demonstrating our environmental concern, the Prime Minister pledged that the ODA would

> "direct more of our aid to encourage the wise and sustainable use of forest resources".

71. The **forestry initiative** has 4 components. I have already mentioned the additional aid for forestry research. We are encouraging recipient countries to direct more of the aid we provide to forestry. We are currently completing an exercise to identify countries where we feel we can have a comparative advantage in offering forestry assistance. I have also just announced an annual grant of £1 million to the World Wide Fund for Nature for jointly funded projects. We both agree - the WWF and ourselves - that more than 70% of that money should go to forestry conservation projects. The final component is **training and institution strengthening.** We have world-renowned expertise in tropical forestry in this country (even if a lot of it <u>is</u> centred on Oxford!) We intend to use that expertise both to strengthen our in-house capacity to appraise and monitor forestry projects and to provide technical assistance and training for our increased effort overseas.

72. Let us now turn, finally, to the **mechanisms** for global sustainable development. By mechanisms, I mean the international institutions.

73. For over 40 years, international relations have been dominated by the consequences of an experiment that Rutherford conducted on the other side of Cambridge in 1919. I understand

that when he split the atom he thought it would be of no practical use. I am told he continued to think so until his death in 1938. However, nuclear weapons, the Cold War and disarmament have shaped alliances and pre-occupied governments since the 1940s.

74. I believe that, over the next 40 years, the environment will come to form much of the business of international relations. Environmental protection, like arms control, will be complex and difficult to negotiate on an international scale. The two issues are alike, in that both concern the survival of the human race on this planet. But with nuclear weapons, everyone realises that, however necessary they are for security, they are extremely dangerous. Environmental damage, on the other hand, can arise from peaceful economic activities considered, until only very recently, as harmless, even beneficial. We are only beginning to understand the ecological principles at work, which have to be respected to ensure good environmental practice. All countries have a stake in the solutions. All need to be involved in finding and applying them.

75. Inevitably the arguments about global environmental questions are bound to involve issues of **sovereignty** and **equity**, mutual interest and mutual help. It will not be easy to strike the right balance.

76. For example I talked earlier about the genetic diversity of rainforests being of global importance. Very few political leaders would draw the conclusion reached by the Indonesian Minister of State for Population and the Environment, Emil Salim, who was a distinguished member of the Brundtland Commission. He has described the rainforests as a global resource requiring and deserving finance from all nations for their protection. This is not the view of the Brundtland Report itself, which confined the global commons to Antarctica, the Oceans and Space.

77. A different sort of reaction comes, for example, from Brazil, which has been very jealous of its national sovereignty and territorial integrity ever since Spanish and Portuguese disputes over the Treaty of Tordesillas. In Brazil, rainforest ha[redacted]therto been regarded as a purely national resource to be used in accordance with national priorities. Interference by outsiders is deeply resented although at the same time international opinion seems to be having an effect - thank Heavens! - in raising local perceptions of the value of Amazonia.

78. A local Brazilian Senator reacted to a visit by 5 US Senators and Congressmen in January by writing in a Sao Paulo newspaper:

> "If on the one hand the presence of these arrogant would-be lords of the earth tramples on our sensitivity, on the other it shames us that we have no strategy to exploit Amazonia in a way that preserves the environment".

79. No country, whether developed or developing, can be compelled to change its policies towards the environment. Any international system which sought to use compulsion would defeat its own object. Those who do not want to change their ways could easily evade its requirements. The only way to better environmental practice is to convince countries that it is in their own best interests to change. We have to show them that protecting the environment means a better life, both for themselves now and for their children. We have to make all countries understand that global environmental problems affect every one of them. There can be no free riders, for example, in the efforts to control climate change.

80. Developed and developing countries are already co-operating in identifying mutual interest in protecting the environment. But in the aid field, respect for national decisions has meant that concerned donors have so far provided money for conservation as part of traditional aid programmes. Projects have happened only when recipient governments attached priority to them; and it may be difficult for them to increase the priority for environmental projects when local people are crying out for schools or health

can. But we in Britain have long recognised that improving living standards goes hand in hand with tackling environmental problems. "I believe that this fundamental objective of our aid programme can only be achieved if recipient countries and donors work together on strategies for sustaining the use of renewable natural resources." (I make no excuse for quoting verbatim what I wrote in the foreword to the ODA's booklet on "The Environment and the British Aid Programme" two years ago.) Well directed aid programmes can serve as an encouragement to the adoption of good environmental practice, as they are already encouraging sound economic policies in recipient countries.

81. Another powerful influence on the perception of common interest is clear, well-founded scientific evidence. The scientists have warned us plainly of the dangers of depleting stratospheric ozone by CFCs. On the basis of this evidence, an international regime for protecting the ozone layer has been agreed through **persuasion and diplomatic negotiation.** The Montreal Protocol marks a real breakthrough in international negotiation on environmental issues. But not all countries are involved. In particular, China and India, which have the potential to be major producers of CFCs are not signatories. In an effort to persuade all the non-signatories that CFCs pose a real threat to every nation, we are hosting a major international conference on Saving the Ozone Layer next week. This will provide a showcase for new technology, for example in refrigeration, which will avoid the dangers of CFC emissions. I very much hope that more countries will decide to join the Protocol. I believe we have good arguments to convince them. But in the end, no-one can compel them to join.

82. Some might welcome a supra-national body with powers of compulsion. But this would be a serious error, even more so because, while we have the scientific evidence on CFCs, we do not yet have it on climate warming. We know the danger is there; it will be only too apparent if industrial emissions of carbon dioxide raise world temperatures and bring spring tides lapping over the Thames Barrier. But at this stage we cannot assess the scale, the timetable or the way different regions of the world will be affected. We need more science; and we need to prepare the economics, so that when the scientific results are in, we shall know the best measures to adopt, for developed and developing countries alike.

83. The perception of mutual interest develops slowly and pragmatically. Let no-one kid themselves that we are ready for a culturally and climatically diverse global village to be ruled by an environmental policeman. The world's environmental plight is too important and too immediate for daydreams of supra-nationality to waylay us. We have no time for windy generalities and vapid pieties. Nor can we afford to waste years in wrangles about new institutions. We must use what we have. We must look out for and build on practical initiatives. It may not suit those in the green movement who want to overturn the world made by people, in order to preserve the natural world, but our approach must be heroically prosaic.

84. The successful work done to date on CFCs shows a way. The Tropical Forestry Action Plan with its emphasis on practical coordination and frank discussion is another model. The Inter-Governmental Group on Climate Change has made a successful start. The United Nations Environmental Programme, fresh from its Montreal Protocol triumph, is poised to secure agreement on a Convention on the Transboundary Movement of Hazardous Waste.

85. All these initiatives share at least two features: a substantial British involvement and a connection with the United Nations system. The UN is all too often castigated as a talking shop, but it is the most appropriate forum we have. If it did not exist already, we should need to invent it. But why on earth try to invent it twice over? The UN already has institutions dealing with the environment, social issues, refugees and agriculture. It is up to us to ensure that the UN functions as effectively as possible if we are to achieve sustainable development. That, naturally, begs a host of questions - but we would be better served trying to address those than engaging in the attempt to build new castles in the air.

86. Other institutions must also play key roles. I have mentioned the World Bank a great deal this evening. Environmentalists, especially American ones, love to suggest that its only "green" interest is the "greenback". It certainly helped to finance some projects which went disastrously wrong, as its greatly strengthened Environment Department would be the first to admit. But criticism tends to centre on six of the literally thousands of projects it has helped finance. I believe lessons have been learnt and my staff in London and Washington continue to monitor performance. The Bank is now, as befits its stature, the leader in environmental research and policy initiatives amongst the donors. We keep closely in touch with the Bank's thinking, as the Nepal study demonstrates.

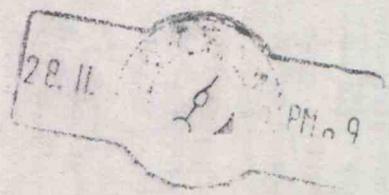
87. I am also pleased that environmental collaboration between bilateral (country) donors is growing through the Development Assistance Committee of the Organisation for Economic Cooperation and Development (the **OECD**) in Paris. Environmental expertise is in short supply and we can usefully share experiences with each other. We also need to discuss together how to handle certain types of project. If global warming means that we should take more explicit account of green-house gas emissions from power stations in our economic appraisals, then we will obviously have to decide guidelines with other donors. Otherwise, if we suggest to a recipient that an energy efficiency project might make more sense, all that is likely to happen is that the recipient will take the efficiency project from us and ask another donor for the power station.

88. I depend for my peroration, as I did for my initial remarks, on my youngest child.

89. Seeking to explain for her the other day the meaning of Pandora's box, I looked up Lempriere's "Classical Dictionary" and read there the description of how Epimetheus opened the beautiful box, given to Pandora by Jupiter. When Epimetheus lifted the lid, "there issued from it a multitude of evils and distempers which dispersed themselves all over the world and which, from that fatal moment, have never ceased to afflict the human race. Hope was the only one who remained at the bottom of the box...."

90. At the risk of abusing the fable, we don't want Hope to remain under wraps. The job for politicans in the next few months and years is to get Hope to fly. We should not delay. We shall of course save the earth. There is no other option. But we must start the hard, grinding, practical work now.

91. "Wise men", wrote Cavafy, wise himself, "are aware of future things/just about to happen". Even wiser men work together when it is an implacable necessity, to stop some future things happening at all. We must and we will. "Evils and distempers" may darken the heavens, but Hope is taking wing.



CCPC

PRIVY COUNCIL OFFICE
WHITEHALL. LONDON SW1A 2AT

24 February 1989

Dear Secretary of State

ANDREW HUNTER'S CONTROL OF SMOKE POLLUTION BILL

Thank you for your letter of ~~10~~ 21 February seeking colleagues' agreement that the text of the Bill attached to your letter should be handed to Andrew Hunter and that the Bill should enjoy Government support.

Malcolm Rifkind wrote endorsing your proposals. No other colleague has commented and this is to confirm that you may take it therefore that you have H Committee's agreement that the Bill should be supported and L Committee's agreement to the text of the Bill which you circulated to Andrew. As with all Private Members' Bills, there is, as you noted, no question of Government time being made available for the Bill.

I am copying this letter to the Prime Minister, Members of H and L Committees and to Sir Robin Butler and First Parliamentary Counsel.

Yours sincerely

pp JOHN WAKEHAM

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment

24.11.
Pl. 9

PRIME MINISTER

OZONE LAYER CONFERENCE: 5-7 MARCH

Charles is letting you have a draft of your keynote speech very shortly. There are one or two points on the outline programme for your time at the Conference on which I would welcome your views.

On Sunday 5 March you should be at the QEII Hall at 0945. Nicholas Ridley will greet you. You in turn are meeting President Moi when he arrives and then for the opening ceremony (very short) welcoming speeches from Mr. Ridley, you and then a substantive speech from President Moi. This will be followed by coffee which will give you a chance to mix with the other delegates.

After coffee there is a session on the scientific background. I assume you will want to see some of this and would also want to go round the small exhibition on environment-friendly products and technology which will be in the hall next to the Conference room. It would be better from the point of view of both security and press (and not least your own enjoyment of it) to look round the exhibition while the sessions are still going on, so that the other delegates are not all jostling round too. The running order of the Science Session is a ten minute video, followed by fifteen minute presentations by five scientists:

Dr. Verhille, from France (who I do not know);
Dr. Rowland, University of California, who is one of the leading authorities in ozone science and should be worth listening to;
Mr. Joe Farman of the British Antarctic Survey (the discoverer of the Antarctic 'hole');
Mr. Bob Watson of NASA on the current state of ozone layer science (who is expected to report more fully on the recent Stavanger expedition to assess ozone depletion over the Arctic);

Finally, Dr. Ilyas of Malaysia about the effects of the ozone layer on human life (whom I do not know).
The whole session would finish shortly after 12 noon. How many of these would you wish to stay for?

I think you and President Moi should aim to leave at the latest after Dr. Watson's presentation so that you can briefly look round the exhibition in peace before seeing President Moi off.
Agree?

There is a reception for delegates in the evening from 1830-2000 in the Durbar Court, which Mr. Ridley is planning to host. Content simply to look in?

Or do you wish to co-host? Yes

You are not involved in any of the Conference activities on Monday 6 March. On Tuesday 7 March you give the keynote speech in the closing session (which lasts from 1000-1045). There is then a press conference at 1115. The top table will consist of you, Bernard, Mr. Ridley, Lord Caithness and Dr. Tolba (Director of the UN Environment Programme).

JM

Is anyone entertaining President Moi for lunch?
nk

DOMINIC MORRIS

24 February 1989

PM3AJI

file PM3
AJC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

23 February 1989

Lord Weinstock, mentioned recently that when cars are being filled up with petrol a considerable amount of noxious fumes escape into the atmosphere and end up adding to the damage to the ozone layer. In most of the United States, it is now compulsory to fit a device to petrol pumps which stops this. He suggested that it would be a signal of our determination to combat damage to the environment if we were to introduce something similar here.

I assume that this refers to benzine and other hydrocarbon evaporation. I recall something similar being proposed in the Community, but for the car rather than petrol pumps, to reduce hydrocarbon vapour emissions from the engine.

I should be grateful for your advice on whether:

(a) the level of these emissions is significant as a contributor to damage to the ozone layer (and to the greenhouse effect);

(b) the cost;

(c) the desirability;

(d) the practicality of an initiative along the lines suggested.

RFM

Could I ask for this, please, by Friday 3 March.

DOMINIC MORRIS

Miss Deborah Lamb,
Department of the Environment.

cc.

Beecham Group p.l.c.

PRESS RELEASE

01·560 5151

Registered in London 227531 Registered Office Beecham House Brentford Middlesex

BEECHAM TOILETRIES CEASES CFC AEROSOL PRODUCTION

Beecham - Britain's second largest toiletries business - has stopped the U.K. production of aerosol products containing chlorofluorocarbon propellants.

Among the Beecham CFC-free toiletries are Silvikrin, Bristows and Falcon hairsprays, Body Mist and Body Check antiperspirants, Silvikrin styling mousses and the Brylcreem range of shave foam, fixing spray, styling mousse and antiperspirant body spray. Beecham Toiletries markets Fenjal body mousse, Slazenger antiperspirant deodorant and body spray and UHU all-purpose spray adhesive which are also CFC-free.

In switching to alternative propellants, Beecham has invested more than £1 million in new equipment mainly at its Maidenhead, Berkshire, factory which produces approximately 50 million aerosol units a year for the U.K. and overseas markets.

Mr. David King, chairman of Beecham Products U.K. Division said: 'We have been reducing the use of CFC propellants since 1980. We have now completely removed them from our products well ahead of the target date set by the 1987 international conference in Montreal, which called for a 50 per cent CFC reduction by 1999.

.../...

Beecham House Brentford Middlesex TW8 9BD Telephone: 01-560 5151 Fax: 01-560 0830/39

'This should be good news for Britain's first international conference on ozone depletion called by Mrs. Thatcher in London between March 5-7 and to be addressed by Prince Charles. It shows that British industry is making progress far in advance of any international agreement on CFC pollution of the world's atmosphere.

'Our aerosols are now being labelled as CFC-free, although it will take a little time before this applies to all our products in the shops,' said Mr. King.

Ends

22 February 1989

Enquiries: Monty Meth
01-975-3800

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Dominic Morris Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

22 February 1989

Dear Dominic,

"SAVING THE OZONE LAYER" CONFERENCE: 5/7 FEBRUARY

Thank you for your letter of 14 February.

Professor Lovelock. As you know my Ministers have had to turn down many requests from senior politicians, industrialists and scientists to attend the Conference. In order to avoid setting a precedent in the case of Professor Lovelock, would the Prime Minister agree to his being designated a member of her personal party at the Conference? If so, the initial invitation might best come from your office - although if you prefer we will contact Professor Lovelock ourselves.

Retailers. The major part of the industry presentations (and the accompanying exhibition) will concentrate on the production of CFCs and halons and their primary uses, eg in aerosols and refrigeration equipment. The retailers will be represented on the Conference platform by Lord Sainsbury and hence by Sainsburys in the exhibition also, on the basis that we are offering the companies speakers an exhibition stand. Lack of space and time means that we could not fit in other retailers. However, we are incorporating references to other environmentally friendly producers and products in the revised draft speech for the Prime Minister and the stand taken by non-governmental organisations is likely to highlight aspects of green consumerism.

Note on substitutes for CFCs. This is attached.

Prime Minister's Programme. The timings of what I proposed in my letter of 6 February are:

Sunday 5 March

9.40am Prime Minister arrives at Conference Centre

9.45am Moi arrives. Photocall at entrance?

Prime Minister introduces Moi in entrance foyer to DOE Ministers, Lord Glenarthur, Dr Tolba (Executive Director of UNEP) and senior officials. (We imagine that the Kenyan Minister leading their country delegation and their High Commissioner will also be in the party.) VIP party retires to Nightingale room.

10.00am Opening Ceremony, Churchill Auditorium.

Speakers: (a) Mr Ridley (to introduce the Prime Minister)

(b) Prime Minister - say, 3 minutes, to welcome delegates.

(c) President Moi - around 15 minutes

(d) Mr Ridley - a couple of minutes on practical details.

10.30am Coffee break, Benjamin Britten Lounge.

11.00am Session 1 (Scientific Background)
(Fleming/Whittle Room

Mr Ridley introduces session Chairman (Mr Istvan Lang, Director General of the Hungarian Academy of Sciences).

11.02am DOE video on ozone layer protection

11.15am First speaker: Dr M Verhille (Atochem, France): the industrial/scientific background of CFC/halons

11.25am Second speaker: Dr F S Rowland, (University of California): the first hypothesis of ozone layer destruction.

If the Prime Minister wished to stay in the plenary session for the first two speakers above, she would be free to leave at 11.35am when we suggest she and Moi visit the industry exhibition accompanied by Mrs Bottomley. This could include another photocall. On that basis she would still be free to leave the Conference Centre before noon.

(The Science session will continue in the meantime with further 10 minute talks by Mr Joe Farman of the British Antarctic Survey about the discovery of the Antarctic hole: Mr Bob Watson of NASA about state of the ozone layer science; and Dr M Ilyas of the University of Science of Malaysia about the effects of ozone layer depletion on human and other life. The Session is planned to end at 12.05pm).

Our Press Office and yours are walking round the Conference Centre on Thursday 23 February on the basis of the draft programme above, to consider practical details.

FCO advise that President Moi will probably be content to follow the Prime Minister's own programme on the Sunday morning.

The Secretary of State would be grateful to know whether she is content with the more detailed programme outlined above.

We will shortly be forwarding the revised closing speech and further background briefing. I am however enclosing notes for a short introductory statement by the Prime Minister at the opening ceremony.

I am copying this to Stephen Wall, Myles Wickstead, Jeremy Godfrey and Trevor Woolley.

Yours,

Deborah.

DEBORAH LAMB
Private Secretary

PPS

BRITISH AEROSOL MANUFACTURERS' ASSOCIATION

BAMA

KINGS BUILDINGS • SMITH SQUARE • LONDON SW1P 3JJ • TELEPHONE 01·828·5111 • TELEFAX 01·834·4469 • TELEX 916672 CHEMIN G

A23

22 February 1989

Rt Hon Mrs Thatcher FRS MP
The Prime Minister
10 Downing Street
LONDON SW1A 2AA

Dear Mrs Thatcher

Thank you for Ms Gaisman's letter of 23 January about the British Aerosol Manufacturers' Association's 40th anniversary dinner in the autumn.

I am, of course, disappointed that you are not able to be present but I do fully appreciate how busy your schedule is.

As you will know, our Association is having an exhibition stand at the International Conference on Saving the Ozone Layer and hosting a seminar. We would be delighted if you are able to pay us a brief visit during the conference and discuss how our industry is contributing to the Government's declared objective of phasing out chlorofluorocarbons (CFCs) in this country.

I do hope that you will have a few moments to visit us during the conference.

Yours sincerely

Denis Foulger
Chairman

Director: D. J. Roberts ERD BSc

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MR MORRIS

Arnold Weinstock telephoned me this evening on an environmental point.

When a car is being filled up with petrol quite a number of noxious fumes escape into the atmosphere and end up adding to the damage to the ozone layer. In most of the United States it is now compulsory to fit a device to petrol pumps which filters out these fumes. It would be an earnest of our determination to combat damage to the environment if we were to introduce something similar here.

Surprise, surprise, GEC just happen to manufacture these devices so Arnold (even Arnold) feels constrained from launching such an initiative himself. But he thinks it would be an excellent idea if someone else were to do so! We might consider how this should be taken forward, if at all.

CDP

Charles Powell

22 February 1989

MJ2DHQ

EC/PC

DEPARTMENT OF HEALTH AND SOCIAL SECURITY
Richmond House, 79 Whitehall, London SW1A 2NS
Telephone 01-210 3000

From the Secretary of State for Social ~~Services~~ Security

26/2

Ms Deborah Lamb
Private Secretary to
The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

22 February 1989

Dear Deborah

SAVING THE OZONE LAYER CONFERENCE 5-7 MARCH

My Secretary of State is grateful for your Secretary of State's letter of 8 February and the list of participants in this conference. He does not propose to arrange meetings with any of these visitors but he would be grateful if you would let him have the final list so that he can know who else is coming.

Yours sincerely

Gill Littlehales

GILL LITTLEHALES
Private Secretary

ENV. AFFAIRS: Andrew pt 7

ccfc

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

RW

The Rt Hon Sir Geoffrey Howe QC MP
Foreign and Commonwealth Office
Downing Street
LONDON
SW1

21 February 1989

Attach FCO rply
QMD 21/2.

Dear Foreign Secretary,

OZONE CONFERENCE: ASSISTING DEVELOPING COUNTRIES

Our major international conference - "Saving the Ozone Layer" - in early March is designed to underline the importance of further reductions in CFCs and to show how these can be achieved. We intend that the conference should focus on increasing the number of signatories of the Montreal Protocol and on stressing the availability of alternative substances and technologies.

