



PRIME MINISTER

ENVIRONMENT COUNCIL: 21 MARCH

As last week's Cabinet I gave colleagues a brief report on the outcome of the meeting of Environment Ministers which took place in Brussels on Monday 21 March. It may be helpful if I explain in greater detail what happened at the meeting and what further action I propose to take.

It was clear beforehand from the agenda chosen by the German Presidency that Malcolm Caithness, who represented the UK, would have to take a hard and unpopular line across most of the agenda. The UK had only limited room to manoeuvre on the main "acid rain" proposal (the Large Combustion Plants directive) and was seen as the main obstacle to progress on the three Water directives also before the Council. Where possible, for example on vehicle emissions, Malcolm avoided taking the lead against the Presidency, but over much of the field this was impossible. Malcolm put across our position with the resolution necessary to throw the Germans back on their heels, and was given a predictably rough ride. The German Presidency made no serious attempt to help us and those few countries which still have difficulties with the Large Combustion Plants directive were prepared to shelter behind us.

We were particularly disappointed not to make further progress on Large Combustion Plants. We had hoped to take advantage of the pressure on the Germans as Presidency to get this contentious directive concluded. It would be a major advance to eliminate the uncertainty for European industry on terms which would not be unduly onerous for the UK. We have not entirely lost hope, although clearly as a result of the Presidency's mishandling of the issue the prospects for making progress at the next Council on 16 June are not good. The Germans may choose to take the problem to the Hanover summit, although this is speculation at this stage.

②
Prime Minister
Some useful
background. This may
come up at the
European Council.
COP
30/3

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I intend to ask my officials to open bilateral discussions with the Presidency and with the Commission (or with both together if they insist on playing it that way). We will want to open up a broad range of issues - on a "without commitment" basis - with the key objective of finding out whether there is any prospect of the Presidency bringing forward a revised package which is sufficiently realistic to be worth serious negotiation. If we judge that they will not, we shall simply have to counter-attack so as to minimise the propaganda damage in June. There is one dossier on which we might seek to turn the tables and threaten to embarrass the Presidency. That is the stage II standards for emissions from small cars. I will ask our officials to look into the possibilities urgently.

Turning to the water directives, Malcolm was able later in the Council - and again under quite ruthless pressure from the Presidency - to make an important concession on controlling chloroform in water which had been agreed inter-Departmentally beforehand, in return for an undertaking that greater scrutiny would in future be given to selecting dangerous substances for Community-wide control. We were still left in difficulties with titanium dioxide discharges and with chromium, and these will also have to be returned to at the June Council.

I enclose briefing covering these issues which colleagues may find useful.

I am copying this letter to other members of the Cabinet and to Sir Robin Butler.

N R

29 March 1988

ACID RAIN

Key facts and figures

- Sulphur dioxide (SO₂) emissions down by a quarter during the 1970s; and by another 20% since 1980;
- £1 billion 10-year power station clean-up programme: (3 stations to be retrofitted with flue gas desulphurisation (FGD) equipment; 12 stations with low nitrogen oxide (low-NOx) burners); new stations to have both FGD and low-NOx burners;
- £6 million Government research programme (£4.7 m by DOE).

Bull points

- UK among leaders of European countries taking positive action to reduce emissions: £1 billion to be spent on retrofit programme and low acid technology for new power stations).
- EC has now adopted tighter vehicle exhaust standards: should result in emission reductions of about 50% from petrol engined cars.

Defensive

- 1986 emissions increase

Some upward movement has been expected because of strong economic growth. Trend exaggerated because 1984 and 1985 figures artificially low due to miners strike. CEEB major retrofit programme introduced in anticipation of the trend. Effect on Scandinavia exaggerated: increase in deposition in Norway about half of one percent.

- Why not do more?

We have had to establish a balance between (i) the accepted need to achieve further reductions, (ii) science's continuing inability to show how effective additional action would be, and (iii) the domestic implications of such action (raw material supplies, by-product disposal).

- Why won't UK join "30% club"?

The dates are arbitrary - 1980 to 1993 - and our programme, substantial as it is, does not fit them.

Our record before 1980 was much better than most other countries, but the "Club" doesn't count this. Yet the timescale suits most other countries (who peaked later than us).

The 1993 target date is too soon for us to benefit from the substantial FGD retrofit programme.

- UK the "dirty old man of Europe"?

Misleading and false accusation. When our size is taken into account we are far from the highest emitters:

Our per capita SO² emissions are tenth in Europe* (below Spain, Finland, Luxembourg and most East Bloc countries) and well below USA and Canada too).

Our per capita NOx emissions are fourteenth in Europe* (below Netherlands and West Germany, all four Scandinavian countries, Switzerland and others) and again well below USA and Canada.

(*) NB. West and East Europe