



CONFIDENTIAL

Prime Minister

You will also wish to look at the Policy Unit note, and Patrick Jenkin's minute (Flag A).

P.01289

PRIME MINISTER

ms

DWB
16/5

Environmental Pollution

This is a follow-up to your meeting of Ministers on 5 April. There was general agreement then that the broad framework of United Kingdom policy was right, and in particular the need to weigh costs as well as benefits, on the basis of adequate and timely research. It was also agreed that the UK needed to take more credit publicly for its achievements and aims in a statement to be published in the run up to the Economic Summit.

2. In his minute of 14 May the Secretary of State for the Environment suggests that it is also necessary to develop positive policy proposals, so that the Government can adopt a less defensive stance and is better able to resist pressure where it must be resisted. He identifies four areas for action:

Flag A

- i. the environmental impact of nuclear power
 - the handling of intermediate level nuclear waste
 - standards at Sellafield
- ii. air pollution
 - restricting emissions of sulphur and nitrogen oxides from large plants to reduce acid rain
 - vehicle emissions
- iii. countryside and wildlife conservation
 - improving the working of the Wildlife and Countryside Act 1981 and particularly its compensation formulae
 - giving the EC Structures Directive under the CAP a stronger thrust towards conservation

CONFIDENTIAL

iv. **secrecy**

- acceptance of the recommendation of the Royal Commission on Environmental Pollution that there should be a presumption in favour of unrestricted access for the public to information.

On all of these matters Mr Jenkin proposes that officials should do more work on the implications and costs before final decisions are taken.

This was written before the meeting, which I understand reached a firm decision to go ahead.
Flag B
DWB
16/5

3. In addition the meeting will need to consider the proposal for a **UK initiative at the Summit**, on which you have already had some preliminary discussion. The Foreign and Commonwealth Secretary's minute of 8 May proposed a London Group on Industry and the Environment to foster cooperation on research, and on the development of cost-effective techniques to reduce environmental damage. You have expressed a preference for carrying out this work under the aegis of the existing Versailles Group (Mr Cole's letter of 10 May). In his minute of 15 May the Secretary of State for the Environment welcomes an initiative of this kind in principle. He suggests however that both the substance and tone of such an initiative should reflect the conclusions reached on the policy proposals in his earlier minute. You will also have seen comments from the Secretary of State for Trade and Industry and the Chancellor of the Exchequer (both of 15 May).

Flag C
Flag D

Flag E
Flag F

MAIN ISSUES

4. The main issues are as follows:

- i. on the policy proposals in Mr Jenkin's minute of 14 May
 - should officials do further work on them as "preferred options" with a view to final endorsement by Ministers later? or

CONFIDENTIAL

- should officials do work on a range of options for handling these policy issues, without any steer at this stage from Ministers? or
- should any of the proposals be rejected now?

Again, you will wish to take account of the decisions reached today on this subject.

ii. on the proposed initiative at the Summit

- do we need an initiative at all? and, if so:
- should it be related to cooperation on research and development?
- should it be under the aegis of the existing Versailles Group rather than a new London Group?
- how is the substance and tone of the initiative affected by the discussion on Mr Jenkin's policy proposals?

*Dmb
16/5*

Policy proposals

5. On the policy proposals generally some Ministers (for example the Secretary of State for Energy and the Chief Secretary, Treasury) may argue that the case has not yet been made out for changing existing policies on the issues discussed in Mr Jenkin's minute of 14 May. The line may be that officials should certainly do more work on these matters but without any presumption that Mr Jenkin's proposals are preferred options.