Developing countries are crucial to the success of international measures to protect the ozone layer because, as things stand, the developing countries (particularly industrialising countries with large populations like China and India) are the ones with potential for huge growth in CFC emissions, which would swamp any savings by the developed world. It is inevitable that the issue of how developing countries can be helped to play their part and avoid use of CFCs will arise at the conference. Indeed, an important sub-theme of the conference will be the particular needs of developing countries and who they can be tackled. It is highly likely that the UK will come under pressure to say what we propose to do in concrete terms to assist developing countries, with aid, alternative technologies, information etc. This whole issue is set to gather momentum and is likely in any event to be a feature of the first meeting of the Protocol parties in May, since various possible measures are mentioned in the Protocol.

Our officials have been considering, in the light of wider policy on trade, credits and aid, what the policy on assisting developing countries should be, including the possibility of initiatives which we might announce at the conference. A draft policy statement is attached which is inevitably constrained by broader considerations - for example, the need to safeguard firms' legitimate commercial interests and intellectual property rights, and the state of the negotiations proceeding in GATT and other international fora.

The statement contains a little useful material. But even though I recognise that we cannot treat CFCs in isolation I have to say that the statement, reflecting what it has been possible to agree at official level, does not add up to much as an incentive to persuade developing countries to play their part in saving the ozone layer. We will face criticism if we do not offer practical and concrete help at the Conference to discourage the use of damaging CFCs. There is much to be gained both in direct environmental benefit and in goodwill for modest measures which will have no more than a marginal effect on markets.

The developed countries as a group will be under pressure to make an offer of help. The developed countries have more to lose than the less developed, and as they tend to be in higher latitudes they are more at risk. Their populations, having a greater preponderance of light-skinned people, are also considerably more susceptible to UVB-induced skin cancer. Therefore we and the other developed countries have an even stronger interest in reducing CFC pollution than do the developing countries. I suggest that this is a better use of our aid programme than some we have employed hitherto.

With these thoughts in mind I should be grateful if you and Nigel Lawson, David Young, and Chris Patten, could re-examine the policy statement and suggest improvements that we can offer. For example, could we offer to focus some of our aid more precisely on CFC-related projects or in other ways increase our support for them? I should welcome favourable responses by 24 February, since time is getting short before the conference.

Copies of this letter go to the Prime Minister (for information), Nigel Lawson, David Young, Chris Patten and Sir Robin Butler.

Yours sincerely,

Deborah Lamb

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

MONTREAL PROTOCOL: POLICY STATEMENT ON ASSISTING DEVELOPING COUNTRIES

1. Developing countries have a crucial role to play in global efforts to protect the ozone layer by reducing CFC use as far as possible and preferably avoiding it entirely.

2. The UK recognises that developing countries need assistance to play their part. The Montreal Protocol includes provisions to help them.

3. The UK will promote better access to technologies and information by developing countries having regard to commercial and intellectual property considerations where appropriate. It will encourage industry to participate actively to this end, for example through direct contacts between industry and developing countries. The UK will encourage the establishment of mechanisms under the Protocol to facilitate this by bringing together potential suppliers and potential users of alternative substances, products and processes.

4. The UK is willing to provide technical information, focussed on the problem, from its databases of published literature.

5. Subject to the usual country and underwriting conditions, the UK is willing to consider requests for support for alternative technologies.

6. The UK will discuss with its partners in OECD and the Berne Union of Export Credit Insurers whether the export of goods and services which promote the objective of reducing or avoiding use of CFCs and halons might be encouraged through new export credit policy initiatives.

7. As part of its overseas aid programmes, including through the Aid and Trade Provision, the UK is ready to do all it can within the resources available to respond positively to requests for assistance for developing countries. We will be prepared to help find ways of avoiding the use of CFCs and examine the implications of adopting CFC-free strategies. We will be prepared to consider such help as part of our bilateral aid programmes, our finance of research relevant to developing countries, and of our position in multilateral aid institutions in encouraging them to consider funding assistance.

8. The UK will support collaborative activity under the Protocol to clarify the technology, technical assistance and information needs of developing countries, as has begun in the UNEP working group in The Hague.

CCPC

ST. ANDREW'S HOUSE
EDINBURGH EH1 3SX

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall London
SW1A 2AT

20 February 1989

Dear John.

CONTROL OF SMOKE POLLUTION BILL

I have seen Nicholas Ridley's letter to you of ~~10~~ 21st February.

I am in agreement with the line which he proposes. If the Bill proceeds, my Department can provide the necessary administrative support for it to be applied to Scotland, but if it fails to get a Second Reading we would be ready to let it die.

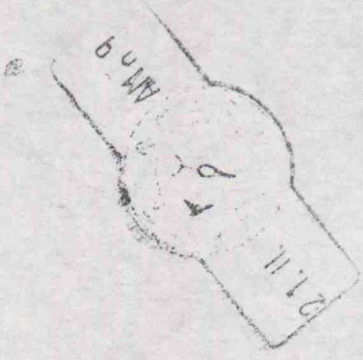
I am copying this letter to the Prime Minister, Members of H and L Committees and to Sir Robin Butler.

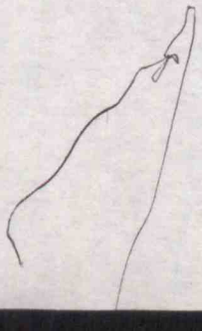
Yours ever,

MALCOLM RIFKIND

RLI01981.029

ENU AFFAIRS : Aad Zaun PTY.





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10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

20 February 1989

GLOBAL CLIMATIC CHANGE

Thank you for sending me a copy of your submission to the Prime Minister on the Sherpa meeting and the material on global climatic change attached to it. The Prime Minister certainly intends her speech at the Ozone Conference to pre-empt The Hague Conference.

Many of the ideas in your material are already in the synopsis, but having seen your Appendix B on the economic aspects of the environment I think there is scope to strengthen that part of the speech dealing with solutions. See X on the attached synopsis. We will want to emphasise that the methods by which targets are achieved

- work with the grain of market mechanisms;
- avoid putting the industries of more progressive countries at a competitive disadvantage;
- are relevant to third world countries as well as industrial countries.

ANDREW TURNBULL

Nigel Wicks Esq CVO CBE
Treasury

CONFIDENTIAL

SW2AQZ

PRIME MINISTERS SPEECH TO LONDON OZONE CONFERENCE

DRAFT SYNOPSIS

- For several centuries we have all worked on the assumption that mankind could pursue the goal of steady economic progress without paying attention to the effect on the fundamental equilibrium of the world's systems and atmosphere.

- In a very short space of time, that comfortable assumption has been changed. We now realise that major changes in the atmosphere's chemistry have taken place, even though we still do not fully understand the scale and nature of them.

- We need to create greater public awareness of the problems and understanding of the need for action, without creating an atmosphere of crisis or panic. Considerable progress has already been made with this, e.g. sale of ozone-friendly products.

- Science has solved many problems in the past and there is every reason to expect it to help us solve these new problems, without sacrificing economic development. We realise how important this last point is for the LDCs.

- The first need is for good science, to understand what is happening to the atmosphere's chemistry, what needs to be done to restore a balance and the time-span within which action has to be taken. Britain is contributing in a major way, in particular through the work of the British Antarctic Survey.

- We must avoid hasty solutions which only create new problems in other areas, e.g. the effects of three-way catalysts.

- We need to tackle the problems on a global basis. It is not a task for a praetorian guard of privileged countries who arrogate to themselves the duty of laying down rules and

regulations. Every country needs to be involved and play its part. The atmosphere belongs to us all.

- We do not need new institutions. We have the international bodies already, above all UNEP. Institution-building only distracts from the real tasks.

- The priority is to identify specific and practical steps which will slow down the damage to the ozone layer and eventually reverse the trend.

- That has been the purpose of the London Conference. It has been an Action Conference. It has increased awareness of the problem. And it has identified a clear course of action - a commitment to a very major reduction in the use of CFCs - which will help deal with it.

- Of course it is not the last word. The Conference is just one step in a process which must continue. The next step is the meeting in Helsinki in May where the parties to the Montreal Protocol will have a more detailed discussion of the scientific and technological aspects. We must keep up the momentum.

- But already as a result of this conference we can see that there are technological solutions to ozone depletion that can be brought within the reach of every country. This will help Third World countries avoid the mistakes which the industrialised countries have made.

- We must also find solutions which are compatible with continued and sustained economic growth and meet the hopes of Third World countries for higher standards of living. Moreover, we need the prosperity to finance and make possible the solutions.

- The action is not all for governments, there is a role for industry and the private sector in developing new technologies.

- The most important task of all is to change attitudes, to make people realise that simply carrying on as we are is not an option.

FAXD
DUTY CLARK (INFO)
VILLT.

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TELNO 156
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INFO PRIORITY CANBERRA, WELLINGTON, STOCKHOLM

FOR S OF S PARTY
FOLLOWING TELEGRAM NOW REPEATED TO YOU AT REQUEST OF MAED
WAS RECEIVED FROM WASHINGTON TELNO 467 OF 17 FEBRUARY.
BEGINS.
INFO ROUTINE PARIS, THE HAGUE, OTTAWA, OSLO, MOSCOW, TOKYO
INFO ROUTINE UKMIS NEW YORK, UKREP BRUSSELS

MY TELEGRAM NO. 393: US REPRESENTATION AT FRANCO/DUTCH/NORWEGIAN OZONE LAYER CONFERENCE
1. MCCORMACK (ECONOMIC UNDER-SECRETARY-DES., STATE) DISCUSSED THIS WITH MINISTER(COMMERCIAL) TODAY. HE GAVE FULL VENT TO US DISLIKE OF THE FRENCH INITIATIVE BUT VOLUNTEERED THAT, IN THE BELIEF THAT IT COULD NOT BE KILLED, THE US SHOULD BE REPRESENTED. HE WAS RECOMMENDING THAT THE US SHOULD ATTEND AS AN OBSERVER AT A LOW LEVEL. WHEN ASKED WHAT THIS MEANT, HE SAID THAT HE HAD IN MIND THE ASSISTANT SECRETARY FOR OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS BUT HE SUSPECTED THAT IT MIGHT END UP WITH THE ADMINISTRATOR OF THE EPA. WE COMMENTED THAT THE LATTER WAS HARDLY LOW-LEVEL.
2. MINISTER (COMMERCIAL) IS SEEING MCCORMACK AGAIN ON THE AFTERNOON OF WEDNESDAY, 22 FEBRUARY, WHICH WILL BE AN OPPORTUNITY TO FEED IN ANY FURTHER UK VIEWS AT A HIGH LEVEL. ALTHOUGH NOT YET CONFIRMED, MC CORMACK CLEARLY REGARDS HIMSELF AS ABLE TO LISTEN AND ADVISE AND HE HAS BEEN SPECIFICALLY AUTHORISED BY BOTH PARTIES IN THE SENATE ACTUALLY TO CONDUCT AFFAIRS RELATING TO THE ECONOMIC SUMMIT IN ADVANCE OF HIS CONFIRMATION.
ENDS.

HOWE

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TO PRIORITY FCO
TELNO 236
OF 180420Z FEBRUARY 89

FRENCH ENVIRONMENTAL INITIATIVE

SUMMARY

1. TOLBA, EXECUTIVE DIRECTOR OF THE UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP) UNHAPPY ABOUT THE FRENCH INITIATIVE WHICH HE CONTRASTED UNFAVOURABLY WITH THE LONDON CONFERENCE ON THE OZONE LAYER.

DETAIL

2. AT A PRIVATE MEETING WITH ME ON 17 FEBRUARY, TOLBA REFERRED WITHERINGLY TO THE HAGUE CONFERENCE ON 11 MARCH. HE SAID THAT THE INITIATIVE WAS CREATING CONFUSION. THE UNSECRET SECRECY WHICH SURROUNDED THE FRENCH PROPOSAL WAS ADDING TO THE PROBLEM. IN THE PAST FEW DAYS THE HEADS OF GOVERNMENT OF EGYPT, SENEGAL AND MALTA HAD SENT HIM MESSAGES SEEKING HIS ADVICE ON WHETHER OR NOT THEY SHOULD ATTEND. THE SPONSORS OF THE CONFERENCE WERE PLAYING WITH FIRE. FOR EXAMPLE ON CLIMATE THE PROPOSED DECLARATION WOULD CUT ACROSS THE WORK OF THE INTERGOVERNMENTAL PANEL. THE WORDING WAS ANYWAY AMATEUR. THE IDEA OF SANCTIONS MADE NO SENSE IN PRESENT CIRCUMSTANCES. IT WAS PARTICULARLY REGRETTABLE THAT NEITHER OF THE SUPER-POWERS HAD BEEN INVITED. TOLBA CONTRASTED THIS WITH THE FORTHCOMING LONDON CONFERENCE. THE LATTER WAS NOT A SHOW. IT COULD MAKE A REAL CONTRIBUTION BY DEMONSTRATING ALTERNATIVES TO CFCS.

3. TOLBA WAS INCENSED THAT HE HAD NOT RECEIVED AN INVITATION TO THE HAGUE CONFERENCE EITHER IN HIS PERSONAL CAPACITY OR AS HEAD OF UNEP. THIS WAS IN SPITE OF ROCARD SENDING HIS PERSONAL PLANE TO GENEVA TO COLLECT HIM SO THAT HE COULD CONSULT HIM ABOUT THE FRENCH PROPOSALS. A GENERAL INVITIATION HAD BEEN ISSUED TO THE UNITED NATIONS, AND ON 16 FEBRUARY THE THREE HOST COUNTRY PERMANENT REPRESENTATIVES (THE FRENCH, DUTCH AND NORWEGIANS) HAD SUGGESTED THE ATTENDANCE OF THE SECRETARY-GENERAL, TOLBA, AND THE NEW DIRECTOR-GENERAL (BLANCA). THE SECRETARY-GENERAL WOULD BE UNABLE TO ATTEND. TOLBA HIMSELF WAS UNWILLING TO BE PRESENT AS AN OBSERVER: HIS SILENCE MIGHT BE INTERPRETED AS AGREEMENT. IT THEREFORE SEEMED THAT THE UNITED NATIONS WOULD BE REPRESENTED BY

BLANCA WHO WAS ENTIRELY NEW TO THE SUBJECT.

COMMENT
4. ALTHOUGH THERE IS NO DOUBT ABOUT TOLBA'S OPPOSITION TO THE FRENCH INITIATIVE, I WOULD NOT RULE OUT HIS ATTENDANCE AT THE HAGUE MEETING IF THE THREE HOST GOVERNMENTS WERE TO LEAN ON HIM. BLANCA WHO KNOWS LITTLE ABOUT THE UNITED NATIONS, HIS NEW RESPONSIBOLITIES OR THE ENVIRONMENT, IS UNLIKELY TO MAKE ANY CONTRIBUTION. HIS PRESENCE AT THE MEETING COULD NEVERTHELESS BE UNFORTUNATE AS IT MIGHT BE INTERPRETED AS SOME KIND OF UNITED NATIONS BLESSING FOR THE INITIATIVE.

TICKELL

YYYY

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NNNN

Dr
A Turnbull
Charles is dealing with the
Gulf Summit business. Can
we have a word about X to
see if there is anything that is
not already being done
AT 17/2

ECGG

H M Treasury

Parliament Street London SW1P 3AG

Switchboard 01-270 3000

Direct Dialling 01-270 .....

N L Wicks CVO CBE
Second Permanent Secretary

A Turnbull Esq
10 Downing Street
LONDON
SW1

17 February 1989

Dear Andrew,

GLOBAL CLIMATIC CHANGE

I have today sent a minute to the Prime Minister seeking her guidance for the Sherpa meeting next weekend in Lascaux. You will see that attached to my submission are notes on environmental issues - a proposed "game plan" for the 1989 Economic Summit and a note on economic aspects of the environment.

I think that there is some good material in those notes and I was wondering whether some of it could be worked up into another "environmental" speech for the Prime Minister. I understand that she will be making a speech at the "Ozone Conference", which perhaps conveniently takes place just before the French inspired meeting of heads of government. It seems to me - and I readily confess that I do not see the full picture from my desk here - that such a speech could pre-empt, in a positive and reasoned manner, the Hague Conference.

Of course, you may already have this in mind.

Yours ever,
Nigel Wicks

N L WICKS

Andrew.

CONFIDENTIAL

FROM: N L WICKS
DATE: 17 FEBRUARY 1989

PRIME MINISTER

PARIS ECONOMIC SUMMIT

The Sherpas are meeting in France on Saturday 25 and Sunday 26 February for their first full meeting to prepare for the Paris Summit. I should be grateful for your guidance on the line to take in the discussion.

2. A Sherpa discussion so long before the Summit is more justified this year. It provides an opportunity:

- to introduce the new US Sherpa (probably Richard McCormack) to the Summit arrangements; and

- to stress yet again to Attali that the Summit is an occasion for serious business, not a side show of the Revolutionary celebrations.

This year, of all years, we need to be on our guard for the perennial French hankering after the extravagant and spectacular gesture.

Agenda for Paris Summit

3. The three important international economic meetings before the Summit - Bank/Fund Spring meetings (3/4 April), GATT Trade Negotiating Committee (3 April) and the OECD Ministerial Council (31 May/1 June) - will help set the scene for the Summit.

4. At this Sherpa meeting I propose to say that the agenda for the Summit was effectively set in the Toronto Communique - rolling forward into this third Summit cycle the policies which brought success in the second, essentially:

- eradication of inflation and of inflationary expectations;

- concentration on a medium-term framework for the development and implementation of economic policies;

- improving efficiency and adaptability of economies through greater reliance on competitive forces and structural reform;

- resisting protectionism and strengthening the multilateral trading system;

- dealing with the world agricultural problem;

- continuing the strategy to address the challenge of development and tackling the burden of debt;

- increased commitment to international co-operation and an intensification of the process of international policy co-ordination through G7 etc.

5. I will suggest that the main business of the Summit should be:

(i) to examine developments under these headings during the last year; and

(ii) to agree on the action needed to carry the policies through in the years ahead.

Not the stuff for exciting Communiques - but undoubtedly the basis for sound economic policy making!

Prospects for the World Economy

6. The performance of the world economy in 1988 further demonstrated the value of applying in the G7 countries the economic policies endorsed at recent Summits; 1988 saw a high level of economic growth, sustained by strong investment with

moderate inflation in view of the high level of activity. For 1989, the outlook for growth is still promising, and there is a reasonable prospect that inflation can be contained provided that the G7 countries maintain appropriate monetary policies. But after some progress in 1988 in reducing, as a percentage of GNP, the US trade deficit and the Japanese, but not the German, surplus, it seems that the adjustment has now slowed down, if not halted. My US and French colleagues may argue that this pause in the adjustment process will cause difficulties for the world economy, such as protectionism - in reaction to the US trade deficit - or a collapse of the dollar - if there are difficulties in financing the US deficit. These fears are overdone: the Bush Administration's task in resisting protectionism should be easier than the Reagan Administration's in view of the US's higher levels of capacity utilisation. Nevertheless, the US may still press for economic stimulation in Germany and Japan by relaxing fiscal and monetary policy.

7. Regarding the German trade surpluses, I propose to be guided by the approach suggested in the letter of today from the Chancellor of the Exchequer's Private Secretary and concentrate on the need for structural reform. I believe a similar approach is appropriate for Japan. Both Kohl and Takeshita have domestic preoccupations and the Summit should provide an important opportunity to remind them not to let structural reforms slip off their political agendas. For the Germans, this means carrying forward deregulation of financial services, agriculture, and air and road transport and the reduction of industrial subsidies (particularly coal and steel). We should emphasise that such reforms will benefit the German economy generally and raise its level of growth from which its trading partners will benefit. For the Japanese, structural reform should focus particularly on the taxation and holding of land, agriculture, the distribution system and air transport. As for the US, the emphasis here should be on the need to reduce their budget deficit, not so much because of any possible improvement for their trade deficit, but because of the benefits to the US economy from reducing the share of the nation's savings pre-empted by the government sector.

8. I shall not support calls for fiscal or monetary stimulation in Germany and Japan and will caution against alarmist talk about the consequences of the slow down in the adjustment of trade flows as follows:

- adjustment of the trade flows is likely to take longer than originally expected;

- in the meantime current account surpluses and deficits ought to be financeable so long as the markets are convinced that progress has not gone into reverse and the G7 countries continue to follow the right economic policies, namely

a. monetary policies which bear down on inflation, with a view to eliminating it completely;

b. fiscal policies which provide for stability in the medium term, with a view to eliminating structural deficits so that government does not appropriate private savings;

c. structural policies to improve the efficiency of economics.

- Above all, G7 countries should avoid giving the impression to the markets that they are in disagreement about economic policies.

Other Economic issues

9. Trade and agriculture have been important topics at the past few Summits, and you will, I am sure, want this to continue. There will have been the important meeting of the Trade Negotiating Committee in April before this Summit. But regardless of how the Uruguay round negotiations are going in July, there will be scope for a message from G7 heads of government to the GATT negotiators. A structural problem common to Germany, the US and Japan, and the other Summit participants, is agriculture and you will, no doubt, wish to use the Summit to sustain the pressure

for agricultural reform. Indeed, it might be right for us to push trade and agriculture - where the French are on the defensive - to the forefront of the Summit discussions both because of the two issues' own importance and as a tactic to head off unwelcome French ambitions eg on debt. The Summit will provide a good opportunity, too, to reinforce our message that 1992 will not bring a Fortress Europe. There will also need to be some reference to dialogue with the NIEs.

10. Debt is likely to loom large at the Summit. The French have their unsatisfactory Mitterand plan already on the table. They will want to work for a Summit debt initiative or, failing that, a strong impulse to the Annual World Bank/Fund meetings in the autumn. The Japanese, too, have a "plan" and the US may produce their own initiative.

11. These ideas will be discussed by G7 Finance Ministers at the Spring Meetings. Discussion is increasingly focusing on encouraging market based debt reduction by the middle-income countries in ways which:

- encourage sustained adjustment by debtors;

- arrest the transfer from banks to the public sectors (particularly export credit agencies and also international financial institutions) of the financing burden of debtor countries; and

- preserve the proper roles of the World Bank and the Fund.

We should be able to support sensible ideas which emerge as a contribution to the evolution of the debt strategy within the principles already agreed. A key criteria for us will be that new proposals do not, unlike the Mitterand plan, transfer risk for debtor countries' debt from the private (mainly banking) sector to the public sector.

12. The French will no doubt have other development initiatives in mind - perhaps a further initiative on African debt; certainly

raising the profile of the 0.7 GNP aid commitment; and possibly their costly proposal to control flooding in Bangladesh. We will need to be ready to head off extravagant French initiatives in this area.

