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12 April 1989

Dear Secretary of State

MONTREAL PROTOCOL

Thank you for your letter of 6 April enclosing a paper by your officials examining the implications of strengthening the Protocol and related matters.

I was very surprised to learn that your officials did not consult me in preparing the paper, not least in view of the successful machinery established by our Departments for joint consultations with industry. Some of the difficulties outlined in this paper strike me as worst case scenarios. They could perhaps have benefited from probing by my officials who remember that less than two years ago industry was arguing that a 50% cut in CFCs by 1999 was unachievable. We will in fact achieve it 10 years earlier.

We do, of course, need to consider our stance on key issues, such as the timing of more stringent measures and the range of chemicals to be controlled. Our "Saving the Ozone Layer" Conference has succeeded in giving a strong political boost to the whole of the review process and next month's Helsinki meeting will not confine itself to dispassionate examination of technical questions. I shall be attending the meeting to deliver personally the Message from the Conference. The presence of a good number of other Ministers gives us an opportunity to consider how best to steer the political direction of the review, possibly by agreeing a set of guiding principles (as the Commission propose) or a Declaration of Intent (which the Finns are hoping for).

My main objective in going to Helsinki is to ensure that the UK's world leadership is visibly maintained. Whilst the praise we received for the London conference was widespread and genuine I am in no doubt that some countries - not least within the Community - are looking for ways to criticise the UK and to question our commitment not only to saving the ozone layer but also to tackling other environmental issues.

The most difficult issue in this review of the Protocol will be how to make good the commitment in the Conference Message to finding ways of helping developing countries. I am therefore looking forward to an early sight of the paper which the Prime Minister has commissioned FCO and ODA to produce. But however constructive we are on this question, we risk losing credibility if the line you advocate as positive and realistic is in fact interpreted as back-tracking. I fear that wholesale adoption of the recommendations in your officials' paper would be seized on as proof of negative and inflexible policies in the UK.

The basis of our brief for Helsinki should I suggest be the conclusions agreed at the Environment Council on 2 March, to which we are, as you say, firmly committed. This means concentrating on how in practice production and consumption of CFCs can be eliminated by the end of the century. Looking further ahead, as my Message as Chairman of the London Conference records, there is general acceptance that the ultimate objective should be total elimination of both CFCs and also halons (although the timing for the halons remains a problem). This is in line with the findings of the second report of the Stratospheric Ozone Review Group that the only way to prevent further depletion of stratospheric ozone and to allow the atmosphere to recover is to phase out production of the major man-made carriers of chlorine and bromine to the stratosphere.

It is against the background that we need to consider the UK's bottom line on the timing of further measures, bearing mind the EC Environment Commissioner's wish to see an 85% cut in CFCs before 1995 and total elimination in 1996 or 1997. We also need to give very careful consideration to the halons, on which the EC has not yet reached a view, but which the US may want to be phased out by the end of the century.

There is nothing between us on the desirability of more flexible provisions in the Protocol for industrial rationalisation (eg by way of EC joint production controls) and exemption of CFCs used as intermediates. But whilst I agree that we should strive to secure these objectives, their achievement cannot be a precondition for our agreement to strengthening the Protocol. We first have to carry our EC partners with us and this is by no means a foregone conclusion, even before seeking the agreement of the other Protocol Parties. As the paper recognises, we can expect continued opposition from the UK on joint production. Your officials will readily recall the acrimonious debate between the EC and the US in Montreal on this point. 57

Similarly, I do not think it wise or realistic in Helsinki to refuse to consider any form of control of additional substances, not least in view of the latest evidence of damage to the ozone layer. Thus while I agree that we should maintain the White Paper line on HCFC 22 we can scarcely resist its being taken into account in the scientific and technical reviews. Nor can we give guarantees that it will never be included in the Protocol. I am glad that inclusion of carbon tetrachloride creates no difficulties - and our officials should discuss how the Protocol measures should apply to it - but I

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do not think we should actively argue for exclusion of methyl chloroform. In view of the projected levelling off of demand there is a good case for at least a freeze for which the US is likely to press) and I am told that ICI have indicated that this would be preferable to continued uncertainty. Nor should we seek to prevent its contribution to ozone depletion being addressed in the review.

In summary, I am clear that my brief for Helsinki must be more flexible than you are proposing. It may well turn out that industry fails to find solutions to all the problems before the year 2000, and in that case we can reassess the position during the second review (to be completed in 1994) or even the third. For this first review however I should like our officials to get together immediately to produce a mutually acceptable overall approach. Above all we must work with our Community partners and the meeting of the Environment Working Group on 13 April will be our first opportunity. I do not think that any wider diplomatic effort before Helsinki is necessary or desirable, particularly since the Community position has not yet been established.

In regard to Community discussions before addressing Helsinki I would not like to see our representatives taking a leading role in pressing the various recommendations in your officials' paper other than perhaps that concerning joint production. If as you suggest other member states are equally worried then I would wish them to say so first and not hide behind us.

I am copying this letter to the recipients of yours.

Yours sincerely

RB

RB NICHOLAS RIDLEY

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