6. On the handling of intermediate level nuclear wastes it is clear that the Government is becoming increasingly boxed in. Disposal both at sea and on land would raise severe political difficulties. If it cannot be disposed of, it has to be stored. But the Flowers Report in 1976 said that a safe means of disposal of radioactive waste was an essential pre-requisite for the development of the civil nuclear programme. The Secretary of State for Energy will be most anxious to put no new weapon in the hands of those who wish to obstruct the civil nuclear

CONFIDENTIAL

CONFIDENTIAL

programme and he may therefore be reluctant at this stage to accept that storage, which could also arouse public disquiet, is inevitable. He might be prepared however to agree that further work should be done by officials on the possible implications of storage without any presumption at this stage that such a solution will have to be adopted.

7. On Sellafield the Chief Secretary may express concern about the cost of bringing the plant in line with the standards at Cap de la Hague within 5 years, and of ceasing all discharges to the sea by 1995. He may say that Ministers do not at this stage have the information about costs and benefits which would justify a decision of principle in favour of this proposal and that any further work by officials should cover a range of options rather than this one alone. The Minister of Agriculture may also dissent from a public commitment at this stage to a 5 year timetable, on the grounds that we do not yet know whether the necessary improvement could be attained within that period.

8. On acid rain and the EC large plants directive the Foreign and Commonwealth Secretary is likely to support the proposal that the UK should join the "30 per cent club" on the grounds that this would put us in a better position to resist successfully the larger reductions in emissions proposed in the present draft directive. The Secretary of State for Energy and the Chief Secretary are likely to say that even this option involves substantial costs, as Mr Jenkin concedes (£750 million and an electricity price increase of 3 per cent). They may argue that any further work should cover the full range of options set out in the recent report from the Working Group on Environmental Protection (EP(W)). It should be borne in mind however that a clear UK line will need to be settled by mid-June in time for the Munich Conference on air pollution and the discussion in the EC Environmental Council later that month.



CONFIDENTIAL

9. On vehicle emissions there might be less difficulty than on some of the other proposals. The "lean burn" engine approach favoured by the Department of the Environment has the strong support of the Department of Trade and Industry, although the Department of Transport is more lukewarm about it. It ought to be possible to get agreement to further work by officials based on the lean-burn approach.

10. On the Wildlife and Countryside Act, there is, as Ministers acknowledged at the previous meeting, widespread concern about the operation of the compensation formulae. Mr Jopling may however take the view he expressed last time that it is too soon to make changes and that the current sensitivity of the farmers makes it undesirable to alter the arrangements at this time. If it is agreed that there should be legislation, the business managers will need to be consulted on whether the necessary clauses ought to be added to the Ministry of Agriculture's Pollution Bill which has a place in the 1984-85 Session. They will be concerned about any significant increase in the size of the Bill or the degree of controversy associated with it. MAFF fear that widening the scope of the Bill in this way might delay its introduction.

11. On the EC Structures Directive, the Minister of State at MAFF has already made proposals in Brussels for more specific references to the environment in the preamble. Mr Jenkin makes two further proposals: that assistance should be given to "farming cum conservation projects" and that investments which are inconsistent with environmental objectives should be excluded from assistance. The former proposal may be opposed on the grounds that it would add to, rather than reduce the cost of, the directive and would thus run counter to our general objective. On the second proposal the Minister of Agriculture may argue that a mandatory exclusion of such projects would have


CONFIDENTIAL

no chance of acceptance; a provision permitting national exclusion might be negotiable but it remains to be seen whether the Minister of Agriculture would be willing to discriminate against UK farmers this way, bearing in mind his general attitude to UK domestic support for agriculture. If these proposals are to be pursued, it will need to be done through the usual official interdepartmental machinery for handling EC matters. It is thought incidentally that the reference to the Halvergate Marshes case in Mr Jenkin's minute is more relevant to the working of the Wildlife and Countryside Act than to the EC Structures Directive.