13. The growing interest in Eastern Bloc economic reform and the parallel debate on the proper Western response could make for useful discussion at the Summit, probably in the informal sessions rather than in the plenary. There are limits to what the West can do, or should do, to help economic reform in the Soviet Block. The Germans may want to be generous with loans; the Americans, under the eyes of Congress are inclined to caution.

The Environment

14. The environment, especially climatic change, will be a key issue. We need a "game plan" for the approach to the Summit if we are to secure our position that action should be pursued within the existing UN framework rather than by establishing new organisations. With that objective in mind, I attach at Appendix A a note, co-ordinated by the FCO, describing how we might approach the Summit. If you agree with the note, I will speak at the Sherpas' meeting on the lines of paragraphs 6-8 of the note. As you have already said, the economics of global climatic change is an important element here and a note, co-ordinated by the DOE, on the main issues is attached at Appendix B to this note. Its main message is that just as there needs to be international understanding of the science underlying the global climatic change, so there needs to be understanding of the economic issues as well. That understanding of the economics does not exist at the moment: we need to create it. If you agree, I propose to circulate a version of this note for the meeting of Sherpas in April.

15. I should be glad to know whether you are content with the approach regarding the environment.

Economic Priorities

16. So to summarise it looks, as of now, that our priorities for Paris should include:

(i) securing endorsement of the "second Summit cycle" economic policies and agreement to their continuation in the period ahead;

(ii) persuading the Germans and the Japanese to translate talk into action on structural reform;

(iii) keeping up the pressure on the US to take credible and consistent action to reduce its fiscal deficit, both this year and, even more difficult, in 1991 and beyond;

(iv) taking an active part of environmental issues and channelling initiatives into productive directions;

(v) preventing the French turning their Summit into a development spectacular;

(vi) possibly working for an informal discussion between heads of government on East/West economic issues.?

Priorities for debt and for trade and agriculture will only emerge later, though we certainly will want to ensure that pressure for reform in these last two areas is maintained. (An indication of other countries' likely priorities is in Appendix C.)

Foreign Policy Issues

17. It is much too soon to be sure which foreign policy issues will be most on Summit leaders' minds in July. Clearly, there should be a good discussion of East/West diplomacy following Gorbachev's visits to Europe, the likely NATO Summit, negotiations on the conventional forces in Europe and the various US/Soviet contacts. The Summit will also offer a useful forum to set out Western policy on the Middle East peace process. There may be further progress to report on the settlement of regional

conflicts. It has become a tradition, which you will no doubt want to continue, for Summit 7 leaders to discuss terrorism. We need to ensure that the strengthening of international co-operation to combat the drugs trade remains on the Summit agenda, a wish which it looks as if President Mitterand shares from his recent letter to you. So my line on political issues in the Sherpas' discussion would be that:

(i) events nearer the time will dictate the foreign policy agenda; but

(ii) I would expect heads of government to want to review foreign policy issues of major importance such as East/West relations and the Middle East peace process;

(iii) we attach importance to Summit 7 endorsement of post-Lockerbie measures against terrorism;

(iv) drugs remains an area where continued international co-operation is vital;

(v) foreign policy hobby-horses of individual countries of only marginal collective interest should be excluded from the agenda.

18. I should be glad to know whether you agree that I should take the approach above in the forthcoming Sherpa discussions.

19. I am sending a copy of this minute to the Foreign & Commonwealth Secretary, the Chancellor of the Exchequer and to Sir Robin Butler.

N. L. W.

N L WICKS

ENVIRONMENT: GAME PLAN FOR THE 1989 ECONOMIC SUMMIT

1. A number of serious environmental challenges face the international community. Various countries have proposed or are considering initiatives on the environment, both at the national and international level (see Annex A). In view of the global nature of these matters, HMG considers that action can best be pursued through existing organisations within the UN framework. The Paris Economic Summit could be used to give impulse to this approach.

2. Objectives for the Paris Summit

a) Summit should concentrate on worldwide environmental issues requiring international action, notably climate change, avoiding regional issues;

b) Summit participants should have a serious and well prepared debate on the economic aspects of dealing with climate change;

c) Summit should stimulate work in existing organisations suitably strengthened, not create new ones.

This approach should be advanced, as necessary, to counter more ambitious French ideas for a new supra-national body with powers to improve sanctions on countries who fail to observe environmental standards and to pay 'compensation' to those that have difficulty in meeting them.

3. Arguments in support of objectives

The following arguments could be developed at the Sherpas' meeting on 24-26 February:

i) Essential that action be taken internationally, not by individual countries. Climate change is a truly global problem.

ii) First step will be to secure a common understanding of the problems involved, and to pursue them on the basis of

shared research. We are already a considerable way down that road, but it will be some time (years rather than months) before full scientific results are available.

iii) Priorities for action should be:

a) To establish general principles and urge all countries to conform to them.

b) To reinforce those principles by a set of global targets, allocated among countries.

At the present stage of scientific research it might not be possible to specify the targets. But a general framework should be agreed, possibly in the form of a new UN Convention. Separate protocols would be concluded, containing precise targets, when the scientific evidence is available on which such targets could be based.

iv) Further work is needed to outline measures which are economically viable and socially and politically acceptable to respond to the scientific findings and to ensure that the targets are actually met. Market based measures to be preferred to a regulatory approach (see para 6 below).

v) Special factors apply to developing countries. Proposals from developed countries should be consistent with the concept of sustainable development. We should encourage the LDCs to: take action to help preserve their own environmental resources, eg conserve their forests; and to invest in energy saving technology. Developed countries would have to recognise that there could be substantial resource costs in achieving the active support and co-operation of the LDCs.

vi) No need for new international institutions. Problems should be dealt with within existing organisations such as UNEP, which should be strengthened as necessary. Since

world-wide coverage is required, the UN system is the obvious focus for action - any new institutions would simply duplicate existing bodies (see Annex A).

4. Attitude of G7 partners

The French Prime Minister, Rocard, will table his proposals at a meeting of Heads of Government on 11 March. The French claim to be supported by the Germans. They have also approached the UK, Japan, and Canada, all of whom are hesitant about Rocard's plan. They have not approached the US or the European Commission or Italy.

5. We could expect the UK approach to be endorsed by the US. Our stress on economic measures could have some appeal to the Germans. The Canadians are already working on a Convention on the protection of the atmosphere. But all G7 partners will have to consider their approach to the Rocard Plan.

6. Next Steps

At the February Sherpas' meeting Mr Wicks, in support of the arguments proposed in paragraph 3 above, might promise a UK paper on the economics of environmental protection to stimulate discussion at the third meeting of Personal Representatives, on 7-9 April. (Tactically, it would be too early to table this in February; it would be better to seek general backing for our approach first.) The Department of the Environment, in consultation with other Departments, have provided a draft (Appendix B); it draws on the paper submitted as Annex I to the Cabinet Office note on climate change.

7. Mr Wicks could draw on Annex A, in order to underline the work in progress in existing organisations. He could, if appropriate, circulate to sherpas a note on these lines. But we will not be ready to discuss our wider ideas.

8. In addition to securing a statement on the environment in the Summit declaration (recording the results of the leaders' discussions, giving a strong stimulus to work within the UN, and

possibly referring to the drawing up of a Convention on Global Climate, the Summit could also stimulate further work in the OECD and the World Bank; these bodies could concentrate on the economic policy options for developed and developing countries consistent with effective and realistic action on these global environmental problems.

ECONOMIC RELATIONS DEPARTMENT
February 1989

ANNEX A

EXISTING ENVIRONMENTAL BODIES/INITIATIVES

I Organisations within the UN Framework

Vienna Convention on the Protection of the Ozone Layer: first meeting of contracting parties. This is an umbrella convention: no particular initiative envisaged/needed.	Helsinki, April 19
Montreal Protocol: first meeting of contracting parties. This meeting will start the ball rolling on the review process and one of the purposes of the UK Conference on Saving the Ozone Layer is to give political impetus to this process. It will be completed at the London review meeting (see below) in 1990. We have already called for a speedier implementation of the Montreal undertakings: this will be pursued particularly in the EC framework, but the main difficulties will arise in persuading the developing countries to adopt tougher restrictions.	Helsinki, May 1989
UNEP: 15th (biannual) Governing Council. Regular event: massive agenda covering all UNEP's work programme. The Executive Director is likely to call for increased national contributions: we should be able to respond with increased support.	Nairobi, 15-26 May 1989
Inter-Governmental Panel on Climate Change. Second meeting. This joint WMO/UNEP body was set up in November 1988, and the UNGA called for a report in early 1990. The Geneva meeting will review progress to date in the three working groups. It is in the context of the Panel's eventual report that we shall be considering a possible convention on global climate.	Geneva, June/July 1989
Second World Climate Conference: this will consider the report of the Inter-Governmental Panel.	mid/late 1990
Montreal Protocol: second meeting of contracting parties. This meeting will review the Protocol, following the first meeting in Helsinki (see above).	London, April 1990
UN Conference on the Environment and Development. This Conference will mark the 20th Anniversary of the 1972 Stockholm Conference on the Human Environment,	1992

/which

which established UNEP. The agenda, date and venue have yet to be determined: the Executive Director of UNEP has been charged with producing a report for the UNGA this year.

UN General Assembly. More form will need to be given to the 20th Anniversary Conference, and there will be pressure, before the Report of the Inter-Governmental Panel, for action on climate change.	September/December 1989

II Other International Fora

CHOGM. The Commonwealth Secretariat envisage a Declaration on the Environment. Interdepartmental discussion is proceeding on the best way of focussing this.	Kuala Lumpur, 18-24 October 1989

III National Initiatives

UK Conference on Saving the Ozone Layer.	5-7 March 1989
French inspired meeting of Heads of Government to launch the Rocard initiative with a Declaration on the Environment.	The Hague, 11 March 1989
UK Ministerial Seminar on Climate Change.	April 1989
Japanese Conference on global environmental issues (climate change, tropical forests, pollution in developing countries).	Tokyo, 11-13 September 19
Dutch Ministerial Conference on Climate Change.	Not known
Finnish Conference on Environmental Protection of the Arctic.	Not known

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PARIS ECONOMIC SUMMIT: ECONOMIC ASPECTS OF THE ENVIRONMENT

The Problem

1. Environment now a major policy issue. Global issues particularly to the fore. UK favours pragmatic approach based on sound science. But must also have an economic basis to decision-making, since environmental protection incurs costs, uses resources, and entails decisions about priorities.

2. Climate change a classic example. UNEP/WMO already have in hand a research programme to analyse the science, the impacts and the possible responses. Assessments are needed of the implications of adapting to changing climate, of making changes where adapting is not possible and of preventing emissions of greenhouse gases. There are diverse sources of greenhouse gases and a variety of options, with different cost implications, for controlling production and build-up of those gases.

3. UK strongly supports the present scientific approach. But it lacks an economic dimension, which would enable us to cost options, to analyse the benefits of those options in order to produce an order of priorities, to test the sustainability of those options in terms of resource use, and to assess the optimal timing of response measures. Such an approach would enable the world community to make well-informed decisions about:-

a. The trade-off between the acceptable amount of climate warming, and the feasible/ economic degree of emission reduction to be achieved.

b. The allocation of emission reductions between different gases, and different countries.

c. The timing of remedial measures.

Major Economic Issues

4. The big issues to be tackled in terms of the economics of climate change include:-

a. The extent to which market mechanisms (realistic fuel pricing, carbon taxes and levies, trading in emission permits, charges, and other financial instruments) can be used to achieve environmental objectives in combination with regulation. We need to develop ways and means of working with the grain in economic terms, allowing sufficient flexibility for the market to play its part in finding least cost solutions to environmental problems.

b. How to avoid some countries becoming free-riders, and living off other people's virtuous actions.

c. The extent of possible losses of competitiveness for those who act virtuously, and how to avoid them.

d. How to square the circle between global environmental interests, and an individual country's national economic interest (eg the UK as a large coal burner would find difficulty in complying with any likely global carbon reduction target that a world climate convention might arrive at).

e. Whether, and if so how, to use aid mechanisms (bilateral and multi-lateral) and other financial inducements (debt?) to transfer resources to developing countries both for remedial measures (eg forestry) and to encourage environmentally desirable action (eg phasing out CFCs).

f. How to achieve the optimal timing of adaptation measures and of arrangements to prevent emissions. This would substantially affect the level of costs incurred by the UK and other countries.

5. The use of the market (item 4(a) above) is particularly important. Price signals need to reflect environmental considerations in order to achieve optimal decisions. At present market mechanisms are probably under-used in environmental protection, and we need to develop ideas about their level and timing. But they cannot be the whole answer. Property rights (see

paragraph 6(f) below) on which this depends are more difficult to establish at the international than the national level. The free-rider problem (item 4(b)) requires special attention to incentives and probably a degree of regulation to achieve international fairness, and the centrally planned economies are less amenable to market pressures. Getting the right balance between market and regulation is crucial.

Methodological Issues

6. Climate change presents conventional economics with a number of problems involving data, technical methods and incentives:-

a. The data is poor, especially when split down to regional or local level. Uncertainty is high. It will take years before matters are improved. So both costs and benefits are difficult to assess accurately.

b. The impacts are distant and uncertain, but very probably irreversible.

c. What is the appropriate precautionary response when dealing with high degrees of uncertainty combined with a possibly catastrophic outcome?

d. The effects are international, and intergenerational. How do we value our children's continued well-being? What do we mean in practice by the Brundtland concept of "sustainable development"?

e. There are many non-quantifiable aspects - including, at present, how to take account of consumption of natural resources.

f. Underlying the economics of the environment is the concept of property rights (to air, for example) and how to allocate them internationally. Can rights to discharge pollutants, for example, be traded between countries and if so how? What is clear is that international externalities require international action.

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7. Techniques such as cost-benefit analysis, discount rates, resource accounting etc need refining for tackling issues having these characteristics. The challenge that faces us is how to develop and present these techniques, on a multi-disciplinary basis, in order to aid the decision-making process.

Diagnosis

8. Need to set analytical work in hand, alongside scientific work, to refine data and analytical methods, so guiding the choice of policies. This should be done well before the deliberations get underway and decisions are due. Several disciplines involved. The centrally planned economies would have particular difficulty in accepting a market-based approach but may appreciate the need for improved incentives. Also we need to reflect the different viewpoints of developed and developing worlds. All this suggests that OECD and the World Bank, both of whom are already working in this area, might be the right agents. But the work should be fed into the UN so that the science and the economics develop together. UNEP are currently not strong on economics, but should perhaps be encouraged to increase their interest in this direction.

9. The ultimate objective is to incorporate the environmental dimension appropriately and quantitatively into everybody's economic decision-taking.

ANNEX: ECONOMIC ISSUES: POSITIONS OF OTHER G7 COUNTRIES

France - Wants to give prominence to debt (particularly middle-income) and environment issues, and to give a general developmental flavour to their Summit (eg flood prevention in Bangladesh). Could be difficult on agriculture.

US - Likely to urge the Germans and Japanese to take macroeconomic action to stimulate their economies. On debt, hostile to transfer of risk, but anxious to do something for Latin America. Could raise 1992, regionalism etc, and will press EC countries to move on agriculture. Position on its twin deficits not yet fully developed.

Japan - Can point to reduction of its current account surplus as a % of GDP. Keen to take a high profile on debt issues as part of their bid for position in the IFIs. Showing interest in environment. Likely to want to secure further reference to their Human Frontier Science Programme. Could raise 1992 etc. Cautious on agriculture.

FRG - Defensive on its current account surplus. Control of inflation clear domestic priority. Likely to be sceptical of new initiatives on debt. Traditional concern with environment. Inflexible on agriculture.

Canada - Similar scepticism on debt. Indications new government may give environment increased attention, particularly in context of World Bank. Strong interest in moving Uruguay Round negotiations forward, especially agriculture.

Italy - Raised environment issues at last minute before Toronto. Concern about FRG surpluses.

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Prime Minister
Do you want Greg Bourne to follow this idea up?
FRCG 17/2

PRIME MINISTER

17 February 1989

Yes MT

NUCLEAR LEVY AND CLIMATIC CHANGE

Norman Lamont and Nicholas Ridley have recently been in correspondence with Cecil Parkinson on the above subject. They have suggested that the nuclear levy, rather than being shared out on a per KWh basis over all fossil fuel stations, should be shared out on CO_2 weighted-KWh basis.

Calculations carried out by myself and by the Treasury with the following assumptions:

- fossil fuel electricity at 3.5p/KWh
- nuclear electricity at 5p/KWh, and
- capacity split nuclear 20%/fossil fuel 80%

show that the nuclear levy on a coal fired station would be 0.3p/KWh and on a combined cycle gas turbine about 0.15p/KWh.

The difference in absolute terms seems small, however, in merit order terms, it is significant.

DEn are dismissive of the idea, however, I believe it bears detailed study.

Are you interested in me pursuing this futher?

GREG BOURNE

CONFIDENTIAL

dti

the department for Enterprise

The Rt. Hon. Lord Young of Graffham
Secretary of State for Trade and Industry

The Rt Hon Cecil Parkinson MP
Secretary of State for Engery
Department of Energy
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Direct line 215 5422
Our ref MM3ABJ
Your ref
Date 16 February 1989

Dear Cecil,

GREENHOUSE EFFECT: GAS FOR ELECTRICITY GENERATION

Thank you for sending me a copy of your letter of 31 January to Geoffrey Howe on which you suggested that we should work for repeal of the EC directive constraining the use of gas for power generation.

I fully support this proposal. I regard it as desirable on energy as well as environmental policy grounds but I am sure we should make as much as we can of the link with the greenhouse effect. The Commission is keen to get in on the act so far as climatic change is concerned: here is a chance for it to make a real contribution.

I am copying this letter to the Prime Minister, Geoffrey Howe, Nicholas Ridley, Kenneth Baker, John MacGregor, Paul Channon, Peter Brooke and Sir Robin Butler.

Yours ever,
Nick

the Enterprise initiative

ENV. AFFAIRS: Acid Rain pt 7.

FCS/89/025

SECRETARY OF STATE FOR ENERGY

Greenhouse Effect: Gas for Electricity Generation

1. Thank you for your letter of 31 January.

2. I agree that we should work to have the Gas Burn Directive repealed. It distorts the market and is bad environmentally.

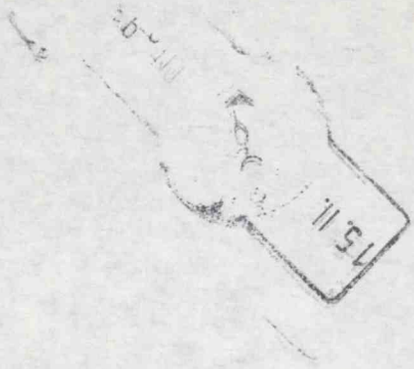
3. To start this off, perhaps you might like to write to Cardoso, before he makes his proposal to the Commission on 22 February. Thereafter, I suggest we lobby in the Community more generally in advance of the April Energy Council.

4. Copies of this minute go to the Prime Minister, Nicholas Ridley, David Young, Kenneth Baker, John MacGregor, Paul Channon, Peter Brooke and Sir Robin Butler.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
15 February 1989

ENV AFFAIRS - Kidman pt 7



GPU

SECRETARY OF STATE FOR THE ENVIRONMENT

PRIME MINISTER

flap.

I have seen David Young's minute to you of 1 February proposing that the UK should participate in the second Earth Resources Satellite. I have also seen the replies by Kenneth Baker and John Major.

I agree that we should look closely at the ERS-2 option. However, it needs to be weighed up carefully with other opportunities to accelerate our understanding of climate change. You have remitted to the Chief Scientific Adviser the task of advising us on research priorities and I think it would be best if he were able to take on board the useful points on ERS-2 made by David Young when forming his overall assessment. If the UK was to agree to support ERS-2, this would be a major announcement in its own right, and unless colleagues have already convinced themselves of this venture's merit, I see no presentational advantage in rushed consideration ahead of the March Conference.

NR

15 February 1989

ENV. AFFAIRS: Gnv. Pollution Pt. 7

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

DCBM To see

P A Bearpark Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

14 February 1989

Prime Minister 2

Dear Andy,

"PROTECTING YOUR ENVIRONMENT - A GUIDE"

Thank you for your letter of 31 January about the Prime Minister's complimentary interest in this publication.

We did, in fact, provide schools at a very early stage with copies of the guide: two each to all English independent and state secondary schools, as shown in the attached list. More than 200 applied for further copies.

Similar distribution was undertaken in Scotland, Wales and Northern Ireland. 750 copies were requested by the Scottish Consultative Council on the Curriculum for use within their new national assessment system, "Standard Grade".

Demand for "Protecting Your Environment" has been such that we shall soon need a reprint. We intend to take this opportunity to substantially revise and update the booklet.

The success of "Protecting your Environment" is one of the reasons why we are including schools in our planned distribution of the new leaflets "Environment in Trust" - to be launched by my Secretary of State on 1 March and to be made available at the Ozone Conference on 5-7 March. The Prime Minister may be interested to see the enclosed early proofs of some of the leaflets.

Yours,
Deborah.

DEBORAH LAMB
Private Secretary

"PROTECTING YOUR ENVIRONMENT - A GUIDE"

A Note on Distribution

First launch March 1988

Print	25, 000 copies £29,000
Distribution	all English inedependent and state secondary schools - approx 5,500 schools
	EYE mailing list eg interested businesses, local authorities, local environmental groups, interested individuals -3600
	Civic Trust local amenity societies - 1,000
	Nat Fed Women's Institutes - 500
	Libraries: H/Commons and Lords
Additional distribution	Welsh Office - 4,500 copies
	Scottish Office - 2,000 "
	N Ireland - 2,000 "
	similar pattern
Reprint/revision Sept.	25,000 copies £15,000, plus further copies to Scottish Office, NI.
	750 of Scottish copies were requested by the Scottish Consultative Council on the Curriculum for use within their new national assessment system, "Standard Grade".

In addition to the copies supplied to schools initiated by the Department, many came back for further supplies. A Richard North comment in the Independent generated further interest.

Demand is beginning to slow but it continues to be a very useful response document and will be up-dated when appropriate.

DOE/Information Directorate 13 February 1989

MJ 21GW

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

14 February 1989

Dear Gareth

OZONE CONFERENCE: 7 MARCH

The Prime Minister was grateful for your Secretary of State's minute of 6 February on which the Secretary of State for the Environment also commented in his minute of 13 February.

