



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
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28th February 1989

Dear Nick,

OZONE CONFERENCE: ASSISTING DEVELOPING COUNTRIES

Thank you for sending me a copy of your letter of 21 February to Geoffrey Howe.

I fully support the need to make some concrete proposals at the Conference at the beginning of March. This is clearly important. However, we must also be clear about the implications of any paper we table at this stage.

Several of the proposals in the paper have resource implications. Some of the costs will fall - I assume, on a purely voluntary basis - on British industry. The second sentence of paragraph 3. carries this implication. I do not think this matters, provided David Young is content.

Others carry implications for government departments. The third sentence of paragraph 3 ("The UK will encourage the establishment of mechanisms under the protocol...") involves some small scale expenditure in the organisation of "work shops" and conferences. I assume DOE is willing to pick up the cost of this.

Paragraph 4 is, I understand, a reference to the Patent Office. Once again, I assume DTI is prepared to absorb any additional costs.

I have no problems over paragraph 5, which carefully preserves ECGD's normal underwriting conditions. But paragraph 6 seems to be dangerous. It replaces an earlier formula proposed by the Treasury at official level. I understand that ECGD officials have not actually thought through what new policy initiatives they might propose either in OECD or at the Berne Union. Until they are clearer on this, it seems to me a mistake to commit ourselves now to tabling new proposals. I suggest this paragraph should be deleted.

Provided Geoffrey Howe is content with paragraph 7, so am I.

I understand that the bulk of the costs that arise in paragraph 8 will fall on the United Nations Environmental Programme, and that it has already been agreed at official level to -increase the UK contribution to the programme from £1.25 million to £2.5 million, within the present DOE PES allocation. Any additional costs to UK institutions should of course be met similarly, out of existing PES provision.

I am sorry to be tiresome about this, but past experience suggests that international conferences of this kind can easily build-up a head of steam for further expenditure, without any clear understanding between ministers about the financial consequences. I thought it would be useful, therefore to put these on record right away so that we may clarify any misunderstandings at an early stage.

I am copying this letter to the Prime Minister (for information); to Geoffrey Howe, David Young, Chris Patten, and to Sir Robin Butler.

Yours Ever,
John

JOHN MAJOR