

dti

the department for Enterprise

copy

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Secretary of State for Trade and Industry

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Your ref  
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Premier Minister

Lord Young has scaled down his ambitions  
for an "awareness programme" about environment  
and industry. The programme he describes below  
involves little that was not being done before  
(+ no addition to DTI budget or staff) But there  
is some good to be got out of repackaging what  
is already being done to demonstrate  
its environmental relevance.

DTI ENVIRONMENTAL PROGRAMME

As you know I have been reviewing DTI policy on the business  
implications of environmental matters. Robert Atkins has been  
keeping Malcolm Caithness and Virginia Bottomley in touch with  
developments. Our officials have also been in touch  
regularly: I am grateful for the constructive input your  
people have made.

DM

Lead responsibility for environmental policy rests with you  
and your Department. But we can make a major contribution  
through our policy responsibility for reclamation and  
recycling, our programmes to stimulate innovation and the  
expertise of our Research Establishments, notably Warren  
Spring Laboratory; and by putting over the key messages to  
business as a whole. Those messages are important for  
commercial as well as environmental reasons. Environmental  
considerations are going to have an increasing influence on  
business decisions. And business has a vital role to play in  
bringing about environmental improvements.

In the light of the review, I have set new environmental  
objectives for DTI - set out in the attached note - and drawn  
up a DTI Environmental Programme designed to help business  
meet the challenges and take advantage of the opportunities







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produced by tighter environmental controls and the growing consumer pressure for cleaner products. I want to encourage business to take environmental considerations into account in all aspects of corporate decision making; and to improve DTI communications with business on environmental issues so that we can make a more positive contribution to policy formulation in this area. In the long run, I am sure that this will be in the best interests of business and the success of the Government's wider environmental policy objectives.

I am writing now to let you know that I will be launching the DTI Environmental Programme at Warren Spring Laboratory on 10 May before an invited audience of press and businessmen. The launch will also provide an opportunity to show off the work that Warren Spring is doing for DTI, DoE and Government generally.

The main components of the DTI Environmental Programme are:

- the setting up of an Environmental Enquiry Point at Warren Spring designed to help firms find out more about environmental issues that may affect their business. We expect to be able to deal with most enquiries in-house but, where necessary, callers will be directed to relevant contacts in DoE or other departments or to the private sector. The service will be open for business from 10 May.
- use of the 6 consultancy initiatives available under the Enterprise Initiative to help firms get to grips with environmental problems and plan their business to take account of environmental considerations. Again support will be available from 10 May.
- a major campaign to improve standards of waste management. The basic objective here is to encourage firms to minimise the amount of waste they produce - through better design, better use of materials, improvements in process technology and wider application of reclamation and recycling techniques - and to ensure that waste which is produced is disposed of safely. We are still developing this part of the programme but a series of seminars is already planned for the remainder of this year. Our officials are also discussing the possibility of our two departments joining forces with the CBI to sponsor a high profile conference on waste management in the Autumn.







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- improving the competitive position of UK firms producing pollution abatement equipment by making full use of our export services to help firms identify and sell their products and services control technology and engineering; and putting companies with pollution problems in touch with UK suppliers of expertise and equipment.

The programme as a whole is being financed from within my agreed budgetary and manpower provisions.

Simultaneously with the launch we will be publishing a booklet - Your Business and the Environment - putting over the key messages to business and explaining the ways in which DTI can help. The booklet is being sent to over 50,000 firms in the manufacturing and service sectors. A copy of the text is attached: copies have already gone to your officials.

- ... I also attach a first draft of what I propose to say at the launch. As you will see, it highlights the fact that what we are doing on the business front complements your Department's environmental activities. I am clear that we must continue to move forward in step, not just for presentational reasons, but because that is the best way of achieving positive results. I shall also be announcing that in line with our new approach to CFCs DTI has commissioned a study which will examine the opportunities for reducing business use of products which harm the ozone layer.

I realise that it is short notice but if you, Malcolm or Virginia were free to come along to the launch you would be very welcome.

I am copying this letter to the Prime Minister, Cecil Parkinson, John MacGregor, and John Major and to Sir Robin Butler.

