PRIME MINISTER

There is a difference between Lord Young and Mr. Ridley on what the UK "bottom line" should be next month at the Helsinki Review of the Montreal Protocol on CFCs. Lord Young sees five areas as potential sticking points:

- we should get production cuts in CFCs to apply to the EC as a whole rather than individual member states;
- CFCs used as intermediates should be exempted from the Protocol (this is where, eg, CFC 113 is used in the process of making ozone-friendly products like HFC 134A);
- that the shorter term target of an 85% cut in consumption should be across the board rather than sector-specific to allow manufacturers greater latitude;
- that the Protocol should not be extended to include ozone-friendly substitutes such as HCFC22;
- and that we should oppose the introduction of any import ban on products made with CFCs.

Mr. Ridley argues for a much more flexible approach. He is prepared to support the first two of Lord Young's points, but not to the extent of making them a pre-condition for our agreement to strengthen the Protocol. He also feels that, if pushed, we should allow the ozone-friendly products to be included in scientific and technological reviews and included in the Protocol later if scientific evidence suggest they need to be.

I think Mr. Ridley's judgment is probably right. We came very close to being ambushed at the EC Environment Council the day before the "Saving the Ozone Layer" conference in London last month and we do not want a repeat of that at Helsinki next month.

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Content to let Mr. Ridley and Lord Young continue to argue it out?

Or do you wish me to minute out supporting Mr. Ridley's approach for greater flexibility?

DOMINIC MORRIS

14 April 1989

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