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PRIME MINISTER, SO PERSONAL MESSAGE ()
SERIAL No. 1889

10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

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24 June, 1989.

I was glad to receive your letter of 16 June about the environmental issues, especially concerning climate change, to be discussed at the Economic Summit in Paris next month. Your letter shows the wide extent of common ground between us on these subjects, particularly the need for improved worldwide cooperation.

I endorse your view that global climate questions deserve higher priority at the Economic Summit. These problems, by their nature, call for international action, for which the Summit countries should give a lead. We must prepare now to confront problems which, if unchecked, would endanger future generations.

Our actions should be based on the twin foundations of good science and good economics. First, we need a sound scientific basis for any policy decisions. We already have this as regards the danger to the ozone layer, where precise commitments are being taken. But, as you recognise, much more research is needed on the greenhouse effect, especially the effect of higher carbon dioxide levels. Second, we need a sound economic basis for any preventive or anticipatory measures. These should, wherever possible, take advantage of market mechanisms as the best guide to reducing costs and allocating resources. I very much want to see the Summit make progress on this aspect.

We are at one in our support for a climate convention. We have already taken the view that this should begin with a

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Foreign and Commonwealth Office

London SW1A 2AH

23 June 1989

Dear Charles.

Environment at the Economic Summit

You wrote to Nigel Wicks on 21 June, enclosing a copy of a letter from Chancellor Kohl to the Prime Minister about climate issues at the Economic Summit.

Nigel has agreed that we should take the lead with advice on a draft reply. We see advantage in the Prime Minister sending a short substantive reply as quickly as possible, so that this could be delivered to Chancellor Kohl in time for the Madrid European Council. I therefore attach a draft for this purpose, prepared in consultation with the ODA and the Department of the Environment.

In the preparatory work for the Summit, we and the Germans have worked very closely together. The German Sherpa indicated that Herr Kohl, like the Prime Minister, took a personal interest in the issues. There would thus be clear benefits in underlining the degree of common ground between the approaches adopted by the Prime Minister and the German Chancellor. This could, for example, help to get the Germans on our side in strengthening existing institutions, as against the French wish for new ones.

The draft reply emphasises the Prime Minister's concern that action on climate change should be based on sound science and sound economics. The German view is very close to ours on this.

The reply also provides an opportunity to advocate a framework convention on climate change and the strengthening of existing international institutions. The Germans also favour a convention. But because they took part in the Hague meeting, they feel obliged to keep open the idea of new institutions in this area. In fact they share the Prime Minister's preference for existing institutions.

The Germans, like us, are increasing the amount of their aid devoted to forestry projects and are generally concerned that developing countries given proper weight to environmental conditions. They have, for example, linked the remission of past aid debts to Kenya with the adoption by the Kenyan Government



of better forest management. When the Prime Minister met him in April, Chancellor Kohl appeared to be attracted by linking debt reduction with environmental commitments; but he now seems to recognise that this should only be done on a market-related basis.

I am copying this letter to Nigel Wicks (HMT), Alex Allan (HMT), Roger Bright (DOE) and Trevor Woolley (Cabinet Office).

(J S Wall)

Private Secretary

C D Powell Esq 10 Downing Street

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First, we need a sound scientific basis for any policy decisions. We already have this as regards the danger to the ozone layer, where precise commitments are being taken. But, as you recognise, much more research is needed on the greenhouse effect, especially the effect of higher carbon dioxide levels. Second, we need a sound economic basis for any preventive or anticipatory measures. These should, wherever possible, take advantage of market mechanisms as the best guide to reducing costs and allocating resources. I very much want to see the Summit make progress on this aspect.

We are at one in our support for a climate convention. We have already taken the view that this should begin with a framework of general principles, which could be supplemented by precise commitments, in individuals protocols, when we have the necessary scientific data and economic analysis. This is the method we have used with the ozone layer and CFCs and it has worked well. We should also strengthen existing organisations: particularly the UN Environment Programme, but also the World Meteorological Organisation, the Food and



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Agriculture Organisation (especially as regards forests), as well as other UN bodies. We specifically share your strong support for the work of the Inter-governmental Panel on Climate Change. But I do not see grounds for creating new institutions; this would divert our efforts and use up time we cannot waste.

I share your serious concern about tropical forests, which deserve special attention at the Summit. In our bilateral aid programme we are giving increasing attention to forestry projects, especially to promote the wise and sustainable use of forest resources. The FAO's Tropical Forests Action Plan and the International Tropical Timber Organisation are already receiving our full support. We also want to enhance international forestry research, particularly for the benefit of developing countries. In general, we need to convince developing countries that it is in their own self-interest to adopt good environmental practices as part of their own development policies. We should be ready to help their efforts in this direction.



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I look forward to a good discussion of these subjects with you and our other colleagues when we meet in Paris next month.

Elon Poli Pair funit 18528

me km 10 DOWNING STREET LONDON SWIA 2AA From the Private Secretary 21 June 1989 I enclose a copy of a letter to the Prime Minister from Chancellor Kohl about discussion of climatic issues at the Economic Summit. It would be helpful to have advice in due course as to whether any reply is necessary before the Summit. I am copying this letter and enclosure to Stephen Wall (Foreign and Commonwealth Office), Alex Allan (H.M. Treasury), Roger Bright (Department of the Environment) and Trevor Woolley (Cabinet Office).