The Prime Minister certainly agrees that it is important to emphasise in her speech the part that industry can and must play to preserve the environment (and will of course refer to improvements available through the substitutes for damaging CFCs, which ICI and others are developing). This is referred to in the revised synopsis which Charles Powell circulated under cover of his 9 February letter to Deborah Lamb.

The Prime Minister does not however feel that it would be right to make an announcement, trailing a new awareness programme, of the sort your Secretary of State had in mind. In her view there is already sufficient awareness both among Government, industry and the consumer in the UK about the problem giving rise to ozone depletion and possible solutions. The need is for action, and action on an international scale, and it is that on which the Conference should focus.

A copy of this letter goes to Deborah Lamb (Department of the Environment).

Yours ever

Dominic

Dominic Morris

Gareth Jones Esq
Department of Trade and Industry.

FILE MJ2DGX

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

14 February 1989

Dear Deborah

"SAVING THE OZONE LAYER" CONFERENCE: 5/7 MARCH

Thank you for your letter of 6 February. You will have seen Charles Powell's letter of 13 February covering a revised synopsis of the speech. We discussed a number of the other outstanding points. This is to confirm the Prime Minister's request that Professor James Lovelock should be invited to the conference. She is aware of the serious constraints on space but feels that in view of his reputation and long standing connection with the ozone problem it would be right for him to be present.

You were kindly looking into whether retailers will be present during the industry exhibition surrounding the conference displaying ozone friendly and other environment friendly products. The Prime Minister mentioned in particular Asda, Tesco, Body Shop, and possibly Marks and Spencer. It would be useful for her to have one or two examples of such ozone friendly products to refer to in her speech.

You also kindly agreed to let me have a note on the availability of substitutes for harmful CFCs in fire extinguishers, refrigerants and foam production and what, if anything, UK industry/Government is doing to promote these.

As far as the logistical points in your letter to me are concerned, the Prime Minister had no objection to your Secretary of State doubling our contribution to UNEP's Voluntary Fund, subject to securing satisfactory arrangements with the Chief Secretary. She commented however that this seems a fairly small measure to refer to in her own speech and wondered whether it would be better to set this in the context of a similar increase in Voluntary Fund contributions to UNEP by all other countries (or at least developed countries).

The arrangements you propose for the programme seem generally acceptable but perhaps we could have a further word about the timing of her departure on the first morning. My guess is that she will want to stay for the video and possibly even for one or two of the scientific presentations. Do we yet have the precise timings for these? I am sure she would like to have a brief look over the industry exhibition on the

third floor on her way out. You will want to consider how that fits with President Moi's movements that morning. I am sure she will be pleased for him to accompany her around the industry exhibition if the timings worked.

A copy of this letter goes to Stephen Wall (Foreign and Commonwealth Office), Myles Wickstead (Overseas Development Administration), Jeremy Godfrey (Department of Trade and Industry) and Trevor Woolley (Cabinet Office).

Yours ever

Dominic

Dominic Morris

Miss Deborah Lamb
Department of the Environment.

DEPARTMENT OF HEALTH
Richmond House
79 Whitehall
London SW1A 2NS
Tel: 01-210 5319

FAX DOCUMENT LEADER

For the attention of: ..DOMINIC..MORRIS.....
.....
.....

From: ..FLORA GOLDHILL.....
Room 407.....
Kenneth Clarke's Office.....

Total No of pages: ...5.....

Any queries: 210 5319

14 FEB '89 18:34 FROM 5 OF 5 (HEALTH) PAGE.001

BACKGROUND NOTE

Dioxins and Furans

1. The group of chemicals known as "dioxins" (polychlorinated dibenzo-dioxins, PCDDs, 75 compounds in total) and the closely related "furans" (polychlorinated dibenzofurans, PCDFs, 135 compounds in total) are toxic compounds which can enter the environment as a result of combustion of any organic material in the presence of chlorine; the incomplete combustion of PCBs (Polychlorinated biphenyls - these may have had valuable industrial uses in the past but are now no longer produced; disposal of products containing PCBs poses difficulties) and from certain industrial processes. "Dioxins" first came to public attention because of the presence of some of these compounds as contaminants in defoliants such as "Agent Orange" which was used in the Vietnam war, and then more recently in the Seveso explosion in Italy in 1976, when the most toxic of these compounds, TCDD, was released as a result of a chemical reaction going out of control at a factory.

2. Very small quantities of "dioxins" and "furans" can be detected in environmental samples generally and the compounds are very wide spread in the environment with the higher chlorinated, less toxic compounds being most common. Commercial and other incinerators are potential sources if operated inefficiently. The amount of "dioxins" and "furans" present in samples is generally expressed in terms of "TCDD equivalents", as TCDD is the only "dioxin" to have been tested toxicologically.

3. The Programme highlighted the production of "dioxins" as by-products in the bleaching of wood pulp with chlorine-containing chemicals, with the result that low levels can be present in paper. This may have potential significance for the diet, particularly because of the use of paper and board in food packaging materials. Reference was made to work carried out in North America and Scandinavia.

Dioxins in Food

4. A survey carried out in 1987 by the US Environmental Protection Agency showed that "dioxin" levels in food packaging materials were less than 14 parts per trillion TCDD equivalents, and preliminary results of laboratory experiments have indicated that there is only a very low degree of migration of "dioxins" into food. However recent Canadian studies have indicated that some low levels of contamination of milk in cartons may take place when the carton is opened and studies on coffee filter paper suggest that there may be some carry-over into the coffee. However the levels are in both cases very low and potential dietary intakes are at the picogram level (1 picogram = 1 million millionth of a gram) expressed as "TCDD equivalents".

Dioxins in other paper products

5. The American and Swedish research has shown low levels of "dioxins" in disposable nappies, tampons, sanitary towels and paper tissues. Dioxin is fat soluble, so in theory could be absorbed. However, the degree of absorption of "dioxins" from these products is unknown but is likely to be low.

Health Aspects

6. The Department's expert advisory Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment (COT) is currently considering in detail the potential human health hazards of dioxins, and the Department would wish to have this advice to hand before making a definitive statement on this matter. However, preliminary data indicates that the very low levels of dioxins reported in paper products are most unlikely to represent a hazard to human health.

The committee expects to report to the Chief Medical Officer within the next month.

Other concerns

7. The allegations of ill health in children and farm livestock in 1985 at Bonybridge, Scotland and Torfaen, South Wales related to the operation of waste disposal incineration plants by Rechem Ltd. Enquiries set up by the Government concluded that there was no evidence of a link between the discharges and the reported cases of ill health but recommended further investigation of certain conditions occurring in young children.

CONCLUSIONS AND LINE TO TAKE

8. The Department is aware of the reports from North America and elsewhere indicating that dioxins are present in certain paper products. The Ministry of Agriculture, Fisheries and Food has instigated a programme of work on dioxins in food, and the results of this programme should make it possible to determine the significance of any dioxin migration into food from packaging materials. DTI is seeking more information from the suppliers about levels in certain consumer products. However, on the data available to-date, we do not consider that there is a need to take any immediate action on health grounds as regards cartons, coffee filters, nappies or any other paper products.

NOTE: 1. If the question of need is raised, this should be referred to MAFF for food packaging materials and DTI for nappies, etc. Environmental effects are a matter for the Department of the Environment.

2. DOE, in conjunction with other departments, will shortly be producing a Pollution Paper on "dioxins" and "furans" which will include information on sources, levels found in the environment, health effects and exposures.

TOXICOLOGY - BACKGROUND NOTE

Government advice on toxicological matters is initially provided by the Chief Medical Officer's staff in MED-H(TEH) (Toxicology and Environmental Health). Independent expert advice is provided by the Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment (COT). Members of the COT are drawn from academia, clinical medicine, medical research or industry, or they are independent consultants. Membership is as follows:-

CHAIRMAN

Professor Paul Turner (Clinical Pharmacologist)	St Bartholomew's Hospital Medical College

MEMBERS

Professor F Beck (Anatomist (Teratologist)	University of Leicester
Professor C L Berry (Pathologist)	The London Hospital Medical College
Professor Dame Barbara Clayton (Chemical Pathologist)	Southampton General Hospital
Professor A D Dayan (Toxicologist)	Director of DHSS Toxicology Laboratory
Dr J M Dewdney (Immunologist)	Beecham Pharmaceuticals
Professor A Ferguson (Gastroenterologist)	Western General Hospital, Edinburgh
Professor W P T James (Nutritionist)	The Rowett Research Institute
Dr A G Renwick (Clinical Pharmacologist)	University of Southampton
Dr F J C Roe (Independent Toxicologist)	Independent Consultant
Dr M Sharratt (Industrial Toxicologist)	British Petroleum Company plc
Mr F Sullivan (Pharmacologist & Reproductive Toxicologist)	Guy's Hospital
Dr G N Volans	Director of Poisons Unit
Mr D Walker (Veterinary Histopathologist)	Independent Consultant

The COT's terms of reference are attached.

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Tel: 01-210 5319

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14 FEB '89 18:04 FROM S OF S (HEALTH) PAGE.003

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The COT's terms of reference are attached.

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Dominic Morris Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

14 February 1989

Dear Dominic,

TOXIC WASTE

I attach a briefing note on toxic waste, as requested. With luck, the legislative provisions to tighten up control of waste disposal will be included in an Environmental Protection Bill in the next Session. Some of the proposals relating to registration of waste carriers should be included in Mrs Joan Ruddock's Private Member's Bill, which was introduced on 21 December 1988.

Please let me know if you require any more information.

Yours,

Deborah.

DEBORAH LAMB
Private Secretary

mg.vd

cc PM

PAYMASTER GENERAL

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State
Foreign & Commonwealth Office
Downing Street
LONDON SW1A 2AL

14 February 1989

Dear Geoffrey.

GREENHOUSE EFFECT: GAS FOR ELECTRICITY GENERATION

Cecil Parkinson sent me a copy of his letter of 31 January to you.

I strongly support Cecil's conclusion that we should seek the repeal of the relevant EC directives. For the reasons he mentions, and in particular perhaps the development of the competitive market in generation following privatisation of the electricity industry, it is important that we remove inhibitions to the development of gas fired generation. I agree that officials should meet to consider tactics.

I am copying this letter to the Prime Minister, Nicholas Ridley, David Young, Kenneth Baker, John MacGregor, Paul Channon, Cecil Parkinson and Sir Robin Butler.

Yours ever

Peter

PETER BROOKE

Pl. 9

CC PU

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Dominic Morris Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

13 February 1989

Dear Dominic,

"SAVING THE OZONE LAYER" LONDON CONFERENCE

Thank you for your letter of 27 January.

You may have seen my letter of 1 February to Charles Powell which explained our policy on participation in the Conference. The only people attending, apart from Government delegates and invited speakers, will be those from industry who are involved with the industry exhibition and the advice "surgeries" on industrial aspects of ozone layer protection. As you say, the pressure on places is very high and our feeling is that it would be dangerous to create the precedent of special cases.

We will certainly consider Professor Fyfe for the global climate seminar.

As soon as we have it I will send you a copy of our final list of speakers for the conference. It should be any day now.

Yours,

Deborah

DEBORAH LAMB
Private Secretary

ENV AFFAIRS: ACID Rain
A 7

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

MR. FAIRCLOUGH
CABINET OFFICE

GLOBAL ENVIRONMENT RESEARCH

During the course of a discussion with the Prime Minister this morning on the forthcoming conference on 5-7 March "Saving the Ozone Layer", she said she very much hoped that it would be possible for the NERC Report to ACOST on Global Environment Research (considered at the last ACOST meeting) to be published just ahead of that conference so that copies could be available there.

I should be grateful if you could arrange urgently for this to be undertaken. But before doing so I should be grateful for your urgent advice on the apparent inconsistency between paragraph 94(vi) of the conclusions to the NERC Report and paragraph 11 of the ACOST Working Group Report which indicated that the current level of UK government expenditure should remain roughly constant. Such an inconsistency may have a bearing on the form in which the NERC Report is published.

Since we will need to give NERC their marching orders for publication by the end of this week if they are to meet the timetable, could I ask for your advice on this point by Thursday please.

(D.C.B. MORRIS)

13 February 1989

Env. Affairs Acad Rec.

FJH

Brief for the Prime Minister

DIOXINS IN DISPOSABLE PRODUCTS

Very small quantities of dioxins are produced when wood pulp is bleached with chlorine, and minute quantities, parts per trillion and almost undetectable, may remain in the final product. Department of Health toxicologists tell us that on present knowledge they pose ~~no~~ any hazard to health, ~~but~~ The expert Committee on Toxicity is due to report to Government shortly ~~on the hazards of dioxins generally~~ which is considering the human health hazards of dioxins. Once that report is concluded the Government will subsequently make a definitive statement on this matter. Wood pulp is not used in the manufacture of tampons in the UK, and in Sweden only tiny quantities have been found. Nevertheless the DTI have asked the Association of Sanitary Protection Manufacturers what levels of dioxins are present in sanitary products generally and whether they can be 'leached' out, so that we can assess the hazard to women.

The brand leaders in babies' disposable nappies, Procter and Gamble and Peau d'ouce have gone over to unbleached nappies, not because there was any risk from bleached nappies, but because they judged that there was commercial advantage in doing so. We fully expect the "own branders" who make up most of the rest of the market to follow their lead.

The Government will consider the hazard from other products such as paper plates and coffee filters, and whether any action needs to be taken on them, when we have the report from the Committee on Toxicity.

FJH

Reference .....

To:

PS/Secretary of State

cc PS/CDL
PS/Mr Forth
Sir B Hayes
Mr Mountfield
Mr Newton
Mr Hope
Mr Veness CM
Mr Williams Inf
Mr Peacock Inf

From:

Richard Roscoe
CA4
Rm 407
10-18 Victoria St
215 3324
13 February 1989

DIOXIN87

I attach a brief for the Prime Minister's interview on dioxins in disposable products. World in Action on ITV tonight is to claim that levels of dioxins in babies' disposable nappies and other paper products is much higher than originally thought.

Noted. pl send to Dominic Morris

R J ROSCOE

CODE 18-77

FLG

cc PC
CDP
DM

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

13 February 1989

Dear Deborah,

PRIME MINISTER'S SPEECH AT THE OZONE CONFERENCE

You wrote to Dominic Morris on 6 February enclosing a draft synopsis for the Prime Minister's speech at the 'Saving the Ozone Layer' conference.

I have now had a chance to discuss this with the Prime Minister. As she will speak at the end of the conference, she wants her speech to be fairly brief, broad brush and political. I enclose a revised synopsis for the speech, with which she is generally content. I should be grateful if you could now fill it out into a first draft which I should like to have, if possible, by the evening of 23 February.

Meanwhile, Dominic Morris will be dealing with the other points in your letter.

I am copying this letter and enclosure to Neil Thornton (Department of Trade and Industry), Bob Peirce (Foreign and Commonwealth Office) and to John Fairclough (Cabinet Office). I think the Prime Minister would welcome it if the FCO could arrange for Sir Crispin Tickell to see the synopsis and let us have his comments as well.

Yours sincerely,

CHARLES POWELL

Miss Deborah Lamb
Department of the Environment

DRAFT SYNOPSIS

- For several centuries we have all worked on the assumption that mankind could pursue the goal of steady economic progress without paying attention to the effect on the fundamental equilibrium of the world's systems and atmosphere.

- In a very short space of time, that comfortable assumption has been changed. We now realise that major changes in the atmosphere's chemistry have taken place, even though we still do not fully understand the scale and nature of them.

- We need to create greater public awareness of the problems and understanding of the need for action, without creating an atmosphere of crisis or panic. Considerable progress has already been made with this, e.g. sale of ozone-friendly products.

- Science has solved many problems in the past and there is every reason to expect it to help us solve these new problems, without sacrificing economic development. We realise how important this last point is for the LDCs.

- The first need is for good science, to understand what is happening to the atmosphere's chemistry, what needs to be done to restore a balance and the time-span within which action has to be taken. Britain is contributing in a major way, in particular through the work of the British Antarctic Survey.

- We must avoid hasty solutions which only create new problems in other areas, e.g. the effects of three-way catalysts.

- We need to tackle the problems on a global basis. It is not a task for a praetorian guard of privileged countries who arrogate to themselves the duty of laying down rules and

regulations. Every country needs to be involved and play its part. The atmosphere belongs to us all.

- We do not need new institutions. We have the international bodies already, above all UNEP. Institution-building only distracts from the real tasks.

- The priority is to identify specific and practical steps which will slow down the damage to the ozone layer and eventually reverse the trend.

- That has been the purpose of the London Conference. It has been an Action Conference. It has increased awareness of the problem. And it has identified a clear course of action - a commitment to a very major reduction in the use of CFCs - which will help deal with it.

- Of course it is not the last word. The Conference is just one step in a process which must continue. The next step is the meeting in Helsinki in May where the parties to the Montreal Protocol will have a more detailed discussion of the scientific and technological aspects. We must keep up the momentum.

- But already as a result of this conference we can see that there are technological solutions to ozone depletion that can be brought within the reach of every country. This will help Third World countries avoid the mistakes which the industrialised countries have made.

- We must also find solutions which are compatible with continued and sustained economic growth and meet the hopes of Third World countries for higher standards of living. Moreover, we need the prosperity to finance and make possible the solutions.

- The action is not all for governments, there is a role for industry and the private sector in developing new technologies.

- The most important task of all is to change attitudes, to make people realise that simply carrying on as we are is not an option.

CCPU

SECRETARY OF STATE FOR THE ENVIRONMENT

1 7 PM

Prime Minister

OZONE CONFERENCE - 7 MARCH

I have seen a copy of David Young's minute to you of 6 February in which he suggested that you might include in your speech to the Ozone Conference a passage describing the initiative he has in hand to promote a more positive attitude to environmental protection on the part of industry.

I believe that it would be a most timely and advantageous announcement for you to make. It would pick up an important theme of the Conference - and, I suggest, your speech - that progress in solving the problem of ozone depletion will come about through innovation and technology transfer by industry in co-operation with Governments. The announcement would have a particular impact on this international audience because it would represent in a dramatic way the implementation of a key Brundtland concept, that of integrating environmental considerations into economic policy making. Few countries have made progress in this difficult area and we should get considerable credit for showing a lead.

I am copying this minute to David Young.

NR

N R

13 February 1989

ENV Affairs: A.C.D Rai

SW2AQZ

PRIME MINISTER

"SAVING THE OZONE LAYER" CONFERENCE

You have agreed to speak at the closing session of the Saving the Ozone Layer Conference on 7 March. We have time in the diary on Monday morning for a first discussion of your speech.

I have put in the folder a draft synopsis provided by the DoE. It is a bit of a muddle.

You speak right at the end of the Conference after Mr. Ridley has delivered his winding-up speech as Conference Chairman and after Tolba's speech. Almost everything then that can be said will have been said! I think your speech will need to be short, broad-brush and political with a clear message about your approach to environmental issues. The sort of points which you could cover are:

- for several centuries we have all worked on the assumption that mankind could pursue the goal of steady economic progress without paying attention to the effect on the fundamental equilibrium of the world's systems and atmosphere;

- in a very short space of time, that comfortable assumption has been changed. We now realise that major changes in the atmosphere's chemistry have taken place, even though we still do not fully understand the scale and nature of them;

- we need to create greater public awareness of the problems and understanding of the need for action, without creating an atmosphere of crisis or panic;

- science has solved many problems in the past and there is every reason to expect it to help us solve these new problems, without sacrificing economic development. You realise how important this last point is for the LDCs;

- the first need is for good science, to understand what is happening to the atmosphere's chemistry and what needs to be done to restore a balance. Britain is contributing in a major way, in particular through the work of the British Antarctic Survey;

- we must avoid hasty solutions which only create new problems in other areas;

- we need to tackle the problems on a global basis. It is not a task for a praetorian guard of privileged countries who arrogate to themselves the duty of laying down rules and regulations. Every country needs to be involved and play its part. The atmosphere belongs to us all;

- we do not need new institutions. We have the international bodies already, above all UNEP. Institution-building only distracts from the real tasks;

- the real priority is to identify specific and practical steps which will slow down the damage to the ozone layer and eventually reverse the trend;

- that has been the purpose of the London Conference. It has increased awareness of the problem. And it has identified a clear course of action - a commitment to a very major reduction in the use of CFCs - which will help deal with it;

- of course it is not the last word. The Conference is just one step in a process which must continue. The next step is the meeting in Helsinki in May where the parties to the Montreal Protocol will have a more detailed discussion of the scientific and technological aspects. We must keep up the momentum;

- but already as a result of this conference we can see that there are technological solutions to ozone depletion that can be brought within the reach of every country, and will not

retard growth;

- the action is not all for governments, there is a role for industry and the private sector in developing new technologies;

- the most important task of all is to change attitudes, to make people realise that simply carrying on as we are is not an option.

C D.?

(C. D. POWELL)
10 February 1989

PRIME MINISTER'S SPEECH TO THE OZONE CONFERENCE: 7 MARCH

Draft Synopsis

10 years ago ozone depletion was academic hypothesis. Even then we in EC took precautionary action to limit CFC production capacity and reduce aerosol use. Apart from aerosols, CFCs and Halons are used in refrigeration, fire extinguishers and foam production. In the mid-80s British scientists discovered the so-called Antarctic hole. Now whole world is seized of the urgent need for universal action to stop and reverse the process.

Consequences of failure to act. But CFCs important role in quality of life. Not possible to stop all of them overnight. Some technologies more advanced than others. No doubt that the problems can and must be solved and sooner rather than later.

Two important messages from conference: (1) essential that all countries join in; (2) there are technological solutions to ozone depletion that will not retard growth and are within every country's reach. Conference has shown that by joining industry and governments together, no country need feel inhibited about joining the Montreal process.

UK initiative on industry/Government co-operation in tackling CFCs: EPT (Environmental Protection Technology) scheme to promote innovation in CFC recovery from products (eg fridges). Importance of

developed world transferring technology to undeveloped. No need to go through CFC phase if access to alternative substances and technologies facilitated. This is a task and a challenge to industry as well as governments.

