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14 April, 1989

GLOBAL CLIMATE

The next meeting of Ministers on this subject is due to take place on Wednesday 19 April.

2. Papers for this meeting have now been circulated by the Secretary of State for the Environment with his suggestions for future action; by the Secretary of State for Foreign and Commonwealth Affairs on the international handling of climate change; by the Secretaries of State for Transport and Energy, and the Minister of Agriculture, Fisheries and Food on domestic options; and by the Chief Scientific Adviser, Cabinet Office, on research related to global climate.

3. I attach a note prepared by the Cabinet Office in consultation with Departments which draws together the subject and suggests issues which Ministers may wish to discuss.

4. I am copying this minute and the attachment to the private secretaries to the Foreign Secretary, the Chancellor of the Exchequer, the Secretaries of State for the Environment, Energy, Trade and Industry, Education and Science, and Transport, the Minister of Agriculture, Fisheries and Food and the Paymaster General, and to George Guise in the No. 10 Policy Unit and to Trevor Woolley and John Fairclough in the Cabinet Office.

R.T.J.

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Note by the Cabinet Office

1. At their meeting on 12 January, Ministers commissioned papers on the international handling of global climatic change and the options for domestic action, in preparation for a further meeting on 19 April and a seminar with outside experts on 26 April.

2. These papers have now been circulated. This note suggests issues which Ministers may wish to discuss.

International handling

3. Ministers agreed on 12 January that the problem of global climatic change could be tackled only by a co-ordinated international effort. They wanted in particular to consider whether there was a case for a new initiative by the United Kingdom on global climate.

4. In considering this, Ministers may want in particular to discuss:

a. the adequacy of international institutions. On 12 January they agreed that it would be best to work through the existing institutions, especially the United Nations.

Ministers will wish to consider how the United Nations effort on global climate can best be strengthened;

b. whether a United Kingdom initiative should be launched, and what form it might take. The paper by the Secretary of

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as in
Crispin Tickell's
letter.

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State for Foreign and Commonwealth Affairs proposes an "umbrella" Convention, possibly to be adopted in 1990, to be followed by detailed protocols laying down standards in specific areas. Ministers will wish to discuss the possibility that the United Kingdom might propose an umbrella Convention. If so, a further issue is how far the United Kingdom should propose specific commitments on particular aspects of the global climate at the time of the Convention itself, as opposed to the later protocols.

Forestry

5. There is considerable public interest in the contribution to the greenhouse effect made by deforestation, particularly in developing countries. The United Kingdom's record in encouraging forestry is good. Ministers may want to consider whether expanded proposals on forestry might form part of any international initiative by the United Kingdom.

6. At their meeting on 12 January, Ministers were interested in a possible link between reforestation and third world debt. Sir James Goldsmith has proposed that an international agency should be set up which would buy up and cancel debt, or offset interest on it, in return for action by debtor nations to protect their forests. There are also possibilities for making more use of loans directed to environmentally useful projects; and for making further aid or help with the existing debt burden conditional on the pursuit by developing nations of suitable environmental as well as economic policies. Ministers will want to consider the case for these or other forms of linkage between third world debt, or aid policy more generally, and encouraging environmentally useful policies such as promotion of forestry.

Research

7. Better scientific understanding of climatic change is

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essential for policy-making in this area. There is for instance no scientific consensus about the extent of global warming or how far the sea level will be altered. The paper by the Chief Scientific Adviser, Cabinet Office, suggests ways in which the United Kingdom's effort in global climate research might be strengthened as part of an international effort. These are:

- a. The establishment here of an international Centre for Climate Modelling.
- b. Participation in earth observation satellite projects, including ERS-2.
- c. Participation of up to 10% in the international World Ocean Circulation Experiment (WOCE).

8. The paper argues that the issue of funding can be addressed in the Public Expenditure Survey, except possibly in the case of support for ERS-2, which, if it is decided on, it might be tactically useful for the United Kingdom to announce at the ESA Council in June. Ministers will want to consider the case for an early decision on support for ERS-2.

Domestic action

9. Ministers may then want to consider whether there is any action that might be taken domestically in support of an international initiative. In previous discussion their view has been that any such action will need to be credible internationally but that the costs to the United Kingdom of any domestic action also need to be taken into account.

Energy

10. Production and use of energy accounts for the great bulk of CO₂ emissions by the United Kingdom. The paper by the Secretary

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of State for Energy points out that the United Kingdom's energy policies should keep almost level the expected CO₂ emissions from energy uses (excluding transport) in the years around 2000. At the meeting on 12 January Ministers were interested in:

- a. The implications of the non-fossil fuel obligations, and greater use of nuclear generation.
- b. Use of new technologies for burning coal.
- c. More use of combined heat and power.
- d. More use of gas, and in particular the case for seeking a change in the EC directive constraining use of gas in electricity generation.
- e. Greater energy/efficiency.

Transport

11. The paper by the Secretary of State for Transport points out that the present prospect is for a continuing increase in CO₂ emissions from transport. Possible measures for reducing it are:

- a. Radical measures: large price increases by means of higher taxes; severe restrictions on access, for example by road pricing; and more public transport.
- b. More modest measures: encouragement of lean burn technology; and smaller increases in fuel taxation.

Agriculture

12. The paper by the Minister of Agriculture, Fisheries and Food points out that agriculture is a very small net contributor to the greenhouse effect. It says that there is no reason to change

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the existing mix of policies in the EC for reducing agricultural surpluses, although we should continue to encourage farmers to be more environmentally friendly, and try to persuade other countries to do the same.

Conclusions

13. The problem of global climatic change can only be tackled by a co-ordinated international effort. Ministers will wish to consider what part the United Kingdom should play in this international effort, in particular by bringing about a strengthening of international institutions and perhaps by proposing an "umbrella" Convention; and also by helping developing countries to play their part.

14. As to the substance of such a Convention and the later protocols made under it, Ministers may wish to have a preliminary discussion of the points set out in the paper above and pursue them further at the Seminar with experts on 26 April. Such an international effort should involve the whole international community, including the Eastern bloc and developing countries. For the United Kingdom, perhaps the underlying issue is the extent to which, as part of the negotiating process, we should be prepared in concert with other countries to offer to adopt new policies in any of the areas described above which would entail a substantial economic cost; and if so, which policies would best suit UK interests.

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