ENVIRONMENTAL POLICY OBJECTIVES FOR DTI:

- (a) To raise the level of awareness of environmental issues within business;
- (b) to encourage firms, where appropriate, to include environmental considerations in their corporate strategy and management decisions;
- (c) to encourage firms to take advantage of the world market for pollution abatement technology, clean technology, environmentally benign products and environmental services;
- (d) to ensure that new environmental controls strike a fair balance between environmental benefit and cost, and that regulation works with the grain of market forces and good business practice; and
- (e) to promote waste minimisation and the efficient and safe disposal of business waste.



## BUSINESS AND THE ENVIRONMENT: DRAFT BOOKLET

### WHAT'S NEW

1 Protection of the environment is now a major issue at home and abroad. All the signs are that pollution controls will get tighter and the consumer is increasingly demanding goods which are environmentally friendly.

2 All this has major implications for business; both opportunities and threats. To stay competitive in tomorrow's environment-conscious market firms will have to develop high standards of environmental performance and product.

3 You are in the best position to relate these developments to the individual needs of your firm. This booklet provides information and advice. It outlines main issues; it highlights the points to consider in resolving them and sets out some of the best practices that have been developed by environmentally-aware firms.

4 This booklet also explains the ways in which DTI can help you take action to help your business. It introduces DTI's Environmental Enquiry Point on 0800 585 794, which aims to provide a comprehensive information and sign posting service about environmental pollution issues that affect business.

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In many cases DTI's Enterprise Initiative can offer practical help on a wide range of environmental issues. The main elements are summarised on page .... Individual sections of this booklet highlight the types of problem for which the Enterprise Initiative may be particularly appropriate.

#### TIGHTER STANDARDS

5 Much has already been done to eliminate the more obvious forms of pollution. The Government is committed to the United Nations' concept of 'sustainable development' - promoting economic growth whilst protecting the environment for future generations.

6 In line with this, the Government intends to introduce measures to reduce further the risk of pollution. Particular proposals - still subject to parliamentary approval - of which business should be aware include:

- a new system of integrated pollution control to be run by Her Majesty's Inspectorate of Pollution for manufacturing processes whose atmospheric emissions, effluent discharges or wastes contain the most dangerous substances. The processes would be required to use best available technology to minimise the generation of dangerous wastes;



- the requirement for many other processes to satisfy the local authority that they are using best practicable means for controlling atmospheric emissions;
- the setting of statutory water quality standards, to be supervised by the National Rivers Authority, and with which effluent discharges would have to comply;
- major amendments to waste legislation, including tougher enforcement and the imposition of a duty of care on firms for the safe disposal of their wastes irrespective of whom they employ to dispose of that waste.

7 In addition, there are a range of environmental measures under discussion in the European Community, or anticipated shortly, which could have major implications for business. They include:

- new waste controls;
- product safety;
- regulation of biotechnology;
- emissions from small combustion plants;
- discharges of dangerous substances into water;
- public access to environmental information;
- restrictions on the marketing and use of cadmium;
- environmental labelling of consumer goods.

8 And international concern does not stop at the European Community. Other organisations including the United Nations and the Organization for Economic Co-operation and Development are devoting increasing attention to environmental issues.



9 Further information on all these proposals and on existing measures is available from DTI's Environmental Enquiry Point (see page ...)

10 The message is clear: as we move into the 1990s business will have to operate to significantly higher environmental standards than ever before.

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#### IMPACT ON BUSINESS

11 Growing regulatory and consumer pressures mean that firms will need to plan now for higher standards of environmental performance. The best firms already take account of the environment in their business. Can you afford to be left behind?

12 The recent but growing market for environmentally friendly goods is already having a direct impact at point of sale and back up the manufacturing chain. Indeed, consumer demand may well prove a greater impetus to tighter standards than regulations. There will be an increased home market for environmentally friendly products and services. And export opportunities will be there for the taking.

13 There will be increased demand for pollution abatement equipment (including instrumentation) and services (including skilled and responsible waste handlers). The developments will also stimulate the reclamation and recycling industries.

14 Giving insufficient weight to environmental considerations, on the other hand, means missing these benefits, losing a competitive edge and incurring higher costs in terms, for example, of inefficient waste disposal. In an age of tighter standards, tougher enforcement and higher public expectations, there is also the risk of fines, remedial costs and loss of business.