12. On secrecy there was some concern at the previous Ministerial meeting on 5 April about acceptance of the Royal Commission's recommendation, which essentially involves shifting the onus of proof to those who would avoid disclosure. In particular there was anxiety that this might lead to the release of information about nuclear matters which would be misrepresented and would strengthen the anti-nuclear lobby. The Royal Commission did however envisage exceptions to the general principle of disclosure on grounds of national security or commercial sensitivity, although they considered that exceptions on the latter ground ought to be few and kept under regular review. If Ministers are not convinced that they should commit themselves now to a decision in principle to accept the Royal Commission's recommendation, they ought to be able to agree that officials should be asked to examine in detail how far the Government might go in that direction and report back to Ministers.

Summit initiative

13. Most Ministers appear to be prepared to go along with the proposal for an environmental initiative at the London Summit, although without great enthusiasm. Relating the initiative to

CONFIDENTIAL



CONFIDENTIAL

cooperation on research would be consistent with existing UK policy and, as Dr Nicholson has suggested in his minute of 15 May, it ought to be possible to present it in a positive way so that it is not seen as a UK tactic to delay action on environmental matters. There also appears to be a preference in favour of putting the initiative under the aegis of the Versailles Group rather than setting up a new London Group.

14. Mr Jenkin sees a link between the initiative and the line taken by the meeting on his policy proposals. It is difficult to see specific links because even if Mr Jenkin's proposals were accepted much further work would need to be done by officials before policy announcements could be made and this clearly cannot be done in time for the Summit. Moreover Ministers may reject some of the proposals or ask for official work to be done on a wider range of options. The link in Mr Jenkin's mind may therefore be more general - ie that the reaction of the meeting to his policy proposals will indicate how positive Ministers wish to be on environmental matters, and that the emphasis given to a UK environmental initiative at the Summit, and the tone in which it is presented, should reflect that.

HANDLING

15. It may be best to divide the discussion into two parts: the policy proposals in the Secretary of State for the Environment's minute of 14 May; [and the proposal for a Summit initiative.]

16. On the policy proposals you will wish to invite the Secretary of State for the Environment to introduce his minute. You might then ask whether there are any general comments before discussing the four main areas for action: nuclear matters, air pollution, countryside and wildlife conservation, and secrecy.


CONFIDENTIAL

The Secretary of State for Energy, the Minister of Agriculture and the Chief Secretary, Treasury are the Ministers with the greatest departmental interest.

17. On the Summit initiative you might invite comment particularly from the Foreign and Commonwealth Secretary and the Secretary of State for the Environment.

CONCLUSIONS

18. You will wish to reach conclusions on:

- i. whether:
 - a. officials should examine the implications and costs of the proposals set out in paragraph 23 of the Secretary of State for the Environment's minute of 14 May, or
 - b. officials should consider these proposals along with other options, or
 - c. any of the proposals should be rejected.
- ii. whether there should be a UK initiative on the environment at the London Summit and, if so, what form it should take.

PLG
P L GREGSON

16 May 1984

CONFIDENTIAL

W.0365

15 May 1984

MR BARCLAY

Environmental

~~EXPERIMENTAL~~ POLLUTION - MAY 17th MEETING

- Following my minute to you of 5 April, I enclose a document which attempts to summarise the technical position and the views of the Royal Commission for Environmental Pollution on issues relevant to Thursday's meeting. You may wish to circulate this document to other Ministers attending the meeting.

The questions posed as (1) and (2) in my earlier minute will be dealt with in my brief to the Prime Minister for Thursday's meeting.

RSN

ROBIN B NICHOLSON
Chief Scientific Adviser

Summary of relevant parts of the Tenth Report of the
Royal Commission for Environmental Protection (RCEP)

Best Practicable Environmental Option (BPEO) and
Best Environmental Timetable (BET)

