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dw
The Rt Hon Sir Geoffrey Howe QC MP
Foreign and Commonwealth Office
Downing Street
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21 February 1989

Amos FCO RMH
ADD 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 multi-lateral 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.