15 A firm which pays attention to its environmental impact can benefit in a number of ways:



- a strategy for environmental expenditure;
- increased production efficiency;
- cost savings from cutting or recycling waste;
- uninterrupted production and trading;
- reduced insurance premiums and accident losses;
- an impetus to innovation;
- good relations with the authorities and with neighbours;
- a good public image.

16 In the 1990s, more than ever before, good environment management is going to make good economic sense for business.  
[block out to emphasise]

#### HELPING YOURSELF

17 Virtually every manufacturing activity and some service industries (including retailing) have a pollution potential. But the risks are diverse and will depend on your firm's activities, materials, location and products. The key questions you should be asking include:

- do your firm's processes and materials pose any danger?
- do you know what impact your products (including their disposal) and services have on the environment?
- have you minimised the chances of an accident?
- is your firm operating the most cost-effective method of controlling or eliminating pollution risk?



- are there hidden benefits (eg greater production efficiency) - or even straight business opportunities (eg commercial utilization of waste) - from adopting alternative methods of controlling or eliminating the risk?
- could you reduce the volume of your waste and make it safer? And are you disposing of it safely?

### Setting Environmental Objectives

18 Environmental issues need to be included in your business plan. The best firms start with a statement which:

- commits the business to considering the environment as an integral part of its strategy, and ensuring that any threats of pollution from its activities are identified and then either eliminated or effectively controlled;
- is endorsed by the head of the firm;
- is brought to the attention of all employees;
- is available to the authorities and to the public.

And carry all this through by:

- active senior management involvement in ensuring that proper weight is given to environmental policy considerations throughout the firm;
- making all employees aware of their individual responsibilities for acting in accordance with the firm's policy, with clear lines of accountability back to senior management.

Practical help and advice in planning your future action strategy may be available through DTI's Business Planning Initiative (see page ...)



## Implementing Environmental Programmes

19 Pollution risks can be controlled systematically through specific programmes dealing with specific issues, such as accident prevention, emergency planning and waste minimisation. Devising programmes with the help of expert outside advice can ensure that they reflect best practice. And, once programmes have been introduced, environmentally aware firms:

- support them with specific guidance, procedures and training, with clear accountability, reporting and, where necessary, continued access to expert advice;
- regularly monitor the performance of their programmes and review their programme targets.

Practical help and advice in developing and monitoring specific programmes may be available through the DTI's Manufacturing Systems Initiative and the Quality and Design Initiatives (see page ...)

## Keeping Tabs on the Market

20 More than ever before, the environmental agenda is a moving target, with ever-changing economic implications. You can keep your finger on the pulse by:

- finding out about existing and proposed legal standards, in the UK and in your overseas markets;
- identifying the emerging issues and making your views known eg to DTI and the regulatory authorities, to your trade association, Chamber of Commerce, etc;
- keeping aware of developments in control and measurement technology and best practice; and



- using your marketing skills to keep abreast of the growing power of 'green' consumerism, at home and abroad, in setting environmental standards for finished goods.

DTI's Environmental Enquiry Point and the "Europe Open for Business" single market hotline on 01-200 1992 can help you. If you want to talk about a particular issue they can also put you in touch with the right official and keep you up to date with what is happening in the UK and in the European Community. Practical advice may be available through the DTI's Marketing Initiative (see page ...)

#### Developing Good Relations

##### 21 Environmentally aware firms:

- develop open and effective relations with the regulatory authorities. Frank discussion of any problems a firm may have at an early stage will help resolve them as quickly as possible;
- have efficient and friendly systems for handling complaints from individuals, or enquiries from the media; and
- seek to be good neighbours.

#### DTI'S ENVIRONMENTAL PROGRAMME

22 A DTI priority is to encourage the spread of good practice in order to assist business to respond rapidly to changing market conditions. This brochure is part of that process. To back it up we are also developing a range of activities to promote best practice and offer practical advice to firms.

23 We have set up a specific enquiry point designed to help firms find out more about environmental issues that may affect their business. Consultancy advice is also available under the Enterprise Initiative, and we are developing programmes on



industrial waste management and on market opportunities for pollution abatement technology.

Environmental Enquiry Point: 0800 585 794

24 The Environmental Enquiry Point is a DTI telephone enquiry service for business. It aims to provide a comprehensive information and sign-posting service about pollution issues that affect business. It can provide advice ranging from detailed technical matters to existing legal requirements, proposals for new standards and forthcoming environmental conferences and seminars.