1. Pollution control in the UK has historically been based on the concept of 'Best Practicable Means' (BPM) where the word practicable is taken to include economic as well as technical and geographical feasibility. This contrasts with concepts used in the USA and elsewhere such as 'Best Available Technology' (BAT) where economic considerations are omitted.
2. The UK has also traditionally used an approach to environmental control based on 'Environmental Quality Objective' (EQO) and 'Environmental Quality Standard' (EQS) which relate to objectives and standards for a geographical zone. Continental practice has been in terms of emission standards applied to specific outlets and, where these are uniform, to a 'Uniform Emission Standard' (UES).
3. The RCEP rejects the use of UES as a means of eliminating natural advantages of geography which allegedly distort competition between central Europe and wet and windy countries such as the UK. It proposes that the EQO and UES systems should be used on their merits by adopting the 'Best Practicable Environmental Option (BPEO) and the 'Best Environmental Timetable' (BET). The former concept allows, for example, EQO where the use of the dilution effect of the environment is legitimate but UES for 'black list' substances where virtually any discharge is harmful. It also requires that all the environmental implications of a set of options are considered in, for example, energy production by nuclear or fossil-fuelled plants.
4. BET requires the development of an optimum timetable for the allocation of resources to pollution abatement in order to minimise costs through continuity of approach and anticipation of requirements.

Secrecy

5. In its evidence to the RCEP, the CBI accepts that the public needs to know whether or not quality standards are being maintained and that the results of environmental monitoring should be openly available. However they also draw attention to the risks of deliberate or accidental misinterpretation of data thus made available and the danger of release of trade secrets through the wider dissemination of data.

6. The RCEP takes the view that distortion of the technical aspects of an environmental problem is not made more difficult by keeping data secret and that it is not a tenable position to deny access to data on the grounds that the public may not be competent to assess it. It also believes that the trade secret problem has been exaggerated, particularly in the light of the modern analytical methods by which companies may gain information on their competitors' products. The CBI were only able to quote two cases in the world where trade secrets had been uncovered despite the much greater access given in many countries, especially the USA.

7. The RCEP recommend that the guiding principle should be a presumption in favour of unrestricted access for the public to information which the pollution authorities obtain or receive by virtue of their statutory powers, with a provision for secrecy only in those circumstances where a genuine case for it can be substantiated. It further defines a genuine case as relating either to national security or to a trade secret; in the latter case justification would need to be reviewed on a regular basis.

Radioactive waste disposal

8. The RCEP does not address the Sellafield problem in detail. On the subject of nuclear power, it supports a modest increase in nuclear power capacity as part of a strategy for reducing dependence on fossil fuels as a primary energy source and for reducing the polluting effects of their combustion.

9. In order to increase public confidence in the disposal, storage and transport of radioactive waste, it recommends the addition of transport of nuclear materials to the terms of reference of the Radioactive Waste Management Advisory Committee, and the addition of local government and independent members to the Nuclear Industry Radioactive Waste Executive.

Acid Rain

10. It is certain that there has been a steady increase in the acidity of lakes and streams in northern Europe and that this, combined with other factors, has reduced or eliminated the fish population in some waters. The original hypothesis that the problem was due to wet deposition of sulphuric acid caused by long range emissions of sulphur dioxide has been shown to be a gross oversimplification.

11. It is now accepted that it is more correct to talk about acid deposition because both wet and dry deposition are important and that local sources of pollution are as important as long range pollution. It is also accepted that acid from nitrogen oxide emissions (about half of which come from motor vehicles and half from power stations) are important and that the proportion of sulphur and nitrogen oxide emissions which are actually deposited as acid depends critically on atmospheric emissions of other chemicals such as hydrocarbons and ozone.

12. A second 'acid rain' problem is the die-back of forests especially in Germany. Die-back is certainly happening and has worsened in recent years possibly as a result of a series of hot, sunny summers. The cause of the problem is not known; acid deposition from sulphur and nitrogen oxides probably plays a role but other factors such as ozone and even the nature of the forestation could be important.

