MR POWELL

ENVIRONMENT: UNGA ADDRESS

I attach what is till a rough draft from the Department of the Environment of the speech. This has not yet been seen by Chris Patten. He is looking at it tonight and I hope to be able to get you a draft with his comments by about 1800 hours your time on Friday. Chris Patten has been anxious for the Prime Minister not to have anything other than the version that has his imprimatur; so the attached is very much for your use only.

Dominic Morris

19 October 1989

c:env



Dominic Morris
PSIPtime Minister
10 Domning Street

Dear Dominic

PMs UNGA SPEECH

I abtach a copy of a draft of a possible speech by the PM to be given at UNGA. I must make clear that this draft has not been cleared by my Secretary of State and he is likely to have a substantial number of anendrents.

I am sending this to you on the basis , therefore, that is for Charles Parells eyes and it has not been RECYCLED PAPER cleared by my Secretary of

State.
Once my Secretary of State has had a chance to look at the text overnight I will ferward a revised text for transmission to the PM

Yours

Vate

CONFIDENTIAL



LONDON SWIA 2AA

Charles Powell

Private Secretary to The Prime Minister 10 Downing Street

2 MARSHAM STREET LONDON SWIP 3EB 01-276 3000

SRU

My ref:

Your ref .

20 October 1989

CM 42:

Dear Charles

In your letter of 13 October you asked to see a draft for the Prime Minister's speech to the United Nations General assembly by the end of this week.

Al Dap

I attach a first draft which will clearly need more work in the light of comments received. This draft already includes contributions from Sir Crispin Tickell and Professor David Pearce. We are still waiting to hear from Sir John Mason, the Scott Polar Institute and the Chairman of NERC. We will let you know next week if they have anything to add.

You ought to be aware that the Prime Minister will deliver her speech the day after a conference on climate change which is being organised by the Dutch. Mr Trippier will be attending to represent the UK. The conference is likely to be contentious and may produce demands for specific emission targets, new mechanisms to help developing countries and commitments to additional financial resources. We will need to review how this should be handled in the Prime Minister's speech nearer the time.

He has asked me to draw your attention to the reference in the speech to global measures, which may include targets, for constraining CO, emissions. We have discussed this with the Department of Energy and have agreed with them a form of words which is reflected in paragraph 12 of this draft. My Secretary of State thinks that we should expose the issue of targets. He has made the point that other countries such as France and the Netherlands who are already pressing for emission targets will otherwise dominate

the debate and it is certainly an issue which is likely to remain on the agenda. Against this background, my Secretary of State feels that we need to take what steps we can to ensure that this issue is addressed sensibly over a reasonable time span and in the light of the scientific examination now underway in the IPCC of what kind of measures might be adopted to restrict CO₂ emissions and the role of targets in that context. He is anxious to avoid a repetion of the '30% Club' where the issues were debated in a climate of rhetoric and dispute.

I am copying this to private secretaries to Nigel Lawson, John Major, John Wakeham, Cecil Parkinson, Nicholas Ridley, John Gummer and Lynda Chalker.

Yours

KATE BUSH Private Secretary UNGA 1989: OUTLINE OF POSSIBLE SPEECH BY THE PRIME MINISTER

Introduction

- 1. Since its formation the United Nations has worked to promote peace. Recent developments have given us all hope that the prospects for peace are better than for many years. We have, for example, seen the successful resolution of regional conflict in south west Africa and a welcomed thaw in relations between the Warsaw pact and NATO members which would have been unthinkable ten years ago. As the world moves towards peace and begins to seem safe from global conflict we can begin to think about a future for our children which is safer from environmental threat. The consequences of this threat could be just as destructive to life on earth as global warfare but the problems are riddled with uncertainty and may present an even greater challenge.
- 2. Our generation has witnessed great advances, although not as great in all countries as we would like. Medicine and technology have liberated us more than our grandparents would have dared dream but in the second half of the 20th century the scale of human activity has reached a level that could change our world for ever. Already we are changing our environment in damaging and dangerous ways. Across the world we have seen the development of vast urban conurbations, the thoughtless release of chemicals and wastes, the ruthless exploitation of natural resources and, perhaps most worrying of all, steeply rising human numbers.

