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Prime Minister

ENVIRONMENTAL POLLUTION: A POSITIVE APPROACH

INTRODUCTION

1. Since 1979, we have held our own on the environmental front reasonably well. We responded positively (and got considerable credit for it) to the Royal Commission's recommendations on lead; also to conservationists campaigns on, for example, whales and seals. We made the first major attempt to establish a general framework for conservation in the UK in the Wildlife and Countryside Act 1981 and won credit for making the attempt - though few now believe the Act to be wholly satisfactory as it stands.

2. We cannot, however, simply stop there. There is unfinished business (eg. lead in petrol, nuclear waste); there are increased pressures from international and domestic sources (eg. acid rain); there are new campaigns starting (eg. the Royal Commission recommendations on secrecy). Doing nothing is not an option: it means in reality fighting an unending series of dour, defensive battles, often with our own supporters or potential supporters, quite a lot of which we will in the end lose. This paper is written on the assumption that it is far better to select a package of positive and cost effective measures which will enable us to lead, and win credit for leading in some areas and at the same time to strengthen our position to resist pressure where it must be resisted.

3. We have identified four areas for action:

- the environmental impact of nuclear power;
- air pollution - acid rain and vehicle exhausts;
- countryside and wildlife conservation;
- secrecy.

4. As the Foreign Secretary says in his letter of 8 May, an environmental initiative would be helpful as the theme for the London Summit. We have other international deadlines this year such as the two German Conferences - on air pollution in June and on the North Sea in the autumn - and the progress of

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Community legislation. An initiative beginning at the London Summit would enable us to avoid the dour negative positions at present forced on us for those occasions, and would culminate in our response to the recent 10th Report of the Royal Commission, which ranges widely.

THE ENVIRONMENTAL IMPACT OF NUCLEAR POWER
DISPOSAL

5. We have a clear and defensible policy for the storage of high level nuclear waste under surveillance. However, we are faced with the basic dilemma on the disposal of both low level and intermediate level nuclear waste.

6. The ability to dump any nuclear waste at sea is likely to be short-lived. Political considerations in the face of international opinion are likely in the end to make sea dumping unacceptable irrespective of any scientific justification, even if we can get round the Trade Unions' objections. This makes it essential to continue disposing of low level waste on land (as currently at Drigg).

7. Disposal on land is unpopular too. The prospect of using non-nuclear sites such as Billingham for safe disposal of the rather more active wastes is becoming increasingly questionable. ICI (who own the site) have now withdrawn their co-operation from that proposal. It is by no means certain that a public inquiry would endorse such a proposal. DOE Ministers are about to bring forward proposals for a special planning procedure to compare sites, but it is also necessary to broaden our whole approach so that we can look again at a policy of storage of the rather more active (mainly intermediate level) wastes at existing nuclear sites and/or Sellafield. What I have in mind is storage under surveillance in specially engineered conditions which would allow for retrieval and final disposal when technologies are further advanced.

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8. I am convinced that this approach should now be assessed in detail, alongside disposal, as it offers our best hope of restoring credibility to our nuclear waste disposal policy. May officials be asked to do this?

SELLAFIELD

9. Although over £100m worth of new plant is already being installed there, Sellafield remains the Achilles heel of an industry which it is vital to safeguard. Our immediate objective should be to make Sellafield as good in environmental terms as Cap de la Hague. Under plans and proposals currently under consideration this should be achievable in 8 years at an additional capital cost of some £100m. But is this extended timescale acceptable? May officials be asked to investigate urgently shortening it to 5 years? In addition, we need to look beyond this and consider the feasibility by 1995 of a complete cessation of discharges to sea. This would undoubtedly entail additional substantial investment and would only be possible if the land disposal/storage problem had been solved. However, if we can make this our stated objective, we will have taken a major step towards removing Sellafield from the limelight and will dramatically have taken the initiative. It may be thought that the next 10 years would in any case see us pushed slowly to such a position.

A BALANCED ATTACK ON AIR POLLUTION

10. We have promised a new Clean Air Act following the Royal Commission's Fifth Report. Our recent agreement to the EC "Framework Directive" now requires us to set a date for this. But well before this Act is on the stocks we must respond to the mounting pressures on us about "acid rain" and vehicle emissions. We led the world in clean air policy in the 1950's and 60's and we are now in process of losing our good reputation.

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ACID RAIN

11. In the Community there is already substantial support for a commitment to reduce emissions of sulphur and nitrogen oxides. There is growing acceptance of the view that although scientific uncertainties remain, the case for prudential action in relation to lake, crop, forest, and building damage is now too strong to be ignored. The draft "large plants Directive" calls for reductions of 60% of sulphur and 40% of nitrogen from large combustion plants by 1995 from 1980 levels.

12. As the largest emitter of sulphur dioxide in Western Europe, we will not be able to deflect calls for action by relying only on more research. We require a package of measures which does not cost billions of pounds but reduces emissions enough for us to avoid isolation.

13. There are three options:

- (i) do nothing - and face the pressures at home and abroad. This would include outright opposition to the large plants Directive. A "research only" programme only would be seen as doing nothing. Our resistance would be seen as obstructing progress on a major environmental front over the next years.
- (ii) Go along with the specific requirements of the large plants Directive, subject to any modifications we can achieve in negotiation. This might cost £2bn capital or more, and involve an eventual electricity price increase of 8% or more. I do not recommend this course!
- (iii) Produce a "moderate" package aimed at winning us the support of those who are not fanatics. The only sure bet is to join the "30% club" - the ten countries which have committed themselves to an overall reduction of 30% in SO2 emissions from 1980 levels

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by 1995 (France, FRG, Netherlands, Denmark, Norway, Sweden, Finland, Austria, Switzerland, Canada). This is a much less demanding commitment than the EC Directive: it relates to total emissions, not only those from Large Plants. Total UK emissions have already fallen by about 15% since 1980: and (assuming that SO2 emissions would otherwise stay at about their present level) the remaining 15% could be achieved by 1995 in various ways, at costs up to about £750m, involving an eventual electricity price increase of some 3%.