13. The RCEP take the view that acid deposition is a serious problem but that the costs of making substantial reductions in emissions of sulphur and nitrogen oxides from power stations in the UK with current technology will be very high and that the benefit is presently uncertain. They recommend that a higher

priority be given to research on the problem. They also recommend that the CEEB should evaluate certain abatement options on a pilot scale in the next 5 years. The 'action package' of research and pilot programmes recently proposed by CEEB in their evidence to the House of Commons Select Committee on the Environment would, I understand, be taken by the RCEP as meeting their recommendation to the CEEB.

Vehicle Emissions

14. Lead emissions from motor vehicles have already been dealt with by the Government's decision to move to lead-free petrol although the need to extend this decision into the whole of the European Community remains. Concern remains on the emission of nitrogen oxides because of their contribution to acid deposition and the emission of carcinogenic hydrocarbons.

15. The RCEP recommend that in implementing the Government's decision to move to lead-free petrol, the vehicle industry should ensure that there is no increase in emissions of carcinogenic hydrocarbons. The RCEP also review the rival technologies, exhaust catalyst and 'lean-burn' engines for the control of nitrogen oxides and concluded that they were unable to choose between them at the present time.

16. However the UK motor industry, in common with most of the Continental motor industry (the prominent exceptions being Mercedes and BMW), strongly supports the 'lean-burn' concept as being appreciably less expensive and, in practice, at least as effective as the exhaust catalyst which uses platinum group metals as a catalyst. The 'lean-burn' concept has the advantage of reducing pollution at source rather than relying on subsequent conversion of polluting emissions to harmless products. Catalysts deteriorate in service, especially if abused and there is evidence that their average service performance is less good than 'lean-burn' although their theoretical performance is substantially better.

MBN

ROBIN B NICHOLSON
Chief Scientific Adviser

ENVIRONMENTAL AFFAIRS: Pollution

Sept 79

CONFIDENTIAL FILING

David wants to wait to see how many people can attend the meeting on Environmental Pollution on 17 May. If we do not get any other refusals could you bring up this letter again and we will write to the Foreign Office ^{confirming} asking for a representative.

CR

13 April 1984

13 April 1984

Many thanks for your letter of 12 April regarding the meeting on Environmental Pollution on 17 May.

If we get many other refusals we may have to postpone the meeting. But assuming that we do not could you ask one of your Ministers to make himself available for 11 am on Thursday 17 May. I will of course be confirming this arrangement with you at a later date.

Caroline Ryder

Mrs Alison Walters
Foreign and Commonwealth Office



Foreign and Commonwealth Office

London SW1A 2AH

Mr. Barclay

12 April 1984

?

Mrs Ryder

? EP meeting.

Dear Caroline,

DWB
13/4

Your letter of 11 April to Miss Lewis-Jones refers.

I am afraid the Foreign Secretary will, on present plans, be overseas on 17 May, but I could arrange for him to be represented if you so wish.

yours ever

Alison

(Alison Walters)
Assistant Private Secretary

Mrs Caroline Ryder
10 Downing Street

Foreign and Commonwealth Office

London W 1A 1AA



10
9
8
7
6
5
4
3
2
1

APR 21 1956
POST OFFICE



10 DOWNING STREET

From the Private Secretary

11 April 1984

Dear Janet,

BF | There is to be a further meeting to discuss Environmental Pollution on Thursday 17 May after Cabinet. Cabinet will start that day at 0930 hours and this meeting will commence at approximately 1100 hours.

Could you kindly let me know if your Minister does not find this convenient.

I am sending copies of this letter to the Private Secretaries to the Secretaries of State for Foreign and Commonwealth Affairs, Energy, Scotland, the Environment, Trade and Industry, Employment, the Minister of Agriculture, Fisheries and Food, the Chief Secretary HM Treasury, the Secretary of State for Transport, the PUSS, DOE (Mr. William Waldegrave MP) and to Richard Hatfield (Cabinet Office).

Yours sincerely,
Caroline Ryder

Caroline Ryder

Miss Janet Lewis-Jones,
Lord President's Office.