- 3. But environmental damage is not a new phenomenon. Indeed if we look at the Euphrates we may well conclude that it was siltation which drove man out of the Garden of Eden. We have made great changes to our world but we must be sufficiently humble to learn from the past. On Easter Island people arrived by boat to find a primeval forest environment. In time the population increased to over 9000 and the demands placed upon the environment resulted in its eventual destruction through deforestation. This in turn led to internal warfare over the scarce remaining resources and the population crashed to a few hundred people without enough wood to make boats to escape.
- 4. If we are to avoid catastrophes like this on a global scale we must work together to achieve a balance with our environment.

 North, South, East, West we are all part of the same world and our problems are shared. We are all shareholders in this planet and we must all invest in its future. In the United Nations we must take the dangers seriously but give a message of hope to the people of the world. We cannot afford divisive debate. If we can work together for peace, surely we can work together, in partnership, to guarantee a prosperous future for our children and grandchildren.

Sustainable Development

5. The report of the Brundtland Commission has pointed the way forward through sustainable development. This means meeting our own needs while ensuring that future generations are able to meet theirs. My government has commissioned a report which explores this idea further and suggests that to achieve sustainable development we must strive to leave the next generation a store of wealth no smaller than we have now. That wealth must include all the products of man's ingenuity and the store of natural wealth in our oceans and forests, our soils and our atmosphere. Science is helping us to understand how our actions can threaten future generations and politicians must urgently consider how to define the concept of sustainable development and how to translate it into practice. The concept of sustainable development has major implications for the way we approach economic progress in the future. I shall have more to say about this later.

Partnership

6. Sustainable development can only be achieved through balance and partnership. We need partnerships between governments. We need open dialogue with and among scientists. Scientists need to share with us more clearly and openly their understanding and their uncertainties. Science gave industry the chemicals and technology that support modern life. Now it must give us the solutions to the threats we have brought to our world. We need partnerships with industry, non-governmental organisations, members of the public and the media. Greater education and awareness will give people a voice but we must also provide democratic structures so they can be heard.

Ozone layer and climate

7. Changes in the ozone layer and potential changes to our climate emphasise that sustainable development is the only way of guaranteeing our survival and ensuring a future which is worth preserving. Modifications in atmospheric chemistry could affect

human life in fundamental ways. The prospect is a new factor in human perception, comparable to the harnessing of nuclear energy at the end of the last world war. It is creeping upon us almost unawares. As yet there are no certainties about the threats, but there is a growing area of scientific consensus. We now have hard evidence of the depletion of the ozone layer and increasing knowledge of what this will mean to human health and the natural environment and I am proud of the contribution which the British Antarctic Survey has made to this work.

8. We are beginning to understand some of the causes of global warming, a far more insidious and long reaching problem, such as the burning of fossil fuels and large scale deforestation. We are just beginning to understand the possible effects and the wide regional variations which may take 30, 40 or 50 years to happen but which may already be inevitable. Some actions can be taken now which may well have benefits in offsetting the effects of global warming such as encouraging energy pricing which reflects the full cost of production, promoting energy efficiency and research into clean technology and non-fossil fuel sources of energy. We must continue these activities. But to address fully the problem of global warming governments need the best possible scientific assessment and they should have it in the report of the Intergovernmental Panel on Climate Change which will be considered at the Second World Climate Conference in the autumn

of next year. This report is an example of the degree of international co-operation, including the vital involvement of developing countries, which is necessary if we are to succeed in meeting the challenges which face us. But our scientific understanding is not yet adequate to inform our actions properly. Our ability to predict the effect of the chemical changes we have already imposed on the atmosphere will still be subject to great uncertainty even after the IPCC reports. It is the industrialised countries who currently have the expertise and the resources to address the problem; a responsibility we must honour.

9. It is with this responsibility in mind that the UK is promoting a major initiative to support and develop work on climate change. We intend to establish a new centre for global climate change prediction attached to our Meteorological Office to assist the urgent international effort spearheaded by the World Meteorological Organisation to improve our predictive abilities. It will give scientists the advanced computing facilities they need to make urgent progress. Funding for the new centre will include provision to support scientific and computing experts from across the world, and not least from developing countries, to come to the UK and contribute to this vital work.