This conference a major achievement for the participants. The world working together to solve a common problem. Increasingly we need international co-operation. Global and regional environmental problems rising higher and higher in the agenda. Instances of recent initiatives ozone layer - EC/EFTA scientific co-operation on ozone layer monitoring (to be based at Cambridge); NATO study of military use of halons (UK suggestion); international action to protect North Sea - implementing NSC2 commitments, a blue-print for action on other seas; Climate Change - action in UNEP/WMO and OECD (key roles for UK, USA and USSR).

Climate change above all requires international co-operation. Action on CFCs and halons is doubly important - not only attack ozone layer but they are powerful greenhouse gases. A major part of greenhouse issue. Science difficult to unravel. Response options of unprecedented magnitude and cost. Just as vital, as with CFCs, that the world acts together. Legal and technological solutions have their forerunner in ozone issue. But fiscal, social and economic solutions: eg Carbon taxes, forestry, are uncharted territory. UK been considering its responses to challenge. Ministerial seminar to be held [other initiatives arising from meeting of 12 January?]

All this takes place against the broader background of Brundtland and sustainable development. UK commitment, rich and poor, east and west. Raises fundamental questions about the structure and philosophy of Government. UK Response Document.

Conference has broader lessons. It shows what is possible through international co-operation. Value of working through existing frameworks (Montreal) and institutions (UNEP). UK will throw its weight behind them [announce doubling of UNEP subscription to £2½ million] Danger of proliferating international fora. Talking is important. But it must be focused on action.

And so back to ozone layer. We take away from this meeting a common understanding of a common problem, though seen from our different perspectives, we have seen the practical way forward and shown the collective will to succeed. We move on from here to talk nuts and bolts. In Helsinki, in May the Parties of the Montreal Protocol will meet for the first time to review the science, the technology, the economics. In London next year the review will be translated into practical action to strengthen the protocol to meet fully the challenge of ozone depletion as we now know it. The world counts on us to succeed.

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON
SW1A 2AT

10 February 1989

Dear John

CONTROL OF SMOKE POLLUTION BILL

Andrew Hunter, who came 16th in the ballot for Private Members' Bills, has introduced a Control of Smoke Pollution Bill. The Bill is down for Second Reading on 27 January and I am writing to propose the line we should take.

The Bill will implement two relatively minor proposals in a consultation paper published by my Department, the Scottish Development Department and the Welsh Office in December 1986. H Committee clearance to these provisions being offered as a handout Bill was given in July 1987.

The text of the Bill is attached. The purpose of the Bill is to amend the Clean Air Acts 1956 and 1968 so as:

a) to specify that emissions of non-dark smoke from private dwellings, where the dwellings are not in a smoke control area, can be a statutory nuisance for the purposes of the Public Health Act 1936. This is to overcome an inconsistency whereby there is provision for all emissions of smoke, from whatever source, to be controlled under either the 1936 Act or the Clean Air Acts, with the exception of non-dark smoke emissions from private dwellings outside smoke control areas; and

b) to overcome some of the difficulties experienced in enforcing against anyone emitting dark smoke from industrial or trade premises; in particular emissions of toxic smoke from burning of cables at night in order to recover the metal core.

The long title will need to be amended in Committee in the light of the change to the Bill since it was presented: to amend rather than repeal section 16(1)(a) of the Clean Air Act 1956.

There was almost universal support for the two proposals from those responding to the 1986 consultation paper.

The Bill is fourth in order for debate on 24 February and is therefore unlikely to reach Second Reading debate. In the event of it being reached, I propose that in principle support should be given and administrative support for it thereafter. Likewise, I propose that administraive support should be given if the Bill obtains a Second Reading without debate. If Second Reading debate is not reached and the Bill is blocked, I do not feel that the Bill is of sufficient significance to warrant providing time during main business.

I am copying this letter to the Prime Minister, Members of H and L Committees and to Sir Robin Butler.

NICHOLAS RIDLEY

DRAFT

OF A

BILL

TO

Repeal section 16(1)(a) of the Clean Air Act 1956 and to amend section 1 of the Clean Air Act 1968. A.D. 1989.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Removal of exemption from statutory nuisance of smoke from certain domestic chimneys. [j1]

1956 c. 52.
1936 c.49.

1. In section 16 of the Clean Air Act 1956, in paragraph (a) of subsection (1) (which exempts smoke emitted from a chimney of a private dwelling from types of smoke deemed to be a statutory nuisance for the purposes of Part III of the Public Health Act 1936) after the words "private dwelling" there shall be inserted the words "within a smoke control area".

Extension of offence of emitting dark smoke from industrial or trade premises. [j2]

1968 c. 62.

2.—(1) In subsection (1) of section 1 of the Clean Air Act 1968 (occupier of premises from which dark smoke is emitted to be guilty of an offence) after the words "occupier of the premises" there shall be inserted the words "and any person who causes or permits the emission".

(2) After that subsection there shall be inserted—

"(1A) For the purposes of subsection (1) above, there shall be taken to have been an emission of dark smoke from industrial or trade premises in any case where—

(a) material is burned on those premises, and

(b) the circumstances are such that the burning would be likely to give rise to the emission of dark smoke,

unless the occupier or any person who caused or permitted the burning shows that no dark smoke was emitted."

Short title, commencement and extent. [j3]

3.—(1) This Act may be cited as the Control of Smoke Pollution Act 1989.

(2) This Act shall come into force at the end of the period of two months beginning with the day on which it is passed.

(2) This Act shall not extend to Northern Ireland.

1 Mr Mahon
2 Folder

ANDREW TURNBULL 8 February 1989

cc: Richard Wilson (with enclosure)

JAMES GOLDSMITH'S IDEAS ON FOREST CONSERVATION - THIRD WORLD DEBT

As discussed, please let me have any views on Goldsmith's ideas (attached) before Richard Wilson and I lunch with him on 14 February.

GEORGE GUISE

James GOLDSMITH

February 6, 1989

Mr. George Guise
10 Downing Street
London S.W. 1

Dear George Guise,

Herewith, a note as requested.

I look forward to seeing you at lunch at Wilton's on February 14th.

Yours sincerely,

James Goldsmith

Let us take as a given that the survival of the tropical rain forests is of profound and global importance.

General considerations:

1) Such forests are located principally in the third world.

2) Free market mechanisms are needed to induce the host nations (hereinafter "the host nations") to maintain their forests.

3) Initiatives will be rejected if they have a flavour of: imperialism; "yankee domination"; the developped world (who have sacrificed their own environment in the process of industrial development) "pulling up the ladder behind them" and stranding the underdevelopped nations, etc...

4) So the developped nations should recognise that the host nations are maintaining a natural and vital resource for the good of all; that, rightly or wrongly, they believe that they are sacrificing development opportunities by protecting these assets; and that they need to be compensated to do so.

General method:

1) The world organisations mostly have degenerated into self perpetuating bureaucracies. Their budgets are spread widely; at best they do little good (in my view, they do considerable harm); and are focused principally on the perpetuation of the bureaucracies themselves. The purpose of their organisations needs to be redefined and their budgets laserbeamed onto clear objectives. A principal objective should be the protection of the world's tropical rain forests.

2) From the complex of world organisations, one would be chosen as the vehicle for this task (hereinafter "Forestco"). Its organs of management would include representatives from throughout the world.

3) Forestco would enter into contracts with the host nations whereby the host nations, for an annual payment of predetermined rent, would undertake to protect their forests for the good of all.
There would be a normal monitoring process prior to the payment of annual rent.

4) Payment would be in the form of international debt at par value issued by the host nations.

5) Such debt would be acquired by Forestco through the market or by bilateral transactions with banks and creditors. To avoid escalation of the price of the debt, Forestco could buy forward (for payment on delivery) or buy future call options. In any case, the pool of international debt is growing as a result of accumulating interest. It might be more attractive to the host nations to pay the rent with the interest stream rather than the capital. The interest stream can be detached from the bonds and acquired separately. This would have an immediate positive impact on the cashflow of the host nations.

Advantages:

1) Encourage the protection of the tropical rain forests.

2) Help float the economies of the host nations off the rocks and reintroduce them into the world economy.

3) Relieve economically induced political pressures and animosity against the developped world.

4) Recognise the reality that the debt will never be repaid in full (the market already recognises this obvious fact). But receive something in return.

Note:

For such a plan, a number of powerful and seemingly incompatible forces need to be brought together:

This proposal:

- allows local politicians to be relieved of immediate cashflow problems.

- represents a commercial transaction which could be presented positively to the local electorates.

- allows the international bureaucrats to perpetuate their jobs.

- helps the international bankers (but at market price, so it is no subsidy. It makes the market more liquid).

- obtains the backing of a lobby of growing importance - the environmentalists.

Note on another subject:

It is possible that the UK might wish to privatise properties owned by the Forestry Commission. If so, the buyers should undertake to harvest these forests at a rythm not greater than their sustainable growth. Also they should undertake that they harvest in a way which protects the diversity and quality of the forests. If not, some buyers could "clear cut" the forests for immediate financial gain. This would be tragic for the nation and damaging for the government which in turn would be tragic for the nation.

6/2/89 JMG

SECRETARY OF STATE FOR THE ENVIRONMENT

cc P.C.

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

The Rt Hon Sir Geoffrey Howe QC MP
Foreign and Commonwealth Office
Downing Street
LONDON
SW1A 2AL

8 February 1989

Dear Geoffrey

SAVING THE OZONE LAYER LONDON CONFERENCE
QUEEN ELIZABETH II CONFERENCE CENTRE, 5-7 MARCH 1989

As you know, we are getting an excellent response to our invitation to over 150 countries to attend the Saving the Ozone Layer Conference on 5-7 March. Inevitably, many countries have still not yet told us whether they will attend or who will represent them, but already we have responses from over 60 countries which we expect to be represented at Ministerial level or equivalent. Others will be represented by officials or London missions.

With the exception of FCO, DTI and ODA, other Departments have not been involved in preparations for the Conference. I therefore thought it would be useful to circulate provisional information about likely attendances in order to allow colleagues to decide whether they would like to arrange bilaterals with their overseas counterparts in the margins of the Conference. The list will also serve to prepare them for requests for bilaterals from other countries. As you know, we have left it to the countries concerned to decide which Minister should represent them and we are expecting a mix of environment, industry, health and other Ministers. I attach at A our current list of countries already expected to be represented at Ministerial level and at B a list of the Ministers concerned in those cases where we already have this information. At C is a copy of the outline programme for the Conference.

I suggest that any queries about the Conference should be taken up by officials with the Head of the Conference Secretariat, Mr Andrew Allberry, (276 8711).

I am sending a copy of this letter to the Prime Minister, to all Cabinet colleagues, to Chris Patten and to Sir Robin Butler.

Yours ever

NICHOLAS RIDLEY

COUNTRIES WITH MINISTERS DEFINITELY ATTENDING THE "SAVING THE OZONE LAYER" LONDON CONFERENCE, QUEEN ELIZABETH II CONFERENCE CENTRE, 5-7 MARCH 1989.

A

Country
Australia
Austria
Bahrain
Belgium
Belize
Bolivia
Burkina Faso
Cameroon
Costa Rica
Cote D'Ivoire
Cyprus
Denmark
Ecuador
Egypt
Ethiopia
Fiji
Finland
France
Gambia
Germany, Federal Rep of
Ghana
Hungary
Iceland
Ireland
Israel
Kenya
Kiribati
Liberia
Luxembourg
Malaysia
Morocco
Netherlands
Norway
Portugal
Saudi Arabia
Sudan
Swaziland
Sweden
Tanzania
USSR
Vietnam, Socialist Rep of
Yemen Arab Republic

HEADS OF DELEGATIONS ATTENDING THE "SAVING THE OZONE LAYER" CONFERENCE
QUEEN ELIZABETH II CONFERENCE CENTRE, LONDON, SW1 5-7 MARCH 1989

B

Australia
M Barry Jones
Minister of Science

Austria
Dr Marilies Flemming
Minister of the Environment

Bahrain
Mr Hawad Salem Al-Arrayedh
Minister of Health

Barbados
His Excellency Mr Vernon O. Smith
High Commissioner

Belgium
Mrs Smet
State Secretary for the Environment

Belize
Mr Dean Lindo
Minister of Agriculture

Bolivia
Mr Justiniano
Minister of Agri. and Campesino Affairs

Burkina Faso
Madame Beatrice Damiba
Environment and Tourism Minister

Costa Rica
Mr Alvaro Umana
Minister of Natural Resources

Denmark
Mrs Lone Dybkjaer
Minister for the Environment

Egypt
Dr A Ebeid
Minister for Cabinet Affairs

Ethiopia
Mr Zewde Teklu

European Communities
Mr Ripa De Meana
Commissioner

Finland
Mr Barlund
Environment Minister

France
Monsieur B Lalande
Environment Minister

Gambia
Mrs Louise N'Jie

Germany, Federal Rep of
Prof Topfer
Minister for the Envrionment

Ghana
Mr Kwamena Ahwoi
Minister

Greece
Mr Kedikoglou
Minister for the Environment

Hungary
Dr Marothy
Minister of the Environment

Iceland
Ms Johanna Sigurdurdottir
Minister of Social Affairs

Ireland
Mr Padraig Flynn TD
Minister for the Envrionment

Kenya
President Moi

Liberia
The Hon. Jonathan A Mason
Deputy Minister of Lands Mines and Energy

Liechtenstein
Mr Felix Naescher
Director of Forest Superintendent's Office

Luxembourg
Dr Robert Krieps
Minister of the Environment

Malaysia
Datuk Amar Stephen Yong
Minister

Netherlands
Mr Nijpels
Minister for the Environment

New Zealand
Mr Geoffrey Palmer
Deputy Prime Minister & Minister for the Env'

Norway
Mrs Sissel Ronbeck
Environment Minister

Portugal
Professor Valente De Oliveira
Minister for Planning

Romania
Mr Ion Badea
President Nat. Coun.for Protection of Envirn.

Saudi Arabia
Prince Fahd Bin Abdullah

Senegal
Mr Bakhary Kante
Director for the Environment

Swaziland
Prince Nqaba
Minister for Natural Resources

Sweden
Mrs Dahl
Environment Minister

Tanzania
Mr Arcado Ntagazwa
Minister of Lands, Nat' Resources and Tourism

Turkey
Dr Muzaffer Evingen
Dep. Director of Environmental Directorate

UNEP
Tolba, Dr M K
Executive Director

USSR
Mr V Zakharov
Deputy Chairman of State Committee

Vietnam, Socialist Rep of
Mrs Dang Huu
Chairman, Science and Tech. State Committee

Yemen Arab Republic
Mr Hamdami
Minister for Municipalities

SAVING THE
OZONE LAYER
LONDON
CONFERENCE
5-7 MARCH 1989

OUTLINE PROGRAMME

SUNDAY 5 MARCH

Morning

- Registration and Press accreditation
- Opening Ceremony with Keynote Address by H E President Moi of Kenya
- **SESSION 1:** 'SETTING THE SCENE'
  - the history of CFCs and halons
  - ozone layer science: the history; the current state of knowledge; the dangers to human and other life
- Ministerial Discussion (an opportunity for delegations to comment on the issues addressed during the Conference or to make brief statements)

Buffet Lunch for all Delegates

Afternoon

- Ministerial Discussion (continued)
- **SESSION 2:** 'THE RESPONSE OF WORLD INDUSTRY'
  - existing alternatives
  - new alternatives
  - conservation and recycling
  - the retailer's point of view
  - developing country aspects
- Ministerial Discussion (continued)

Evening

Reception for all Delegates (Durbar Court, Foreign and Commonwealth Office, King Charles Street, London SW1)

MONDAY 6 MARCH

Morning

- **SESSION 3:** 'SHARED AWARENESS'
  - the implications of the Montreal Protocol process for signatories and non-signatories; the particular needs of developing countries and how to tackle them
- Ministerial Discussion (continued)

Buffet Lunch for all Delegates

Afternoon

- Ministerial Discussion (continued)
- **SESSION 4:** 'OUR COMMON PURPOSE'
  Synthesis of previous sessions and discussions; the way ahead

Evening

Dinner for Heads of Delegations in the British Museum, Bloomsbury, London WC1

TUESDAY 7 MARCH

Morning

- Adoption of Final Message
- Closing Ceremony
- End of Conference

UK Press Conference

This is recycled paper

Saving the Ozone Layer London Conference is held in association with the United Nations Environment Programme

SOL 3

Ministry of Agriculture, Fisheries and Food
Whitehall Place, London SW1A 2HH

From the Minister

PRIME MINISTER

GLOBAL CLIMATE

I refer to David Young's letter to you of 1 February about possible funding for the proposed ERS-2 satellite.

MAFF's interest in space hitherto has been in the use of the LANDSAT and SPOT earth observation satellites for land use purposes. The ERS-1 and ERS-2 will offer no benefit here because, although their radar sensors will allow all-weather observation, they will be relatively coarse in definition. I understand that they will be intended primarily for observation of the oceans and polar regions for climatological purposes.

MAFF has, of course, an interest in possible changes in the global climate. However, our concern is not with climatic modelling and predicting change, but with:-

(a) the contribution that agriculture makes to the "greenhouse gases" in the environment; and

(b) the likely impact of climate change on UK agriculture. Our thinking on these matters is at a fairly early stage, but they would seem to be susceptible to study at ground level. The likelihood of any direct benefit from ERS-2 would appear to be extremely tenuous.

Moreover, aside from the merits of the ERS-2 proposal, MAFF has no ~~committed~~ UNCOMMITTED resources which could be diverted to this proposal. As you know it was decided in PES 1988 that R&D expenditure by the Agriculture Departments should be cut by £24m by 1991/92 (equivalent to £30m on a full economic cost basis). MAFF's share of this is £20m. Without prejudging the consultations with the agriculture and food industries, on which I am to report back to E(ST) in July, it seems improbable that all of this reduction in public funding will be made good by industry within the timescale of the PES cuts. The results will inevitably be major cutbacks in research establishments and staff both in MAFF and in the AFRC, with all the costs that that entails. These problems would be exacerbated by any further reduction in our provision at the present time to finance other R&D programmes.

I regret that I cannot therefore offer any contribution to this proposed expenditure.

I am copying this minute to David Young, Nicholas Ridley, Douglas Hurd, George Younger, Kenneth Baker, Paul Channon, Cecil Parkinson, John Major, Peter Brooke, John Gummer and to Sir Robin Butler and John Fairclough.

JM

JOHN MacGREGOR

Ministry of Agriculture
Fisheries and Food
8 February 1989

Réd av Environmental affairs PT 7: aad Paris

CONFIDENTIAL FILE

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

7 February 1989

Dear Stephen.

FRENCH PRIME MINISTER'S ENVIRONMENTAL INITIATIVE

The Prime Minister and the Foreign Secretary had a brief discussion this evening about the French Prime Minister's Environmental Initiative and what the Prime Minister should say to M. Rocard about it when they meet tomorrow.

The Foreign Secretary said that the initiative was clearly going to run and we would not be able to stop it. The question was whether we could modify it to remove some of the more objectionable elements, and steer M. Rocard towards a much more general and political declaration. He doubted whether all the Heads of Government who had been invited would actually turn up to the meeting in The Hague and did not suggest that the Prime Minister herself should go. But it might be appropriate for the United Kingdom to be represented.

The Prime Minister said that she had deep-rooted objections to several aspects of M. Rocard's initiative and there was no question of our signing up to the proposed declaration in its present form. Her particular objections were to the creation of a new institution with executive powers, the concepts of economic sanctions and of compensation and the absence of the US, the Soviet Union and China from the proposed conference in The Hague. She did not intend herself to go to the meeting in The Hague. We would after all be in good company by staying away, since three of the other four Permanent Members of the UN Security Council would not be there. She had some doubts whether it was worth sending a United Kingdom representative at all. There was no point in our going and then being the only ones unwilling to sign the declaration. But she would reach a final view on representation once she had talked to M. Rocard and established whether there was any flexibility in his position on the main points of the draft declaration. If we were represented, it should be by the Environment Secretary or by Lord Caithness.

I am copying this letter to Roger Bright (Department of the Environment).

Yours sincerely,

(C. D. POWELL)

J. S. Wall, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

Foreign and Commonwealth Office

CONFIDENTIAL London SW1A 2AH

7 February 1989

Prime Minister
Probably the best we can do
file with OH CBP 7/2

Dear Charles.

Ozone Layer Conference

Thank you for your letter of 3 February. The Foreign Secretary shares the Prime Minister's distaste for inviting Libya and Syria to the conference. He has concluded, however, that as the conference is being organised in association with the United Nations Environment Programme, all countries active in UNEP have to be invited. We followed this principle with the AIDS conference last year, co-sponsored by WHO; both Syria and Libya were invited but only Libya turned up, and at official level. UNEP, not HMG, will issue these invitations.

If the Lockerbie investigation reveals clear evidence of Syrian or Libyan involvement, Sir Geoffrey Howe believes that we should tell the country concerned that it would no longer be welcome. We also reserve the right to refuse visas to any individual delegates who are themselves undesirable.

Yours.

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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GW Affairs - Acid Rain.

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

6 February 1989

MONSIEUR ROCARD'S ENVIRONMENT INITIATIVE

I enclose a copy of a message from Mr Lubbers to the Prime Minister about Monsieur Rocard's environment initiative. You will wish to take account of it in the briefing you are preparing for the Prime Minister's meeting with Monsieur Rocard. I should also be grateful for a draft reply in due course.

I am copying this letter and enclosure to Roger Bright (Department of the Environment).

CHARLES POWELL

J. S. Wall, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

Ambassador of The Netherlands

No. 1130

6th February 1989

Dear Prime Minister,

The Netherlands Prime Minister, Mr Ruud Lubbers, has instructed me to convey to you the following message:

Quote

The Rt Hon Margaret Thatcher, MP
Prime Minister of the United Kingdom
10 Downing Street
London
United Kingdom.

Dear Margaret,

An important conference on the question of the Ozone Layer is being held in London from 5 to 7 March. I understand that this conference is to be attended by Ministers and specialists of a high calibre in the field concerned, and that The Netherlands will also be contributing to it. This is one important indication among others that, happily, international environmental awareness is growing. As I share that awareness, I too was keen to support the initiative by the French Prime Minister, Michel Rocard. During the contacts which we had on this subject last autumn I stressed the importance of co-ordinating action effectively with the work being done elsewhere, and notably at the United Nations. Accordingly, I secured the participation of Mrs Brundtland, the Prime Minister of Norway, as a co-sponsor to the project.

The Rt Hon Margeret Thatcher, MP
The Prime Minister
10 Downing Street
London SW1.