25 The service is run by Warren Spring Laboratory, DTI's centre of environmental expertise. WSL will deal with most enquiries but, where necessary, callers will be directed to people who can provide answers, whether in other parts of DTI, elsewhere in government, or the private sector.

26 The Enquiry Point aims to provide a quick and comprehensive service. Advice is free if the enquiry can be handled with less than four hours work. If you need more detailed work, WSL can provide it on a fee paying basis.

27 The Environmental Enquiry Point is on 0800-585 794. Your call is free.

#### The Enterprise Initiative

28 The Enterprise Initiative, from DTI, provides small and medium-sized firms (those with fewer than 500 employees) with access to subsidised consultancy in six strategic management areas - Marketing, Quality, Design, Manufacturing Systems, Business Planning and Financial and Information systems.

29 If you need independent expert help in getting to grips with strategic issues, including those affecting the environment, these Consultancy Initiatives may provide you with a ready solution. You can use them to help solve environmental problems related to product design, manufacture and use. More



specifically, they could help provide improved control of the manufacturing environment, the use of recycleable materials, noise control, and waste management. They can also help you examine your overall marketing strategy and help you plan your business to take account of the growing emphasis on environmental issues.

30 If you would like to know more ring 0800 585 794, or contact your DTI Regional Office, Scottish Office or Welsh Office direct (see inside back cover for details).

#### Pollution Abatement Technology

31 DTI aims to improve the competitive position of UK companies supplying pollution control equipment and services in world markets, by:

- gathering and maintaining intelligence on world markets for pollution control equipment and services;
- encouraging and assisting the UK pollution control industry to exploit market opportunities for products, processes and services;
- supporting industrial R and D in pollution control technology and engineering;
- acting as the DTI contact point for UK suppliers of pollution control equipment and services;
- helping to set up national and international collaborative research and marketing ventures;
- putting companies with a pollution problem in touch with UK and European suppliers of expertise and equipment.

32 If you have a specific question about the pollution abatement market, contact:



Dr Christopher Bowden  
Department of Trade and Industry  
Ashdown House  
123 Victoria Street  
London SW1E 6RB

Tel: 01-215 6636.

### Waste Management

33 DTI aims to encourage and facilitate the implementation by UK industry of the most effective practices for using natural resources and industrial materials and for the efficient and safe disposal of waste through:

- corporate organisation and management responsibilities for effective industrial waste management;
- waste minimisation;
- design for reuse, remanufacturing or recycling;
- recycling and reclamation;
- treatment of waste for safe disposal;
- marketing of recycled and reclaimed products.

34 A series of seminars on these waste management techniques is planned in many industrial centres around the UK during 1989/90. DTI is also organising, or participating in conferences, workshops and trade shows on metals, plastics, wastepaper and other industrial sectors which face the major challenges presented by greater environmental interest.



35 Specific events include:-

- Waste paper into Newsprint (May July 1989)
- Plastics Recycling - Future Challenges (September 1989)
- Waste Minimisation (October 1989)
- Recycling '89 (October 1989)
- Recycling of Metalliferous Materials (April 1990)
- Recycling City (May 1990)

36 To complement and promote its major theme and activities, a variety of related publications, videos and information packs are being prepared.

37 DTI will also be seeking to develop closer links with individual firms, trade associations and others interested in implementing or in providing or receiving information about improved waste management practices.

38 For further information on any of these topics contact:

Mr Steve Norgrove  
Ashdown House  
Department of Trade and Industry  
123 Victoria Street  
London SW1E 6RB

Tel: 01 215 6128



DRAFT SPEECH FOR LAUNCH OF DTI ENVIRONMENTAL PROGRAMME

1 I am glad to welcome you to Warren Spring Laboratory for the launch today of the DTI Environmental Programme.

2 That Programme has three simple messages. The first is that environmental considerations are - and will be increasingly - important to business. On both sides of the profit and loss account, all the signs are that the 1990s world-wide will be a decade of tighter environmental controls and growing consumer pressure for more environmentally friendly products and practices.

3 I welcome that. As the Prime Minister has said we all have a responsibility to protect the environment for future generations. But it has major implications for business which firms need to be aware of and start responding to now rather than later. There are great opportunities; but there are also threats which, if ignored, could undermine a firm's competitive position.