14. As I said above, doing nothing is not an option. Nor, in my view, should we contemplate the kind of expenditures which would be involved in meeting in full the requirements of the large plants Directive. In the Geneva Convention we are committed to an 'effective decrease' in emissions by 1995. I think that the balance of both political and scientific advantage now justifies us in going further and accepting the '30% club' commitment. I admit that detailed scientific understanding here is incomplete. But there are good general grounds of environmental management for moving towards a further reductions of acidifying emissions; and to declare ourselves willing now to make a start on this is much better than being driven to possibly much more expensive remedies later on. By 'joining the 30% club' we would at once neutralise the persistent criticism of our stance in the Community, in Scandinavia and in Canada. We would provide ourselves with a much better platform both for negotiating downwards the terms of the large plants Directive and for keeping up our pressure for more research. The costs are not insignificant; but their incidence is not immediate, and technological developments may well make them in the end much less than the £750m I have quoted. Indeed the timetable of implementation is such that, if in say two years' time science suggests a different approach we will have lost very little. I submit that option (iii) is the right choice. May officials be asked to work up a policy based on aiming to join the 30% club?

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15. The Germans and others will ensure that pressure to reduce vehicle emissions mounts because of their contribution to forest damage. We are all agreed that the German remedy - adoption of the American "three-way catalyst"^(a) system - is unacceptably costly at some £2bn a year in equipment, maintenance, and wasted energy for the UK alone. There is an alternative strategy, to which we could commit ourselves, namely one based upon the "lean burn" engine. Setting a date for the cleaning up of car exhausts (which also contribute to acid rain) would be a substantial achievement for this government and would follow naturally from our "lead-in-petrol" initiative. The lean burn approach would also provide a major opportunity for our engine and car manufacturers. May officials work up the details of a comprehensive vehicle clean-up policy?

COUNTRYSIDE AND WILDLIFE CONSERVATION

16. This subject is likely to cause us some of our greatest political embarrassment unless we adopt a consistent and positive approach.

(a) Insertion of catalysts in the car's exhaust stream which convert three pollutants - carbon monoxide, hydrocarbons and nitrogen oxides - to inoffensive gases.

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17. The Wildlife and Countryside Act is central. It is based on the principle that farmers should protect areas of special scientific interest in return for compensation for any loss of extra income. There is, of course, a danger that the Act leads to handouts for farmers for not doing what they anyway would not have done. The money for an individual farmer can be large. Cases involving annual payments of several hundreds of thousands of pounds are pending. What is more, the Act has certain loopholes which are being dealt with in the comparable legislation proposed in Northern Ireland. These need to be closed. It is also desirable to review the way in which compensation is calculated. May officials work up such a package of improvements to the Act, including a re-assessment of the compensation formulae?

18. Any proposed legislative changes to the Wildlife and Countryside Act (which would be likely to have all-Party support) could be included in an expansion to (with some retitling) of the Pollution (Protection of Food and the Marine Environment) Bill scheduled for 1984/85. OD(E) recently recommended that a statutory regime for pesticides control should also be included in this Bill.

19. A wider question which should now be addressed is the scope for directing more of the agricultural resources of the CAP into farming which has a conservation dimension. Could the Structure Directive currently under discussion in Brussels even now not be given a somewhat stronger thrust towards conservation, both in the positive sense of extending the range of the Directive to include farming-cum-conservation projects, and in the negative sense by excluding investments which are inconsistent with environmental objectives? Other countries, and some legal advice, seem to say that this may be possible already; if so, could we not take an initiative in this area? We have an important test case at Halvergate Marshes just ahead of us.

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SECRECY

20. The recent Royal Commission Report recommended that a guiding principle behind all legislative and administrative controls relating to environmental pollution should be a presumption in favour of unrestricted access for the public to information. Obviously, real national and commercial secrets would need to be protected, but the onus of proof should be on those who seek to avoid disclosure. I recommend that we should publicly endorse the Royal Commission's approach.

OTHER MEASURES

21. We have already agreed to publish a statement of Britain's achievements relating to environmental pollution before the Economic Summit in June.

CONCLUSIONS

22. Unless we adopt a more positive approach to environmental pollution, we are likely to be forced increasingly onto the defensive and ultimately to have to accept measures which would not be in our best interests. Furthermore, we have an increasing need to restore public confidence in our whole approach to this area.

23. I therefore invite colleagues to agree that the full implications and costs of the following proposals should be evaluated, and that the terms of a British Initiative at the London Summit should be drawn with these in mind:

- The storage of intermediate level nuclear waste on existing nuclear sites and/or Sellafield.
- Improvement of Sellafield so as to bring it up to the standard of Cap de la Hague within 5 years, with possible complete cessation of discharges in 10 years.

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- Preparation of a positive package of measures on acid rain with the aim of joining the 30% club.
- Promotion of the "lean burn" solution to vehicle emissions.
- Amendment of the Wildlife and Countryside Act to close loopholes and to adjust the basis for compensation.
- The scope for promoting conservation - friendly farming with CAP resources.
- The shift of the onus of proof that confidentiality should be protected onto those who seek to avoid disclosure.

24. I am copying this to Geoffrey Howe, Tom King, Norman Tebbit, Peter Walker, George Younger, Nick Ridley, Michael Jopling and Peter Rees, and to Sir Robert Armstrong.

P.J.

P. J.

14 May 1984

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