../2

The resulting consultations between Mr Rocard, Mrs Brundtland and myself yielded results. Although I know that you will be meeting our French counterpart in the next few days, I felt that it was important, in view of our good relations, to inform you of the matter directly. Another important reason for doing so was that I regard the conference which is now planned for The Hague as a good 'institutional' follow-up to the more substantive and specialised conference in London.

I am alluding to the fact that, as you probably already know from other sources, a conference of Heads of State or of Government is to be held in The Hague on 11 March 1989, on the initiative of France, Norway and The Netherlands, with the aim of adopting a declaration along the lines of the enclosed draft, in which the signatory states would undertake to set up an authority under the auspices of the United Nations with a mandate to take vigorous action to prevent the further warming of the earth's atmosphere and depletion of the ozone layer. We believe that adequate powers should be vested in the authority to enable it to achieve this purpose.

In our view, these far-reaching institutional measures are necessary on account of the serious dangers which current developments and processes pose in the longer term to the environment on which life depends and to mankind. At present the following countries have been invited to sign this declaration in The Hague and have responded positively:

Spain (accepted), Gonzalez (accepted)
FRG (accepted), Kohl (accepted)
Tunisia (accepted), Ben Ali (accepted)
Jordan (accepted), Houssein (accepted)
Brazil (accepted), Sarney (accepted)
Australia (accepted), Hawke
New Zealand (accepted), Lange (accepted)
Senegal (accepted), Diouf (accepted)
Sweden (accepted), Carlsson (accepted)
Malta (accepted), Adami (accepted)
Ivory Coast (accepted), Houphouet Boigni (accepted)
Japan (accepted), Takeshita

../3

Canada (accepted), Mulroney (accepted)
Venezuela (accepted), Perez (accepted)
Zimbabwe (accepted), Mugabe (accepted)
Egypt (accepted), Mubarak (accepted)
Hungary (accepted), Nemeth (accepted).

We expect responses from six other countries, including the UK.

It is also envisages that the UN Secretary-General, the Director of UNEP, the Director of the WMO and the President of the EC Commission would be invited.

I consider it most important that this initiative should have the support of the Prime Minister of the United Kingdom, particularly because this would underline the growing unanimity of major countries of the European Community in recognising the seriousness of the situation and demonstrating their readiness to adopt a vigorous approach to this problem, the solution of which is crucial to the future of mankind.

Ruud Lubbers
Prime Minister of The Netherlands

Unquote

I have the honour to enclose the texts of:

1. the English translation of the official letter of invitation to the conference in The Hague of 11 March 1989, signed by the Prime Ministers of Norway, The Netherlands and France.
2. draft 'Declaration of The Hague'.

Yours sincerely,

(P.J.H. Jonkman)
Ambassador

Enclosure 1.

English translation of the official letter of invitation to the conference in The Hague of 11 March 1989.

As the nineteen-eighties come to a close, we have all become aware of the threats to which our common environment is subjected. The scope and complexity of these threats have grown considerably, as population and production levels increased. Insofar as they have come to bear on the atmosphere which makes life possible on our planet these threats clearly show that there are limits that cannot be trespassed without putting at risk the very integrity of the ecosystem and, hence, of life itself.

Unchallenged scientific reports analyze and explain the attacks to which our world is subjected, in particular because of increasing concentrations of carbon dioxide, and the deterioration of the ozone layer.
A substantial warming of our climates and water temperatures, as well as a considerable rise in sea levels appear to be inevitable unless bold prevention measures are implemented. The World Committee on Development and the Environment has also stressed that these are vital issues.

It behoves us, as heads of states and governments, to respond effectively to such threats which jeopardize the future of mankind and can only be dealt with on a global level.

Of course there is a whole network of international conventions, intergovernmental fora, specialized agencies which, with varying degrees of effect, deal with environmental issues. But we do feel that present structures are not truly up to the problem we face today, especially in respect to protection of the atmosphere.

We feel the time has come for the world to give itself the means to deal with this problem. We feel in particular that we need a new authority, which we propose to call Globe. To this end, we propose the adoption of a declaration of policy principles. This new set of principles will deal with the institutional and legal aspects involved and serve as a basis for discussion within the international community.

We have already had the opportunity, directly or indirectly, to broach these issues with each and every one of you, as well as with the Secretary-General of the United Nations, and, although no one can underestimate foreseeable difficulties, this initiative has so far met with your keenest interest.

Our approach quite deliberately shuns customary procedures. We feel that only a very energetic and determined course of action can lead to solutions developing faster than problems and can entail remedies quicker than the dangers they mean to avert.

For these reasons, we invite you personally to participate in a meeting which will be held in The Hague, in The Netherlands, where the International Court of Justice is headquartered, on 11 March 1989. This meeting, which may be preceded by a meeting of our personal representatives the day before, will aim on the one hand to reach agreement on a common declaration of all participants breaking ground for this future structure and, on the other to draft a letter to which we would all be signatories, which would be addressed to all Heads of States and Governments of Member States of the United Nations requesting their support for this initiative, which could be taken up by the United Nations General Assembly at its next session.

For the time being, and stressing that each and every one of its terms will be open to discussion, please find herewith a draft final declaration, the purpose of which is both to give our intents a more precise form and to act as a basis for discussion.

We under no circumstances underestimate the burden coming to The Hague may present to you, especially at such short notice, but we wish to stress once again that it is in everybody's best interest, and that only the resolve of the very high level leadership you represent can give this initiative the initial momentum the lack of which would inevitably cause it either to fail, or to succeed all too late.

We naturally do not feel any prior publicity should be given to this meeting. We are however aware of the fact that the convening of so many decision-makers of such standing can hardly hope to go by unnoticed. We nevertheless do not feel this to be a major disadvantage as public discovery, at a press conference to be held at the end of our meeting, of both its goals and its outcome will probably have considerable impact on international opinion, which will in turn prove to be a great asset for future developments.

GRO Harlem Brundtland
Prime Minister
of Norway

Ruud Lubbers
Prime Minister
of The Netherlands

Michel Rocard
Prime Minister
of France.

Enclosure 2.

Draft 'Declaration of The Hague'

The right to live is the right from which all other rights stem. Guaranteeing this right is the paramount duty of those in charge of all states through the world.

Today, the very conditions of life on our planet are threatened by the severe attacks to which the earth's atmosphere is subjected.

Unchallenged scientific studies have shown over the last few years the existence and scope of considerable dangers linked in particular to the warming of the atmosphere and to the deterioration of the ozone layer. Only the latter has so far led to action, under the Montreal Protocol. According to present scientific knowledge, the consequences of these phenomena may well jeopardize ecological systems as well as the most vital interest of mankind at large.

Because the problem is planet-wide in scope, solutions can only be devised on a global level. Because of the nature of the dangers involved, remedies to be sought involve not only the ecosystem's intrinsic right to preservation, but also man's right to a viable environment, and in turn the community of nationals duty vis à vis present and future generations to do all that can be done to preserve the quality of the atmosphere.

This is why we consider that, faced with a problem the solution to which has three salient features, namely that it is vital, urgent, and perforce global, we are in a situation that calls for a new approach, the acknowledgement of new principles of international law as well as unprecedented decision-making and enforcement mechanisms.

What is required here are regulatory measures that take into account the participation and contribution potential of countries which have reached different levels of development. Most of the emissions that affect the atmosphere originate in the industrialized nations. And it is in these same nations that the room for change is greatest, and these nations are also those which can muster the financial resources required to deal with this problem effectively.

Financial institutions and development agencies, be they international or domestic, must co-ordinate their activities in order to promote sustainable energy production and use patterns.

The international community has special obligations towards developing countries, and in particular towards the least developed of these, which will be very negatively affected by changes in the atmosphere although their responsibility for the process will have been only marginal.

The nations which will endorse this declaration and the ensuing legal provisions shall acknowledge the following commitments:

a) they shall accept in principle the establishment, under the auspices of the United Nations, of an authority which, in the context of the preservation of the earth's atmosphere shall be responsible for combating any further warming of the atmosphere, and some decisions of which, regarding, inter alia, the determination of standards, may on occasion be adopted by a qualified majority;

b) they shall accept that this authority undertake or commission the necessary studies, be granted information upon request, ensure the circulation and exchange of scientific information, and define industrial standards to enhance or guarantee the protection of the atmosphere and monitor compliance therewith;

c) they shall further accept the principle of economic sanctions, inflicted subject to control exercised by the International Court of Justice on goods produced under conditions with negative impact on the atmosphere;

d) they shall accept the principle of fair compensation to those countries to which decisions taken to protect the atmosphere shall prove to be an abnormal or special burden, in view, inter alia, of the level of their actual responsibility for the deterioration of the atmosphere;

e) they shall accept to give the aforementioned principles effective and consistent grounding, not only institutionally but also financially.

As of today, the Heads of States and Governments signatories to the present declaration:

- stress their resolve, subject to confirmation by the relevant national authorities in their respective countries, to make the commitments thus defined;
- state their intent to further the development of their initiative within the United Nations and in close co-ordination and collaboration with existing agencies set up under the auspices of the United Nations;
- invite all other nations of the world to accede to the present declaration and to the legal provisions that will result therefrom;
- urge all nations of the world to sign and ratify existing conventions relative to the protection of nature and the environment.

JD3AAX

B/f to MW re fri 10/2 pm. DM

PRIME MINISTER

There are two outstanding notes from Lord Young on environmental matters which he might touch on at the end of tomorrow's bilateral.

Flag A is a minute from him seeking your views on a DTI-run campaign to raise the level of awareness of environmental considerations in business and help spread knowledge of good environmental practice. You may want to press him a bit further than his minute on why Government should be spending money on an awareness campaign to do what well-publicised Ministerial speeches and briefing of journalists should do effectively. And is he asking for extra money for this?

Flag B is a note picking up the point you raised at your global climate meeting last month on the funding of the proposed second European Remote Sensing satellite. You will see that he is offering to fund 50% of the costs from within his existing budget, but is looking to other Departments, notably the Departments of the Environment and Education and Science, to find the rest. There may be something in this: the case hitherto for Government funding of earth sensing has been its (very) long-term commercial potential; Lord Young is now arguing that the case for ERS-2 stands or falls on basic science and our knowledge of the environment.

If he raises it, I suggest you say simply that you will want to seek advice from the Chief Scientist, Departments of the Environment and Education and Science on the scientific case for having a continual run of earth observation data throughout the 1990s before coming to a view on his proposal.

DM

6 February, 1989.

052/2761

CC P.V.

FROM: CHIEF SECRETARY
DATE: 6 February 1989

PRIME MINISTER

GLOBAL CLIMATE

I have seen David Young's minute to you of 1 February recommending that the UK should participate in the second Earth Resources Satellite (ERS-2) and offering to meet 50 per cent of the cost from within his existing programmes.

2 I understand that the total proposed UK cost of £59.5 million represents rather more than 15 per cent of the ERS-2 programme. I would hope that should UK participation go ahead it will be no higher than the 15 per cent participation agreed for ERS-1. Restraining costs should improve value for money to the UK. On the benefits to the UK of participating in ERS- 2 I should prefer to see a fuller account of the potential technological and commercial benefits to the UK since this will be a major factor in determining overall value for money of the programme.

3 Progress on this proposal will clearly depend on the reaction of colleagues, and if they support ERS-2 I hope they, like David, will feel able to meet the additional costs from within existing provision. I note that over half the proposed expenditure lies beyond the Survey period; I should stress that if this proposal goes ahead I shall not be disposed to look at bids in the coming (and future) Surveys to meet the additional costs of ERS-2 beyond 1991-92.

4 I am copying this minute to Nicholas Ridley, Geoffrey Howe, George Younger, Kenneth Baker, Paul Channon, Cecil Parkinson, John MacGregor, Malcolm Caithness and to Sir Robin Butler and John Fairclough.

John M.

JOHN MAJOR

Sci & Tech - Budget
PR &.

MR.3

PRIME MINISTER

GLOBAL CLIMATE

1. I have seen a copy of David Young's minute to you of 1st February.

2. His minute rightly draws attention to the importance of the ERS-2 satellite in maintaining the thrust of current action on the world environment. We should support it and although up to the present the cost has principally fallen to the DTI, I think it appropriate that several departments should contribute to its cost.

3. There has not, however, been a chance to consider the question of cost. While I note the suggestion David Young makes on this count, this would obviously need to be discussed with the Research Councils most involved in the light of their existing plans for deployment of future available resources. I believe this aspect may raise issues needing to be addressed in the 1989 Survey.

4. I am sending copies of this letter to the Secretaries of State for Trade and Industry, and for the Environment, for Foreign and Commonwealth affairs, for Defence, for Transport and for Energy, to the Chief Secretary, to the Minister of Agriculture, Fisheries and Food, to the Paymaster General, to the Minister for Housing, Environment and Countryside, to Sir Robin Butler and to John Fairclough.

KB.

KB

6 February 1989

DEPARTMENT OF EDUCATION AND SCIENCE

Env Affairs - Acid Rain Pt 7.

dti

the department for Enterprise

PRIME MINISTER

OZONE CONFERENCE: 7 MARCH

As Nicholas Ridley will know, I am currently considering what DTI can do to help achieve our environmental objectives. It seems to me that your speech to the Conference on 7 March provides a useful opportunity in this respect.

2. What I should like to suggest is that the speech includes a short passage emphasising the environmental obligations of business and outlining the sort of action I have in mind. The key message would be that environmental pollution offers both a challenge and an opportunity for business; that Government and business working together can maximise environmental and economic benefits; and that to that end we are actively integrating environmental considerations into economic policy making. I would follow this up in April by launching a major awareness campaign and subsequently making a series of announcements about more specific programmes.

3. A passage on these lines would not only provide an ideal platform for the awareness campaign but show the UK and international audience that we are giving practical effect to 'substainable development'. If you are attracted by the idea, we will gladly provide a suitable draft contribution to the speech.

4. As I say I have not yet decided the final form and content of DTI's initiative in this area. But I am clear that the first essential is a programme designed to raise the level of awareness of environmental considerations in business and help spread knowledge of good environmental practice. The market is the best

the enterprise initiative

dti

the department for Enterprise

mechanism for changing business attitudes towards the environment but despite the growth of green consumerism present signals are weak. An awareness campaign which reinforced these signals would help the adjustment process and provide a base for more specific programmes aimed at stimulating innovation through collaborative research schemes, achieving better management of industrial waste and improving other aspects of business' environmental performance. The ultimate aim would be to get business to take a long term view, and take environmental considerations into account in all aspects of corporate decision making.

5. I am glad to say DoE have welcomed the idea of a more positive DTI involvement in environmental matters as complementing their own activities in this area. That is exactly my purpose. Robert Atkins has already had useful discussions with both Malcolm Caithness and Virginia Bottomley and will be keeping them closely in touch with developments.

6. I am copying this letter to Nicholas Ridley.

DY

6 FEBRUARY 1989

DEPARTMENT OF TRADE AND INDUSTRY

the Enterprise initiative

(2)

James GOLDSMITH

February 6, 1989

Prime Minister

You may like to see this. However you put it, the taxpayer ends up paying.

CDP 10/2

Mr. Charles POWELL
10 Downing Street
London S.W. 1

Dear Charles Powell,

Herewith, copy of a note I have prepared at the request of George Guise. As you intiated this contact, I am sending you a copy.

In any case, I believe that it should form the basis of a "Thatcher plan for saving the rain forests".

As ever,

James Goldsmith

Let us take as a given that the survival of the tropical rain forests is of profound and global importance.

General considerations:

1) Such forests are located principally in the third world.

2) Free market mechanisms are needed to induce the host nations (hereinafter "the host nations") to maintain their forests.

3) Initiatives will be rejected if they have a flavour of: imperialism; "yankee domination"; the developped world (who have sacrificed their own environment in the process of industrial development) "pulling up the ladder behind them" and stranding the underdevelopped nations, etc...

4) So the developped nations should recognise that the host nations are maintaining a natural and vital resource for the good of all; that, rightly or wrongly, they believe that they are sacrificing development opportunities by protecting these assets; and that they need to be compensated to do so.

General method:

1) The world organisations mostly have degenerated into self perpetuating bureaucracies. Their budgets are spread widely; at best they do little good (in my view, they do considerable harm); and are focused principally on the perpetuation of the bureaucracies themselves. The purpose of their organisations needs to be redefined and their budgets laserbeamed onto clear objectives. A principal objective should be the protection of the world's tropical rain forests.

2) From the complex of world organisations, one would be chosen as the vehicle for this task (hereinafter "Forestco"). Its organs of management would include representatives from throughout the world.

3) Forestco would enter into contracts with the host nations whereby the host nations, for an annual payment of predetermined rent, would undertake to protect their forests for the good of all.
There would be a normal monitoring process prior to the payment of annual rent.

4) Payment would be in the form of international debt at par value issued by the host nations.

5) Such debt would be acquired by Forestco through the market or by bilateral transactions with banks and creditors. To avoid escalation of the price of the debt, Forestco could buy forward (for payment on delivery) or buy future call options. In any case, the pool of international debt is growing as a result of accumulating interest. It might be more attractive to the host nations to pay the rent with the interest stream rather than the capital. The interest stream can be detached from the bonds and acquired separately. This would have an immediate positive impact on the cashflow of the host nations.

Advantages:

1) Encourage the protection of the tropical rain forests.

2) Help float the economies of the host nations off the rocks and reintroduce them into the world economy.

3) Relieve economically induced political pressures and animosity against the developped world.

4) Recognise the reality that the debt will never be repaid in full (the market already recognises this obvious fact). But receive something in return.

Note:

For such a plan, a number of powerful and seemingly incompatible forces need to be brought together:

This proposal:

- allows local politicians to be relieved of immediate cashflow problems.

- represents a commercial transaction which could be presented positively to the local electorates.

- allows the international bureaucrats to perpetuate their jobs.

- helps the international bankers (but at market price, so it is no subsidy. It makes the market more liquid).

- obtains the backing of a lobby of growing importance - the environmentalists.

Note on another subject:

It is possible that the UK might wish to privatise properties owned by the Forestry Commission. If so, the buyers should undertake to harvest these forests at a rythm not greater than their sustainable growth. Also they should undertake that they harvest in a way which protects the diversity and quality of the forests. If not, some buyers could "clear cut" the forests for immediate financial gain. This would be tragic for the nation and damaging for the government which in turn would be tragic for the nation.

6/2/89 JMG

dti

the department for Enterprise

PRIME MINISTER

OZONE CONFERENCE: 7 MARCH

As Nicholas Ridley will know, I am currently considering what DTI can do to help achieve our environmental objectives. It seems to me that your speech to the Conference on 7 March provides a useful opportunity in this respect.

2. What I should like to suggest is that the speech includes a short passage emphasising the environmental obligations of business and outlining the sort of action I have in mind. The key message would be that environmental pollution offers both a challenge and an opportunity for business; that Government and business working together can maximise environmental and economic benefits; and that to that end we are actively integrating environmental considerations into economic policy making. I would follow this up in April by launching a major awareness campaign and subsequently making a series of announcements about more specific programmes.

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the enterprise initiative

dti

the department for Enterprise

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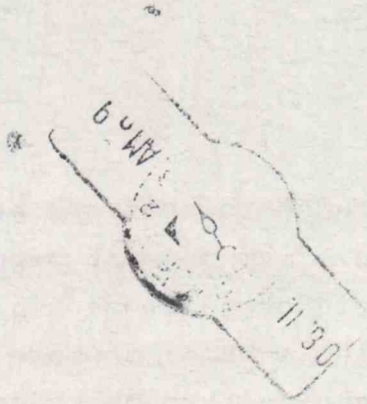
6. I am copying this letter to Nicholas Ridley.

DY

6 FEBRUARY 1989

DEPARTMENT OF TRADE AND INDUSTRY

the Enterprise initiative



SUPERINTENDENT BUTLER

At this morning's Security Meeting you asked about the venture for the reception on 5 March for the Ozone Layer Conference. I understand this will be in the Durbar Court.

DOMINIC MORRIS

6 February 1989

010

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CCPO

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Dominic Morris Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

6 February 1989

Dear Dominic,

"SAVING THE OZONE LAYER" CONFERENCE: 5/7 MARCH

As agreed, I am sending the draft synopsis of a speech for the Prime Minister to give on the morning of Tuesday 7 March at the end of the Ozone Layer Conference. I am also including details of a proposed programme for the Prime Minister.

SPEECH

The Secretary of State recommends that the speech should concentrate primarily on the conference theme of ozone depletion and the need for world action, but also emphasise the importance of CFCs as greenhouse gases. The outline does, however, envisage that this speech will lightly touch on the UK and other global and regional pollution issues; set the issues in the context of sustainable development and the lead the UK is taking in this field; and leaves open the possibility of announcing action on global climate change following the 12 January meeting.

This framework will allow the global environmental issues, to the extent possible, to be linked to the existing institutions dealing with them, and in particular UNEP. This will be especially appropriate for two reasons: UNEP's Executive Director, Dr Tolba, will be speaking immediately before the Prime Minister; and support for existing institutions may be useful a few days before the meeting in The Hague.

To underline this the Secretary of State would like to double our contribution to UNEP's Voluntary Fund (from £1.25m to £2.5m). There is no doubt that UNEP's priority activities, notably on climate change, will need additional resources, but such a large increase would have to be justified primarily on political grounds. My Secretary of State will of course consult the Chief Secretary about

this proposal. We will be in touch again after the Prime Minister has seen M. Rocard next week.

Officials here are also discussing urgently with other Departments whether new initiatives on helping developing countries, eg "by facilitating access to alternative substances and technologies" can be announced in the speech.

These points are touched on in the outline and I should be grateful for comments, amendments and additions as soon as possible so that the speech can be more fully worked up.

PROGRAMME

The Prime Minister will wish to consider what she would like to do at the Conference before and after the Opening Ceremony on Sunday 5 March.

We propose that she should arrive at the Conference Centre shortly before 9.45am in time to greet President Moi, (and perhaps Tolba of UNEP before him) on the front steps, accompanied by my Secretary of State. She, Moi, Tolba and Mr Ridley would then wait briefly in the Nightingale VIP room before going onto the platform for the Opening Ceremony in the Churchill Auditorium at 10.00am. As you know, we have proposed that for this occasion the Prime Minister's speech should be a short one of a few words of welcome and exhortation; the main speaker will be President Moi. Also on the platform would be Mr Ridley, Lord Caithness and Tolba.