4 The second is that business can make a major - perhaps the major - contribution to protection of the environment. None of us can deny that business is a prime source of pollution or that there is scope for British firms to clean up their act and improve their environmental performance. But ultimate solutions to environmental problems depend on innovation - on advances in product and process technology



and the development of safe substitutes for known pollutants  
- which business alone can deliver.

5 Policies which encourage enterprise are not incompatible with environmental protection. They are essential to it. But the onus is on enterprise to deliver. We cannot have sustainable growth at the expense of the environment.

6 The third and final message is the simplest. DTI can help business to meet those environmental challenges and take advantage of the opportunities. DTI has been involved with environmental matters for a long time. Warren Spring, with its reputation in the field of environmental technology, is a prime example of that.

7 Last month the Laboratory became the first Research Establishment anywhere in Government to become an Executive Agency. And as an Agency, I have asked it to increase its emphasis on environmental engineering in recognition of the growing importance of environmental issues - to Government and to business.

9 The new environmental objectives I have set for DTI similarly reflect the importance I attach to helping business come to terms with the environmental challenges and opportunities I have described.



10 The DTI Environmental Programme is the vehicle for achieving them. The details are set out in this booklet "Your Business and the Environment". Copies are going out to some 50,000 firms in the manufacturing and service sectors.

11 The essential message of the booklet is that more than ever before good environmental practice makes good business sense. It draws attention to the business threats and opportunities. It gives examples of best practice developed by environmentally aware firms. And it describes what DTI can do to help.

12 There are 4 components to the DTI Environmental Programme.

13 First, we have set up an Environmental Enquiry Point here at Warren Spring designed to help firms find out more about environmental issues that may affect their business. Warren Spring will deal with most of the enquiries direct, where necessary, put callers in touch with other sources of expertise, within DTI and outside. The service is now open for business.

14 Secondly, we shall be encouraging firms to use the Consultancy Initiatives which are available under the Enterprise Initiative to help them get to grips with environmental problems and plan their business to take account of environmental considerations. The initiatives

encouraging other Departments to follow suit but working closely with HMSO and suppliers to find even more applications for waste paper.

18 The fourth component of DTI's Environmental Programme will focus on developing pollution control technology so that UK suppliers can take advantage of major market opportunities. The world market has been estimated to be worth £100-150 billion a year. We want to help British business get a major share of that market.

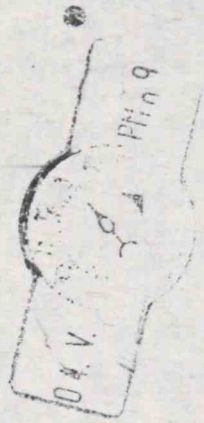
19 We also want to help firms exploit the increasing market opportunities for substitutes for known pollutants. No task today is more important than finding acceptable substitutes for CFCs. DTI has just commissioned a study which will examine the opportunities for business to reduce its use of products which harm the ozone layer, to deal with those already in use and to exploit benign substances. The study will show firms how they can help to achieve the reductions in CFC use which have been agreed internationally.

20 Overall, DTI's Environmental Programme is a substantial package of measures designed to help business meet demand for higher environmental standards - and hopefully profit from doing so. Like all DTI programmes it is dynamic and will be developed in the light of market demand.



21 Let me finish by making it clear that DTI's Programme does not duplicate the work of the Department of the Environment. The two Departments have complementary roles. The Department of the Environment has lead responsibility for protection of the environment. DTI's aim is to help business adapt cost-effectively to higher environmental standards and to take advantage of the significant commercial opportunities on offer. To the benefit of us all.

Em. Affairs - Acid Rain Pro.







F0458

cc Mr Wilson  
Mr Monger

MR MORRIS

**GLOBAL CLIMATE SEMINAR**

I attach draft minutes of the Prime Minister's seminar on 26 April.

2. As agreed after the seminar, I have produced a fairly full record, attributing views to the various contributors rather than attempting to draw the points together into a set of common themes. Given the nature of the event, I think this must be the better approach.

3. The only major contribution for which I have not produced a full precis is Dr Holdgate's introduction to the afternoon session, both because it was a summary of the morning's discussion, and because he has produced his own written version. I suggest that when his final text arrives it should form Annex A to the record.

ANDREW WELLS

4 May 1989

Geo  
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