10. The way in which the world community has dealt with the specific problem of ozone depletion is a test of our ability to deal with the more complex one of global warming. Initial fears in the 1970s about the effect of halons and CFCs led to early but unco-ordinated regulatory action. The Vienna Convention in 1985 and the Montreal Protocol in 1987 established landmarks in international law by aiming to prevent rather than cure a global environmental problem. The work of the British Antarctic Survey confirmed the true extent of damage to the ozone layer and removed any doubts about the need to take action. The 1989 London "Saving the Ozone Layer Conference" helped raise political awareness of the problem. The UK is honoured to host next year's meeting in London of the Montreal Protocol parties. It will represent another major step towards the goal of protecting the stratosphere. The UK hopes that agreement will be reached to tighten up controls on CFCs and halons and to the phasing out of CFCs by the end of the century. It is indicative of the scale of these global problems that even these ambitious targets may not prevent the doubling of stratospheric chlorine concentrations by the year 2000.

11. Tackling global warming will be immensely more difficult and complex. It goes to the roots of modern society. It will have implications for very many economic activities and for the legitimate aspirations of people worldwide to enjoy higher living standards. It is highly unwelcome, and was for a long time not widely taken into account. But things have changed as evidence has mounted in the last few years and there has been a growing understanding of the global nature of the problem. Climate change is possibly the greatest challenge to sustainable development facing the international community and therefore the United Nations. All countries will be affected by it and all countries have a common interest in working together to cope with it. Those who through industrialisation have unwittingly contributed to the problem must recognise their special responsibility for helping others. We must reach agreements which are seen to be equitable, and no country must take advantage of another in putting them into effect.

12. The British approach is to establish the right framework for action by strengthening UNEP and WMO, strengthening other institutions and improving financial mechanisms to transfer the necessary resources to developing countries. We would like to see an umbrella convention with specific protocols to follow as the science and political will dictates. At the very least, a framework convention will need to include a mechanism to ensure that protocols can be negotiated and brought into effect with the minimum of bureaucratic red-tape. Protocols must be binding and there must be an effective supervision and monitoring regime. The United Kingdom only ratifies international agreements we know we can honour and all countries must realise that their words of intent must be backed up by actions. At the same time we must ensure that the convention and its protocols have wide ratification. The negotiation of some of those protocols will be extremely difficult and no issue will be more contentious than the need to control emissions of carbon dioxide, the major contributor to the greenhouse effect. Doing nothing is not an option we can afford to consider. First, we need sound scientific analysis of the impact of emissions from different sources and the ways in which these can be reduced. The United Kingdom would like to consider extending and prolonging the role of the IPCC after it submits its report next year to provide an authoritative scientific basis for the negotiation of this and other protocols. On the basis of this information we will be able to agree global measures which may well include targets for emissions of carbon dioxide and the contribution which each country must make. There are few better examples of the need for a multilateral rather than a unilateral approach to world issues and the challenge for our negotiators is as great as any disarmament treaty. The timetable is a tight one if we are to agree the elements of a convention in time for the World Conference on Environment and development in 1992. We must ensure that the IPCC's work remains on target and we must not allow ourselves to be diverted into fruitless and divisive arguments.

Role of Industrialised Countries

13. Calling a country "developing" should mean that it is on the path to something better. We are all at different stages of development and we all contribute in different ways to environmental problems. Industrialised countries have caused pollution as a by-product of technological and economic progress.

But in many parts of the world it is poverty which has encouraged environmental degradation as people are forced to use up scarce natural resources. We must all contribute to the solutions. The issue is, of course, not one of sacrificing growth. The sheer scale of continuing poverty is enough to underline the imperative of economic growth. It is a matter of how to grow sustainably without sacrificing the very resource base and environmental quality upon which sustainable development depends. That is the challenge for industry, for agriculture and for the managers of the world's economies.

14. Some progress has been made. Nations who have shared major river systems have recognised over many years that they need to work together to control waste discharges as they collect downstream. More recently regional groups such as the United Nations Economic Commission for Europe have successfully considered how the transfer of air-borne pollutants can be controlled. But pollution can travel further than this. As industrialised countries tighten their controls on discharges of pollutants to air and water pressure mounts inexorably on the means of disposing of solid waste. The export of waste from industrialised countries has risen alarmingly over recent years. Pollution is being exported many thousands of miles. This must stop. The UK welcomes the Basel convention, sponsored by UNEP, as an important step in controlling these activities. Of course international facilities must exist to dispose of some difficult wastes, especially for developing countries who may not be able

to handle these materials themselves. To do otherwise would not be in the interests of our global environment. But we believe developed countries must go further. There is certainly little excuse why a modern industrialised nation cannot deal with all its own waste. We have therefore made it clear both in the European Community and in the OECD that self sufficiency in waste disposal must be an important environmental principle for all developed countries in the future. We are willing to consider requests from developing countries for assistance with technological or other issues which may help them to deal with hazardous waste.