At 10.30am, there is a half-hour pause for coffee upstairs in the Benjamin Britten Lounge. If she wanted to stay after the Opening Ceremony, the Prime Minister might like to talk informally to delegates here; we could, if she wished, pre-arrange a group of delegates for her to meet [perhaps including some industry and NGO representatives]. Alternatively, she could meet a group of delegates and others in private in the Nightingale room (although this is rather small).

The main Conference session begins at 11.00am in the Fleming/Whittle rooms. If the Prime Minister wanted to be present for the beginning of this, perhaps again accompanying Moi, she might like to attend at least the first part of the proceedings - the showing of a video on the ozone layer commissioned by DOE for the Conference. We would suggest, in this case, that she should leave the Conference Hall before the plenary session got properly underway, and - again with Moi - should finish her visit by touring the industry exhibition on the fifth floor. On this basis the Prime Minister would be free to leave around 11.45am. She may, however, prefer to miss the video, or the exhibition, or both.

The Closing Ceremony, now timed for 10.00am on Tuesday 7 March, is the opportunity for the Prime Minister's main speech, following both Mr Ridley's own wrap-up speech as Conference Chairman and Tolba's speech. There will be a pause of half an hour between the end of the

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Closing Ceremony (scheduled for 11.00am) and the Press Conference, to allow delegates to disperse and the Press Conference to be set up. Our Press Offices are in touch about arrangements for the Press Conference which we expect to run for around an hour, until 12.30pm. During the pause before it the Prime Minister might like to wait in the Nightingale room and discuss handling with those concerned.

I am copying to Stephen Wall (Foreign and Commonwealth Office), Myles Wickstead (Overseas Development Agency), Jeremy Godfrey (Department of Trade and Industry) and Trevor Woolley (Cabinet Office).

Yours,

Deborah.

DEBORAH LAMB
Private Secretary

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Prime Minister 2

Dominic Morris Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

3 February 1989

Dear Dominic,

TRADE-OFFS BETWEEN ACIDIC EMISSIONS AND GREENHOUSE GASES

I understand that during the Prime Minister's meeting on 12 January about global climate a comparison was made between the percentage of sulphur in coal ($1\frac{1}{2}$%) and the impact of removing sulphur on power stations efficiency (up to 3%). My Secretary of State is a little concerned that if such comparison, which is not between like and like, were inadvertently quoted in public there is a risk that we could be accused of misunderstanding the situation.

Average UK coal contains 1.6% of sulphur. FGD removes 90% of this with a loss of power station efficiency, and hence increase of CO_2 emission, of up to 3% (it could turn out to be a lot less). In terms of the problems we have to tackle, it is the 90% and 3% which ought to be compared - the fact that the sulphur is only about $1\frac{1}{2}$% of the coal is of little relevance. More importantly, on a national scale, power stations are responsible for 70% of our SO_2 emissions and about a third of our CO_2. If all power stations could be fitted with FGD, therefore, we would eliminate 63% of our national SO_2 at the expense of no more than a 1% increase in national CO_2.
(Incidentally, this 63% is not simply related to the 60% reduction in the figure in the Large Combustion Plants Directive; that directive refers to SO_2 from large combustion plants only and is based on 1980 figures.)

The balance is very different for acidic emissions (NOx) from cars, where we have successfully fought off universal 3-way catalysts to protect the fuel-efficient lean burn engine, which is also inherently a low emitter of NOx. 3-way catalysts on all cars would probably remove a further 60% of the NOx that would be left if lean-burn were universal but at the expense of 10% in fuel economy. On the national scale, while the figures are rather less certain

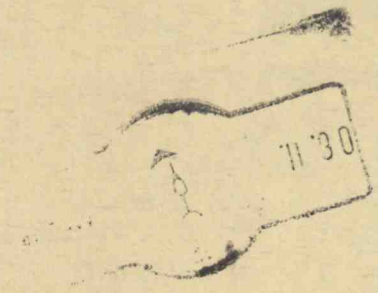
that those for SO2, we could be talking about only a 7% drop in NOx at the price of a 1% increase in national CO2.

I am copying this letter to Private Secretaries to the Foreign Secretary, the Chancellor of the Exchequer, Secretaries of State for Energy, Trade and Industry, Transport and the Minister for Agriculture, Fisheries and Food.

Yours,

Deborah.

DEBORAH LAMB
Private Secretary


11'30

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Pike

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

3 February 1989

Dear Stephen,

OZONE LAYER CONFERENCE

Thank you for your letter of 2 February about the invitations to the Conference on the Ozone Layer. The Prime Minister has asked whether we really have to invite Libya and Syria. She thinks that people here will simply not understand why it is considered necessary. It would be much better if they could be excluded by one means or another.

Yours ever,

Charles Powell

C. D. POWELL

Stephen Wall, Esq
Foreign and Commonwealth Office

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file

10 DOWNING STREET

THE PRIME MINISTER

3 Feb 1989

Lord Caithness.

Reading through the Environment debate in the Lords, I came across something called "look-up tables" in Lord Cockfield's speech. Apparently they are very important.

What are they - may I have a full brief - soon please

Margaret Thatcher

P.S.
Your own speech was super.

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MDADAN 5786

CONFIDENTIAL
FM THE HAGUE
TO FLASH FCO
TELNO 49
OF 021515Z FEBRUARY 89
INFO IMMEDIATE PARIS, OSLO
INFO ROUTINE STOCKHOLM, BONN, CANBERRA, WELLINGTON, WASHINGTON
INFO ROUTINE TOKYO, OTTAWA

ADVANCE COPY

MY TELNO 43: FRENCH PRIME MINISTER'S ENVIRONMENT INITIATIVE

SUMMARY

1. THE DUTCH HAVE GIVEN US A DETAILED BRIEFING ON PLANS. MR LUBBERS WILL BE SENDING AN EARLY MESSAGE TO THE PRIME MINISTER. HE BELIEVES THAT THE PROPOSED CONFERENCE IN THE HAGUE WILL PREPARE THE GROUND FOR USEFUL WORK IN THE UNITED NATIONS WITHOUT CUTTING ACROSS OUR OWN OZONE LAYER CONFERENCE. THERE HAS BEEN AN ENCOURAGING RESPONSE TO PRELIMINARY INVITATIONS. HE HOPES THE PRIME MINISTER WILL ATTEND.

DETAIL

2. HOLTSLAG (PRIME MINISTER'S FOREIGN POLICY ADVISER) BRIEFED US TODAY ON THE SPECIFIC INSTRUCTIONS OF THE DUTCH PRIME MINISTER ABOUT PROGRESS ON THE PLANS FOR AN ENVIRONMENTAL MEETING IN THE HAGUE ON 10/11 MARCH.

3. HOLTSLAG SAID THAT IT HAD BEEN AGREED BY LUBBERS WITH ROCARD AND MRS BRUNDTLAND THAT IT WOULD BE LEFT TO ROCARD TO BRIEF MRS THATCHER. BUT THE ENCOURAGING RESPONSE FROM OTHERS MEANT THAT PLANNING COULD NOW GO INTO TOP GEAR. LUBBERS WISHED MRS THATCHER TO BE FULLY AWARE OF WHAT WAS HAPPENING AND TO KNOW WHAT HE HAD AGREED. HE WOULD BE SENDING A PERSONAL MESSAGE SHORTLY BUT DID NOT INTEND TO TELL THE FRENCH THAT HE WAS DOING SO.

4. THE DUTCH AND THE NORWEGIANS HAD BEEN DOUBTFUL ABOUT ROCARD'S IDEAS WHEN FIRST APPROACHED BUT HAD AGREED TO DISCUSS THEM FURTHER. THE THREE PRIME MINISTERS HAD MET IN SECRET IN THE HAGUE ON 30 DECEMBER. KNOWLEDGE OF THIS MEETING HAD NOT LEAKED. AT THE MEETING SOME SIGNIFICANT CHANGES IN THE EMPHASIS OF THE INITIATIVE HAD BEEN AGREED AND ON THIS BASIS LUBBERS HAD UNDERTAKEN TO HOST A MEETING OF ABOUT 20 COUNTRIES IN THE HAGUE IN MARCH. IT HAD BEEN AGREED THAT

THIS MEETING WOULD PREPARE FOR FURTHER WORK WITHIN THE UNITED NATIONS AIMED AT INTERNATIONAL AGREEMENT ON HOW TO DEAL WITH ATMOSPHERIC POLLUTION. THE DUTCH HAD THOUGHT THAT IT WOULD BE INAPPROPRIATE TO DEAL WITH OTHER PROBLEMS SUCH AS WATER POLLUTION WHICH COULD ONLY SENSIBLY BE DISCUSSED REGIONALLY. IT HAD ALSO BEEN ACCEPTED THAT THERE SHOULD BE STRONG EMPHASIS ON DEFINING PRINCIPLES OF LAW BUT IT WAS ALSO INTENDED TO DEAL WITH THE PROBLEMS OF VERIFICATION AND HELP TO COUNTRIES IN IMPLEMENTING POLLUTION CONTROLS. THE INTENTION WAS, AS IN MONTREAL, TO PROVIDE FOR A FORM OF MAJORITY DECISION MAKING.

5. THE DUTCH HAD AGREED TO THIS BECAUSE THEY FELT THAT THERE WAS A GOOD CASE FOR TRYING TO MAKE A QUANTUM JUMP IN ADOPTING EFFECTIVE MEASURES INTERNATIONALLY. THE PROBLEM WITH AN APPROACH SUCH AS THE MALTESE INITIATIVE WAS THAT IT WOULD INVOLVE PREPARATORY CONFERENCES, ENDLESS DRAFTING AND DISCUSSION. THERE WERE VERY CONSIDERABLE PROBLEMS IN THE DIFFERENCES BETWEEN INDUSTRIALIZED COUNTRIES AND THE THIRD WORLD COUNTRIES. BUT THE DUTCH DEPUTY PRIME MINISTER, DE KORTE, HAD RECENTLY BEEN TOLD BY THE PRESIDENT OF BRAZIL THAT HE WOULD WELCOME AN INTERNATIONAL POLITICAL INITIATIVE AS THIS WOULD BE ABOUT THE ONLY WAY OF OVERCOMING DOMESTIC DIFFICULTIES AND ENSURING THAT NEW STANDARDS WOULD BE INTRODUCED IN HIS COUNTRY. THERE WAS A LOT OF WORK GOING ON VARIOUS ASPECTS OF THE ENVIRONMENT, INCLUDING OUR OWN OZONE LAYER CONFERENCE. LUBBERS DID NOT THINK THAT THE HAGUE MEETING WOULD CUT ACROSS OUR OWN CONFERENCE IN ANY WAY. WE WERE EXAMINING THE PROBLEM. THE HAGUE CONFERENCE WAS TO LAUNCH AGREEMENT ON HOW COUNTRIES SHOULD RESPOND. A UN AGREEMENT WOULD HOPEFULLY ESTABLISH A FRAMEWORK FOR THE FUTURE WITHIN WHICH CONFERENCES SUCH AS THAT IN LONDON, THE DUTCH OWN CLIMATE CONFERENCE AND THE JAPANESE INITIATIVE COULD BE COORDINATED.

6. THE LIST OF INVITEES HAD BEEN PARTLY FASHIONED BY THE FRENCH BUT IT HAD BEEN AGREED THAT THERE SHOULD BE REPRESENTATIVES FROM DIFFERENT AREAS OF THE WORLD. WE ASKED WHY THE SUPER-POWERS HAD NOT BEEN INVITED. HOLTSLAG COMMENTED ONLY THAT THERE HAD BEEN A PROLONGED DISCUSSION ABOUT THIS (WE INFER THAT THE FRENCH HAD ARGUED STRONGLY THAT THEY SHOULD NOT BE INCLUDED). THE INTENTION WAS, HOWEVER, TO INFORM WASHINGTON, MOSCOW AND PEKING WHAT WAS PLANNED WHEN ARRANGEMENTS FOR THE HAGUE MEETING HAD FIRMED UP. THE THREE PRIME MINISTERS HAD ALSO AGREED THAT WESTERN EUROPE SHOULD NOT BE OVER-REPRESENTED IN A LIMITED MEETING. NOT ALL MEMBERS OF THE EUROPEAN COMMUNITY WOULD BE INVITED BUT THE LIST HAD BEEN EXTENDED TO INCLUDE ALL THE EUROPEAN REPRESENTATIVES OF THE GROUP OF NINE AND LUBBERS FELT THAT UK PARTICIPATION WAS IMPORTANT. THERE WAS ALSO A DELIBERATE EMPHASIS ON THE BRITISH COMMONWEALTH.

7. ACCORDING TO HOLTSLAG, THE STATE OF PLAY ON INVITATIONS IS :

INVITED AND ACCEPTED :

FRANCE (MITTERAND AND ROCARD)
NORWAY (MRS BRUNDTLAND)
BRAZIL (THE PRESIDENT)
CANADA (MULRONEY)
IVORY COAST (PRESIDENT)
EGYPT (PRESIDENT)
SPAIN (PRIME MINISTER)
JORDAN (KING HUSSEIN)
FRG (KOHL)
SWEDEN (PRIME MINISTER)
HUNGARY (PRIME MINISTER)
TUNISIA (PRIME MINISTER)
VENEZUELA (PRESIDENT)
ZIMBABWE (MUGABE)
SENEGAL (PRESIDENT)
MALTA (PRIME MINISTER)

ACCEPTED - LEVEL OF PARTICIPATION NOT AGREED :

AUSTRALIA
JAPAN (THE DUTCH HAD BEEN TOLD THAT THE PRIME MINISTER WOULD NOT COME BUT HAS NOW HEARD THAT THIS WAS BEING REVIEWED)

INVITED AND NOT YET REPLIED :

NEW ZEALAND
INDIA (MITTERAND IS PRESSING PRIME MINISTER TO COME DURING HIS VISIT TO DELHI)
ITALY
INDONESIA
CZECHOSLOVAKIA (LATE INVITATION AT THE SUGGESTION OF HUNGARY, BECAUSE OF THE CZECHS OWN SPONSORSHIP OF A REGIONAL EAST/WEST ENVIRONMENT MEETING)

8. IT HAD RECENTLY BEEN AGREED THAT AN INVITATION WOULD BE SENT TO KENYA. HOLTSLAG WAS UNAWARE OF ANY INVITATION TO GHANA (OSLO TELNO 28 REFERS).

9. THE DUTCH HOPE THAT THE SECRETARY GENERAL OF THE UN, A

REPRESENTATIVE OF UNEP AND THE DIRECTOR OF THE WORLD METEOROLOGICAL ORGANIZATION WILL ALSO BE PRESENT.

10. THE KNOWLEDGE OF THE FRENCH INITIATIVE IN THE HAGUE HAD INITIALLY BEEN CONFINED TO LUBBERS AND A VERY SMALL GROUP. THE DUTCH CABINET HAD NOW BEEN INFORMED AND AGREED TO THE HAGUE MEETING, AND AN INTERDEPARTMENTAL PLANNING GROUP OF OFFICIALS HAS BEEN FORMED THIS WEEK UNDER THE CHAIRMANSHIP OF VAN SWINDEREN (DIRECTOR GENERAL, MFA).

11. THE DUTCH ARE PLANNING FOR A TWO DAY MEETING. ON THE FIRST DAY THERE WOULD BE A SESSION IN THE MFA OPENING AT 10 AM TO EXAMINE A DRAFT DECLARATION. LUBBERS PROPOSES TO SEND THIS TO THE PRIME MINISTER WITH HIS MESSAGE. THIS WOULD BE OPEN FOR AMENDMENT DURING THE FIRST DAY DRAFTING SESSION WHICH COULD CONTINUE THROUGHOUT THE DAY AND THE FOLLOWING MORNING IF NECESSARY. VAN DEN BROEK WOULD PROBABLY CHAIR THIS UNLESS A MAJORITY OF THOSE INVITED PREFERRED THAT THIS BE HANDLED AT OFFICIAL LEVEL.

12. ON 11 MARCH THERE WOULD BE LUNCH HOSTED BY QUEEN BEATRIX AT THE ROYAL PALACE IN THE HAGUE AND AN AFTERNOON SESSION AT THE PEACE PALACE. THE DUTCH AT PRESENT ENVISAGE THIS BEGINNING WITH A PRIVATE INFORMAL DISCUSSION FOLLOWED BY A PUBLIC SESSION AND A SIGNING CEREMONY. PARTICIPATION WOULD BE LIMITED TO THREE PER COUNTRY. COUNTRIES NOT REPRESENTED BY HEADS OF STATE WOULD BE FREE TO SEND APPROPRIATE REPRESENTATIVES. AT THE END OF THE SIGNING SESSION THERE MIGHT BE A JOINT PRESS CONFERENCE.

13. LUBBERS HAD AUTHORISED THAT THE EMBASSY BE BRIEFED ON THESE LINES ON THE UNDERSTANDING THAT THIS SHOULD NOT BE MADE KNOWN TO THE FRENCH. THE THREE PRIME MINISTERS INVOLVED IN THE INITIATIVE HAD AGREED TO DO EVERYTHING POSSIBLE TO AVOID PREMATURE PUBLICITY AND ALTHOUGH KNOWLEDGE OF PLANS WAS LESS RESTRICTED THAN WHEN WE HAD ASKED ABOUT THIS LAST WEEK, THE DUTCH WERE STILL HANDLING WORK ON THE CONFERENCE ON A STRICT ''NEED TO KNOW'' BASIS.

COMMENT

14. THE DUTCH ARE DELIGHTED AT THE PROSPECT OF A MAJOR INTERNATIONAL MEETING IN THE HAGUE. THE OFFER TO LUBBERS TO HOLD THIS HERE HAD CLEARLY HELPED TO GET HIM ON BOARD. THERE IS ALSO A DOMESTIC ATTRACTION. THERE IS A STRONG PUBLIC INTEREST IN THE ENVIRONMENT. THE TWO MEMBERS OF THE CABINET PRINCIPALLY INVOLVED (NIJPELS AND MRS SMIT-KROES) ARE NOT IN LUBBERS OWN PARTY AND LUBBERS OWN ROLE IN THE INITIATIVE WILL BE SEEN AS A MAJOR SUCCESS FOR HIM AND THE CDA.

BUT ROCARD HAS PUSHED ON AN OPEN DOOR. THE DUTCH HAVE BEEN STRONG SUPPORTERS OF NEW ENVIRONMENT INITIATIVES, AND A CONFERENCE THAT WILL ALSO PROPOSE ASSISTANCE TO THIRD WORLD COUNTRIES FITS IN WELL WITH THE PRIORITY WHICH THEY GIVE TO DEVELOPMENT PROGRAMMES.

JENKINS

YYYY

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cc PC ✓

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

2 February 1989

CONFERENCE ON THE OZONE LAYER

Thank you for your letter of 1 February. The Prime Minister is content with the conclusions which your Secretary of State has reached.

CHARLES POWELL

Miss Deborah Lamb,
Department of the Environment

PERSONAL AND CONFIDENTIAL

DTS.

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Foreign and Commonwealth Office

London SW1A 2AH

2 February 1989

Did we really have to invite Libya & Syria? People will not understand why

Dear Charles,

Ozone Layer Conference

You may wish to know that preparations for the conference in March are going ahead well. Some 150 countries have been invited to attend and their response has been encouraging. As you know, President Moi has agreed to give the keynote address.

Because the conference is being organised in conjunction with the United Nations Environment Programme (UNEP), we are obliged to invite those countries which are actively involved in UNEP. We followed a similar precedent for the AIDS Conference which took place in London last year. The logical consequence of this is that some countries with whom we do not have diplomatic relations, such as Argentina, Libya and Syria, may attend. Countries which are not actively engaged in UNEP, such as Afghanistan, Albania, Democratic Kampuchea, North Korea and South Africa, will not be invited.

Yours,

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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their own countries for acidification. That resulted in a superb report *Watch with Acid Drops* which was given a prize for its thoroughness, and well worthy of it it was.

I should like to refer to something similar which has been and is being done. An organisation known as the Living Earth Foundation together with the London Centre for International Peacebuilding started an initiative with the Cassia plant. I had never heard of the Cassia plant. It is called *cassia obtusifolia*. It grows in arid and semi-arid regions of the world and is supposed to have nutritious properties which can be a very valuable food supplement. Kew Gardens became interested in that because they knew of it but knew nothing about it. If I may use the expression, it had no biology.

The suggestion was made that some basic research on it was needed. A Ph.D was not needed to do it. Why should not school children do it? A scheme was therefore set up whereby a school in the East End of London, in the borough of Newham, was twinned with a school in Kenya. Together the schools observed the behaviour of the seeds of this plant. It was basic research. All they had to do was see how long the seed took to germinate and how it behaved when it had germinated.

The effect on the children was extraordinary. The interest and motivation of the children in the London school was amazing. They were able to conduct intelligent discussions with the teacher. They were able to form their own hypothesis and do their own testing. By intuitive means they often came up with new ideas—ideas which their teachers had never thought of. That seems to be a most brilliant type of education and is the sort that we want.

The Living Earth Foundation is now extending the idea to the twinning of other schools. A school in Cleveland is being twinned with a school in South Mexico. Another school in Cornwall is to be twinned with a school in Borneo. The object of the twinning is not merely to form pen-pals but to provide each with packs of information based on genuine research done by the children on the spot. It is a pity that when the Chernobyl disaster occurred we did not have the physics departments of the country out monitoring the amount of radioactive fallout. That is the sort of project we want to go for. Children must get out of the classroom laboratory and see things for themselves.

The concern is that the national curriculum is packed so tightly that there will not be time for this sort of experiential work. It is most important that it should happen. There must be some flexibility in the programme, with government support and leadership. There must be co-ordinators in schools to carry out such projects as well as fulfil the demands of the curriculum. Children need to get out and become involved with their surroundings. They need to develop—and this is important—a moral responsibility for their environment and not just knowledge of it. They must feel part of it and responsible for it. The pursuit of knowledge without moral responsibility we all know to be highly dangerous. It is that that has brought us to the brink of the destruction of the human race by the appalling weapons we have created. It is that, too, which has brought us to the brink of destroying the planet. We cannot have knowledge without moral responsibility, and that is what young people must learn by getting out and discovering the environment for themselves. I hope that that will come in the years ahead.

5.13 p.m.