C. D. Powell

L. Wicks, Esq., C.V.O., C.B.E., M. Treasury.

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cegh 2 DER BOTSCHAFTER DER BUNDESREPUBLIK DEUTSCHLAND London, 21 June 1989 Baron Hermann von Richthofen Dew Prime Timistor I have pleasure in enclosing the text of a letter from Herr Helmut Kohl, Chancellor of the Federal Republic of Germany, concerning the preparations for the forthcoming summit meeting in Paris. The subject of the letter is the major climatic issues which confront us and to which you have already drawn attention in your Royal Society speech last September and where you brought about progress internationally during the outstanding "Saving the ozone layer" conference in London in March. A courtesy translation of the letter is attached. I am, dear Prime Minister, Yours sincerely, Hemmen Mileterfin The Rt. Hon. Margaret Thatcher, MP Her Majesty's Prime Minister and First Lord of the Treasury LONDON

Translation Text of a Letter from Herr Helmut Kohl, Federal Chancellor of the Federal Republic of Germany to Her Excellency Margaret Thatcher, Prime Minister of the United Kingdom of Great Britain and Northern Ireland Bonn, 16 June 1989 Dear Prime Minister, dear Margaret, I note with satisfaciton that my initiative for the protection of the earth's atmosphere met with broad support in the preparations for this year's economic summit in Paris and is reflected in the draft thematic paper of our personal representatives. I attach great importance to the problem of changes in the earth's atmosphere. Ozone depletion in the stratosphere and global climatic changes caused by the greenhouse effect pose particular problems. They are one of the central challenges for the 1990s. I would therefore like to take this opportunity to present to you before the summit once more the main elements of my ideas.

- 4 -At the forthcoming summit in Paris, we should critically review the efforts undertaken to protect the natural sources of life. We should provide stimuli for the intensification of this work so that tangible progress can be made before the next summit and so that a clear signal is sent from Paris of our common responsibility for the integrity of creation. Yours sincerely, (sgd) Helmut Kohl

Text eines Briefs von Herrn Helmut Kohl Bundeskanzler der Bundesrepublik Deutschland an Ihre Exzellenz Frau Margaret Thatcher, Premierminister des Vereinigten Königreichs Großbritannien und Nordirland Bonn, den 16. Juni 1989 Sehr geehrte Frau Premierminister, liebe Margaret, Mit Genugtuung habe ich festgestellt, daß meine Initiative zum Schutz der Erdatmosphäre in den Vorbereitungsarbeiten für den diesjährigen Wirtschaftsgipfel in Paris breite Zustimmung gefunden hat und im Entwurf des thematischen Papiers unserer persönlichen Beauftragten seinen Niederschlag findet. Ich messe der Problematik der globalen Veränderungen der Erdatmosphäre ganz erhebliche Bedeutung bei. Besondere Probleme stellen der Ozonabbau in der Stratosphäre und die durch den Treibhauseffekt verursachten weltweiten Klimaänderungen dar. Hier liegt eine der zentralen Herausforderungen der 90er Jahre. Deshalb möchte ich mir erlauben, Ihnen vor dem Zusammentreten des Gipfels noch einmal die wichtigsten Elemente meiner Vorstellungen zu erläutern.

Menschheit zu begrenzen und abzuwehren. Die zum Schutz der Erdatmosphäre und des Weltklimas dringend erforderlichen Entscheidungen und Maßnahmen müssen ohne weitere zeitliche Verzögerung getroffen werden. Insbesondere sollte möglichst bald, spätestens bis zum Ende des Jahrhunderts, vollständig auf die Produktion und den Verbrauch der die Ozonschicht schädigenden Stoffe verzichtet werden. Ebenso ist die erhebliche und rasche Verringerung der für den Treibhauseffekt verantwortlichen Spurengase erforderlich.

Die Reduktion der Kohlendioxid-Emissionen wirft große Probleme auf. Zu ihrer Bewältigung sind auch vermehrte Forschungs- und Entwicklungsanstrengungen, etwa zur Entwicklung klimaverträglicher Ersatztechnologien, sowie die verstärkte Zusammenarbeit im Rahmen internationaler Forschungsprogramme förderlich.

(TFAP) der FAO kommt dabei große Bedeutung zu. Wir sollten die Tropenländer bei der Durchführung konkreter Maßnahmen finanziell unterstützen. Aber auch die internationale Tropenholzwirtschaft kann durch Selbstverpflichtungen zu einer umweltschonenden holzwirtschaftlichen Nutzung beitragen. Hierfür bietet die Internationale Tropenholz-Organisation (ITTO) ein geeignetes Forum.

Für erforderlich halte ich auch, daß in der Entwicklungshilfe- und in der Schuldenpolitik verstärkt Umweltaspekte Berücksichtigung finden. Ich denke hier insbesondere daran, die Gewährung neuer Kredite durch internationale Institutionen an Entwicklungsländer und bilaterale Schuldenerlasse - soweit möglich - auch mit Maßnahmen zum Schutz der Umwelt, insbesondere des Tropenwaldes, zu verbinden. Auch marktorientierte Schuldenreduzierungen einschließlich des "Schuldentausches für Umweltschutz" (debt for nature swaps) könnten für den Umweltschutz nutzbar gemacht werden.