Lord Crickhowell: My Lords, as chairman of the National Rivers Authority Advisory Committee I am particularly grateful to the noble Baroness Lady Nicol, whose absence we regret, and the noble Lord, Lord Cledwyn of Penrhos, for giving me this opportunity to speak about some of the issues which my committee think are specially important; a number of which were referred to by the noble Baroness, Lady White.

First, may I say as a user of unleaded petrol that the present efforts of the oil companies to make available an adequate supply of unleaded petrol pumps are woefully inadequate.

The Committee I chair is an advisory body and Ministers are entitled to reject our advice. Nonetheless, it is right that we should be open about our views. Ministers have already accepted our advice on a number of issues and have made it clear that on others their minds are not closed. In my opinion the Water Bill will prove to be one of the most important environmental measures yet introduced by a British Government. The framework provided by the Bill is sound but my committee is firmly of the opinion that the Bill and the arrangements that refer to it can be substantially improved.

In the time available to me I shall confine my remarks to a few important topics about which we feel strongly. The first concerns the relationship of the NRA with the Government. While we are broadly satisfied that the Bill gives the authority the range of legal powers that it will need, we think that the NRA should have a wide degree of management independence and should not be subject to the direction of Ministers over individual decisions. I suspect that Ministers would find their involvement in individual cases equally unacceptable. One possible solution is to define in the Bill the areas of activity where directions may not be given.

We agree with the many individual representations that the NRA should be as independent of Treasury funding as is practicably possible. In its first year of operation on present estimates the NRA will be dependent upon the Exchequer funding for £70 million out of a turnover of £290 million. We are convinced that a greater degree of self-financing is both practicable and desirable. It is important that the NRA should have adequate funds to perform its duties effectively. It is also extremely desirable that over a period we should move to a system that provides a real incentive for environmental improvement.

We should like to see a system that enables us to recover as large a proportion as possible of general monitoring costs through discharge consents and abstraction charges. If it is not possible in the short-term to make all monitoring and sampling costs self-

[LORD CRICKHOWELL.]

financing, it should certainly be our objective over a period of years.

To produce a fully worked out incentive charging scheme may well prove difficult, but it is important to recognise that a sound cost recovery scheme can itself have important incentive effects, simply because higher costs arise for approvals for the more polluting and dangerous substances.

I think it is a great pity that the Government have decided so firmly that the environmental services charge must go. Though there would have had to be a change of practice because of the abolition of domestic rates, my committee believes that there might well have been a substantial degree of support for the NRA levying a river management precept or charge for abstracters in order to contribute to the funding of its general pollution control duties.

My third point concerns the relations of the NRA with Her Majesty's Inspectorate of Pollution, a topic raised by the noble Baroness, Lady White. The NRA is to be the national guardian of the water environment. We regard it as essential that the division of responsibilities between the NRA and Her Majesty's Inspectorate should be clearly drawn. We believe that it should be based on the following principles.

First, there should be absolute clarity as to which organisation customers deal with. Secondly, HMIP should be responsible for assessment of the best practical environmental option, whether to water, land or air, and consideration of the best available technology. Thirdly, the NRA should have an overriding responsibility for determining the conditions for discharging to controlled waters so as to ensure that water quality objectives are maintained.

My fourth area of concern is about sewage treatment works discharges. The technical background to the issue is extremely complex and the arguments that relate to it would delight the medieval theologian more, I suspect, than noble Lords taking part in this debate. They are vitally important. however, because they will decide the effectiveness of the NRA as an environmental control body. They also directly relate to the flotation and financial position of the new plcs.

There is a problem at the present time. A very large number of sewage treatment works do not achieve the standards that have been laid down. There is no way in which that sort of problem can be solved overnight. While we would not accept any permanent relaxation of present standards, we think it right that the water authorities should be allowed time to carry out a programme of major improvements of the kind which the Government have already announced.

However, while this temporary relaxation in specifically agreed cases and within agreed upper limits is acceptable, we feel strongly that a system must be established early in the life of the NRA that will enable it to set adequate standards that treat all discharges, whether they be industrial or concerned with sewage treatment works, even-handedly and which clearly reveal the truth of what is going on. We have told the Government that we do not believe that the present system which includes so-called look-up tables provides a satisfactory basis for the future. The system allows a relaxation of standards. The protection against statistical quirks is lopsided, increasing the risk of pollution.

However, having said that, we equally understand that there are difficult questions of principle, practicality and timing to be resolved; and my committee is working closely with Ministers to try to solve those problems. It is being argued that to do away with look-up tables would substantially increase the number of non-complying sewage treatment works. There may be some exaggeration, but if there are those consequences it can only be because the present system is disguising an unacceptable level of failure.

The Government need not be embarrassed by what we are proposing. It is now very clear that one consequence of their decisions has been to bring into the open the reality of the state of our sewage treatment works previously disguised by the poacher-gamekeeper relationship within the industry and by the look-up tables' system. The Government are entitled to take full credit for the fact that this has happened. The early introduction of a system that does not disguise the true level of discharges would be a further important step towards the improvement of water quality. My committee would argue that if the facts are clear and if the task is even larger than we know at present, the Government in consultation with the regulators would be fully justified to take account of the availability of resources and the impact on charges in reaching their decision on the scale and timetable of improvements that they can approve. That would reduce and not add to the uncertainties that confront the industry.

There should be no misunderstanding that a robust NRA, with or without look-up tables, will carry out much more extensive sampling. If all doubtful cases are adequately sampled, much of the truth will out. That is why, when all the technical arguments are put on one side, the important fact is that there is to be an NRA. No authority with integrity will allow industry, water plcs or government departments to fudge the issues. That is why the present Secretary of State deserves such credit for what I am confident will prove to be one of the most important steps yet taken to prevent pollution in this country and improve the environment.

5.23 p.m.

Lord Hatch of Lusby: My Lords, on 24th November last year, speaking on the Address to the Gracious speech, I asked the Government a number of questions following the Prime Minister's conversion, in her speech to the Royal Society in September, to what some of us have been saying for a number of years now. I pay particular tribute to the noble Lord, Lord Craigton, for the way in which he has pursued the same issues as I have. For years Ministers have poured scorn on the warnings that we were given.

I received no answers to any of those questions. I wish to repeat some of them this afternoon. On that date I asked the Government what they were going to

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the department for Enterprise

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PRIME MINISTER

GLOBAL CLIMATE

Ref A.

At our meeting on 12 January, we agreed that the question of the United Kingdom's support for the proposed second European Remote Sensing satellite (ERS-2) should be reconsidered urgently.

2 Satellites will play a vital role in the monitoring of global climate change. We must obviously work in the context of international collaborative programmes. But the UK does have particular strengths in atmospheric and ocean modelling, in stratospheric dynamics and chemistry, and in the development of advanced satellite instrumentation for measurement of environmental variables. The European Space Agency (ESA) ERS-1 satellite, scheduled for launch in 1990, will be the Agency's first major venture into remote sensing. The satellite will demonstrate the potential (for commercial and public sector uses) of all-weather earth observation by synthetic aperture radar: it will also produce the basic data needed for global climate modelling. The UK contribution to ERS-1 (15% of the total mission cost) consists of approx £70m from the DTI, with a further £5m from SERC for the developmcnt of advanced scientific instrumentation.

3 Realistically, the whole payload of ERS-1 cannot be expected to operate for more than three years. The next major ESA venture to which we are currently committed is the Columbus Polar Platform, scheduled for launch in 1997. This will provide a quantum leap in earth observation capability both for commercial applications and for advanced climate monitoring. The DTI has allocated £250m to this project, primarily in recognition of its

the enterprise initiative

commercial potential (including funds for commercial instruments and the ground segment). SERC are considering funds to develop scientific instruments.

4 But there could be an awkward gap between 1993 and 1997. ESA proposes to fill this gap with ERS-2 (to be launched in 1994). We have hitherto been reluctant to support what was conceived as a simple repeat mission, feeling that, while the break in continuity of data reception would be inconvenient, it would not conclusively inhibit commercial applications since other satellites (eg the Canadian RADARSAT) could provide comparable data in the mid-1990s. We preferred to husband our funds for Columbus. But I am told that continuity of data is essential for climate modelling purposes: no other satellite will provide the same data as ERS-1. In addition, it may be possible to modify ERS-2 to enable it to carry a new atmospheric chemistry instrument - highly relevant to our current concerns. (This cannot be done for ERS-1 as the design is already frozen).

5 Most of the other members of ESA see ERS-2 as essential, but a UK refusal to support would put the project in doubt. I have therefore reconsidered the case for participation. It is principally for others to assess the scientific benefits of the project. But in view of the increasing importance we attach to monitoring the atmosphere and the global climate, I think a case can be made for our participation especially if ERS-2 is adapted to carry the new atmospheric chemistry instrument.

6 UK support for ERS-2 would, in my view, be well received internationally as an indication of the seriousness with which we now take our concern for the atmosphere and the global climate. Conversely, non-participation in ERS-2 would be damaging to our stance on environmental matters. A positive decision could form a major part of the package of measures you hope to announce at

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the department for Enterprise

the London Conference on 5-7 March. I am confident that British industry and British Scientists will be able to play a leading role in making a success of ERS-2. But we shall need an early decision if we are to take this particular opportunity. If the UK were to contribute to ERS-2 on the same basis as ERS-1 (ie a 15% share) and to develop in addition an atmospheric chemistry instrument, the cost would be broadly as follows:

£m

89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97
4.5	11.5	12.5	13.0	9.0	5.5	2.5	1.0

7 Final ESA cost estimates are not yet available and these figures could be subject to some modification.

8 I do not have headroom for this expenditure in the budget allocation by DTI to the British National Space Centre. We are already committed to Columbus and I believe we should maintain our expressed policy of encouraging the commercial exploitation of earth observation. But climatic monitoring should now be an important additional strand in our policy. If, therefore, colleagues agree that participation in ERS-2 could make a valuable contribution to climatic research, I would be prepared for DTI to meet up to half of the above costs (on an annual basis) because of the benefits to UK industry. Subject to Treasury agreement, I will cover the necessary increase in the DTI space budget by transferring funds from other DTI cash-limited programmes. This will require some re-ordering of priorities. But it will be neccssary for colleagues to find the other 50% of the required funding. The departments with the greatest direct interest include DOE, DES (with their responsibility for the Research Councils), MAFF and MOD (much of the UK expertise is in the Meteorological Office).

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9 I am copying this letter to the Secretaries of State for the Environment, for Foreign and Commonwealth Affairs, for Defence, for Education and Science, for Transport and for Energy, to the Chief Secretary, to the Minister of Agriculture, Fisheries and Food, to the Paymaster General, to the Minister for Housing, Environment and Countryside, to Sir Robin Butler and to John Fairclough.

DY

1 February 1989

DEPARTMENT OF TRADE AND INDUSTRY

the enterprise initiative

ENV. AFFAIRS: Acid Rain Pt. 6

File MRR

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 February 1989

Dear Michelle,

Following the various ring-rounds I have done with regard to setting up another meeting to discuss Global Climate, the best time and date seem to be 4.00pm on Wednesday, 19 April. The meeting will need to last until 5.30. I should be grateful if you could pencil this into your diaries. Please let me know as soon as possible if any of you are unable to manage this date or time.

I am copying this letter to Philippa Jones (Department of Energy), Gail Davison (Department of Education), Margaret Bell (DTI), Deane Gable (Paymaster General's Office), Ian Fugler (MAFF), Sandra Phillips (Foreign and Commonwealth Office), Martin Brown (Department of Transport), John Fairclough and Richard Wilson (Cabinet Office).

Yours sincerely,

Teresa

Mrs. T. Gaisman

Miss Michelle Cameron
Department of the Environment

10

CONFIDENTIAL

SC PC (2)

Foreign and Commonwealth Office

London SW1A 2AH

Rt Minister

1 February 1989

NB 2 papers

CDP 1/2.

Dear Charles

French Prime Minister's Environmental Initiative

Thank you for your letter of 27 January. Ref B.

We and the DOE entirely share the Prime Minister's dim view of the draft Declaration enclosed with my letter of 27 January, and were not proposing to seek to persuade her to attend the Conference in The Hague on 11 March.

M. Rocard is suggesting a considerable leap forward with his Declaration and it seems to us misconceived, particularly as the work of the Inter-Governmental panel on climate change has only just started. We shall nevertheless be considering whether, rather than boycotting the occasion entirely, we should not be represented in some form, to try to steer the idea into more productive channels.

It seems to us best, however, not to send M. Rocard a substantive reply before he calls on the Prime Minister on 8 February, but to indicate through Sir Ewen Fergusson in Paris that the Prime Minister looks forward to a serious discussion of the proposal then. We will submit detailed briefing for that meeting. Meanwhile we have asked our embassies in a number of capitals to find out what other governments have heard or think of the proposal, which will help us in our advice to the Prime Minister.

Yours ever

Bob Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

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ENV AFFAIRS: and Rec'd RTG

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(2)

2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

Prime Minister

This deals with the suggestion from David Hart's friend – Mr. MacDonald – that there should be a separate session on global warming. I think it really is too late. But you will see that DoE propose to include Mr. MacDonald in some of the associated events.

CDP/2

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

1 February 1989

Dear Charles,

CONFERENCE ON THE OZONE LAYER

Thank you for your letter of 25 January which I have discussed with the Secretary of State.

Now that we have circulated the outline programme for the Conference (copy attached) to over 150 countries and recruited most of our speakers, the Secretary of State believes it would be awkward to add a separate session on global warming. He has made it clear to Parliament and to the public at large that the emphasis will be - as the Conference title demonstrates - on saving the ozone layer. Nevertheless, there will be a continuous underlying theme that international action towards a CFC-free world will not only help protect the ozone layer but also take a first step in reducing the impact of CFCs as greenhouse gases. The speakers in the opening science session will cover this dual threat of CFCs and halons, and a Malaysian scientist will emphasise the Third World aspects. The dual theme will be carried forward in the World Industry session especially as Sonny Ramphal will be in the chair.

These points are covered in more detail in the enclosed background note prepared for 3 SLD questions to the Prime Minister this week.

The UK has in fact been congratulated in international gatherings for singling out the one aspect of the two global issues which can be solved reasonably swiftly. In addition, the papers for the Conference, the video we are producing, the scientific surgeries, and the DOE, DEn and ODA exhibition stands will make the ozone layer/climate change links very clear.

Apart from our invited speakers, participation will be strictly limited to Government delegations (with a maximum of 3 or 4 people on account of space limitation). We have however decided to sponsor

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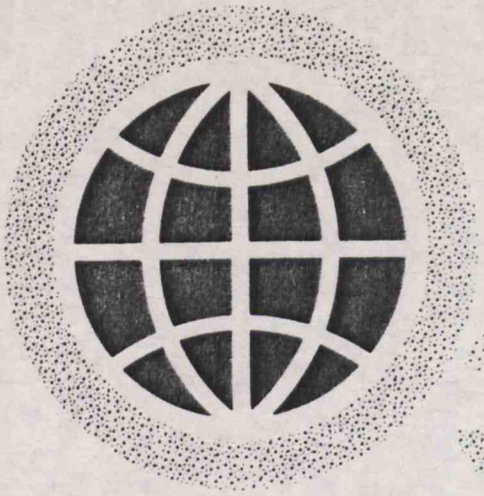
a separate "Citizens' Symposium" which will be run by NGOs, under the auspices of the UK Committee for UNEP. The findings of this symposium will be presented to our Conference. We have passed the name of Dr Gordon MacDonald to the NGO organisers with the recommendation that they consider involving him in their event. There is already perhaps too strong an anglophone emphasis among the speakers with 3 out of 5 of the scientists and a similar proportion of industrialists coming from the UK or USA.

Yours,
Deborah.

DEBORAH LAMB
Private Secretary



SAVING THE
OZONE LAYER
LONDON
CONFERENCE
5-7 MARCH 1989

OUTLINE PROGRAMME

JANUARY 1989

CONFERENCE SECRETARIAT
DEPARTMENT OF THE ENVIRONMENT

"SAVING THE OZONE LAYER" LONDON CONFERENCE
QUEEN ELIZABETH II CONFERENCE CENTRE

SUNDAY 5 MARCH

Morning

Opening Ceremony with Keynote Speech

SESSION 1: "SETTING THE SCENE"

- the history of CFCs and halons;
- ozone layer science: the history; the current state of knowledge; the dangers to human and other life.

Lunch

Afternoon

Ministerial Discussions/Statements (an opportunity for delegates to comment on the issues addressed during the Conference or to make brief statements).

SESSION 2: "THE RESPONSE OF WORLD INDUSTRY"

- existing alternatives;
- new alternatives;
- conservation and recycling;
- the customer's point of view;
- developing country aspects.

Ministerial Discussions (continued).

MONDAY 6 MARCH

Morning

SESSION 3: "SHARED AWARENESS"

- the implications of the Montreal Protocol process for signatories and non-signatories. The particular needs of developing countries and how to tackle them.

Ministerial Discussions (continued).

Lunch

Afternoon

Ministerial Discussions (continued).

SESSION 4: "OUR COMMON PURPOSE"

Synthesis of previous Sessions and Discussions. The Way Ahead.

TUESDAY 7 MARCH

Morning

Adoption of Final Message

Closing Ceremony.

Press Conference.

END

(CONSULTATION QUESTIONS)

★†120 **Mr Ronnie Fearn** (Southport): To ask the Prime Minister, if she has any plans to convene an international conference on global environmental issues.

★†201 **Mr Geraint Howells** (Ceredigion and Pembroke North): To ask the Prime Minister, if she has any plans to convene an international conference on global environmental issues.

★†243 **Mrs Ray Michie** (Argyll and Bute):To ask the Prime Minister, if she has any plans to convene an international conference on global environmental issues.

* the questions above are to be grouped and will therefore receive the same answer

CONSULTATION QUESTION NO. 11/88/89
(To take in also Questions 15 and 18)

DRAFT ANSWER

In March my rt. hon Friend and I are convening an international Conference in London to address the major global issue of saving the ozone layer. I shall play an active part in the proceedings. [HRH Prince of Wales will speak at a dinner for Heads of Delegations hosted by my rt. hon. Friend.] President Moi of Kenya, a developing country that has already ratified the Montreal Protocol, will give the keynote speech at the opening ceremony. I shall deliver the closing address immediately after a speech by Dr Tolba, Executive Director of the United Nations Environment Programme (UNEP), under whose auspices the Montreal Protocol was successfully developed.

Over 60 countries from all regions of the world have already indicated that they will be sending Minsterial delegations, and more acceptances are coming in daily.

The House is aware that the Government is calling for worldwide emissions of chlorofluorocarbons (CFCs) to be redcued by at least 85% by the turn of the century. The Conference will present world governments, whether or not they have signed up to the Montreal Protocol, with firm evidence that further global action must be taken to prevent further damage to the ozone layer. It will also enable world industry to show how this can be achieved.

We aim to send a clear political message from London to Helsinki, where the parties to the Protocol will meet for the first time in May to begin the review of existing measures. It is my hope that we can persuade more countries to sign the Protocol so that truly global agreement can be reached on much stronger measures at the second meeting of the Parties which we will be hosting, on behalf of UNEP, in 1990. With its underlying theme of sustainable development, our Conference will make it clear that such action will not only protect the ozone layer but also, since CFCs and halons are greenhouses gases, represent a first and major step in tackling the closely linked issue of global warming.

Question by Mr Ronnie Fearn: To ask the Prime Minister if she has any plans to convene an international conference on global environmental issues.

Background Note

1. The Questions by Mr Fearn, and identical ones by Mr Geraint Howells and Mrs Ray Mitchie presumably reflect the latest SLD interest in green matters. Although our Conference is primarily about the ozone layer, there will be constant reminders in all sessions to the role of CFCs and halons as greenhouse gases, and to the need for world governments to work together to achieve sustainable development.

2. Most OECD countries have indicated that they will be represented at Ministerial or equivalent level, with only Japan of the major economies not yet firmly committed. Important Third World countries like Brazil, Indonesia, Malaysia, Kenya will send Ministers. China will be represented but we do not yet know at what level. Of our main target countries India and South Korea have not yet responded. It is hoped that the announcement of President Moi's involvement, details of the Prime Minister's own participation, and when we have clearance the Prince of Wales' speech, will quickly convince the waverers that this is an occasion they cannot afford to miss.

3. The draft outline programme is attached. For the science session, "Setting the Scene", we have invited a distinguished Soviet scientist to take the chair, with speakers from Britain (BAS), France, USA and Malaysia. Sonny Ramphal will chair the industry session, in which speakers will include the Chairman of ICI, Chairman or Vice Chairman of DuPont, Sir John/Lord Sainsbury, and the President (Swedish) of the International Chamber of Commerce. Dr Salim (Indonesian Minister and a Brundtland Commissioner) will chair the 3rd, mainly political, session where speakers will be Ministers from Finland, Canada, Mexico and just possibly China. The final session will take reports from the 3 session chairmen, which will be drawn together by the Conference Rapporteur, Dr Martin Holdgate, now Director General of the International Union for Nature and Natural Resources (IUCN) in Geneva.

4. With Dr Holdgate's help we will draft a Chairman's Message for Mr Ridley to send to the Helsinki meeting of the Montreal Protocol. If the delegates wish this to be a Conference Message, so much the better.

5. We have given an undertaking to UNEP's Dr Tolba that our Conference is primarily about increasing political awareness - a recruitment drive for the Montreal Protocol - and that it will not attempt to pre-empt or anticipate the detailed review of the Protocol by laying down reduction targets or timetables although speakers will no doubt outline their own preferred solutions.

6. Formal international agreement on stricter global measures will not be reached until 1990, and before that the UK will have to continue to play a leading role in Europe to ensure that the Community continues to work as a tea Much hard negotiation remains to be done; will an 85% reduction in CFC emissions be enough; what to do about halons; timetables; should other ozone depleting chemicals be included; how to help developing countries; and so on.

7. Although Belgium is still trying to persuade Tolba that the 1990 meeting o the Protocol parties should be held in Brussels, he has made it clear that he has accepted the UK offer to host the meeting in London. He would agree to Brussels only if the UK withdrew. We have made it clear through diplomatic channels that we have no intention of withdrawing.

EPINT

30 January 1989

PART 6 ends:-

SS/Energy to FCO 31.1.89

FCO to CDP 1.2.89

PART 7 begins:-

DoE to CDP 1.2.89

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