15. Industrialised countries have a responsibility to help developing countries to grow stronger and more prosperous. We must do this by creating partnerships rather than one side dictating to the other. We can help in many ways; investment, training, sharing knowledge and expertise. With 200,000 more people every day to feed and clothe population growth poses a major threat to the sustainability of natural resources and the quality of the environment. We need to work with developing countries on the link between sustainable development and population growth and encourage health programmes which include provision of family planning services as well as supporting programmes to improve the status and education of women.

- 16. Sometimes assistance can be targetted on a straightforward need better sanitation, clean technology, safe chemical plants. But increasingly we need to encourage those who receive aid to consider the wider implications of their economic growth: will it damage neighbouring countries or regions and thus be a potential source of conflict; will development lead to the loss of animal or plant species that could benefit the country concerned or even humanity in general; will it put at risk a country's own future generations?
- 17. A stable economy is the basis of a secure future. The UK joins its western partners in wanting to help east Europe become economically more secure, but it must be in a way that is environmentally sound. To help Hungary and Poland we must begin by identifying the most urgent problems and the most effective way in which aid can be delivered - simple loans, appropriate technology, training. This is also a basis of the British aid programme to developing countries. Prescription by the donor is not the answer: it breeds resentment and discontent and imposes false priorities. Arguments about green conditionality are dangerous if they suggest that the environment is an optional extra. We need to respect national sovereignty and work together in partnership. I am pleased that Britain was the first industrialised country to sign a Memorandum of Understanding with Brazil on co-operation to protect the environment. We are also developing a proposal with the Indian Government and ICI to produce alternatives to CFCs. There are many arrangements between

industry and developing countries from which we can all learn lessons. Many bilateral and multilateral mechanisms exist to facilitate the transfer of technology and financial resources. I was pleased to learn from a recent speech by Barber Conable that the World Bank intends to put greater emphasis on environmental issues and I hope that this means we will see no more large projects which sacrifice the environment to industrialisation. Our multilateral institutions have a responsbility to show that economic progress can be a friend of the environment and that the environment can be an economic resource. What we must do now is give these existing arrangements greater impetus through financial and political support. None of us can afford to make exceptions to allow any country to continue to cause irreparable damage to the global environment. Help is, and will continue to be, available to secure the action necessary to safeguard our common future.

Role of Developing countries

18. Industrialised countries need to be prepared to listen and share experiences in a dialogue which respects the contributions of each party. They can help improve scientific co-operation and understanding to replace fear and supposition with sound knowledge and mutual trust. But developing countries are not powerless, they have responsibilities too. Financial aid will only be effective in the long term if complemented by reforms within developing countries. The British aid programme aims to help build environmental institutions to make sure the environmental voice is heard when national decisions are taken. We all need to understand and correct policies which encourage environmental damage such as tax incentives for the clearance of forested land. All countries need to respond. But it is wrong to lay all the blame for environmental damage only at the door of industrialised countries; developing countries too must recognise where they can take action.

- 19. The concept of sustainable development can help all countries to understand better what needs to be done on a wide range of issues. Marine pollution and over-fishing, especially the deplorable practice of unregulated and indiscriminate drift net fishing, must not be allowed to threaten the future viability of the oceans as a vital resource base. We must take steps to identify and better understand the value of our vast biological resources as an economic resource which can help us develop new products to sustain and enhance the quality of life. We should work towards a convention on the conservation of biological diversity that gives us all responsibility for the safeguarding of our genetic resources. We welcome the work already being done by UNEP and hope that other bodies such as the Food and Agriculture Organisation will be able to assist in developing practical conservation strategies. For our part, the UK is willing to help developing countries draw up and implement their own national conservation strategies to protect and manage their reserves of plants and aniumals.
- 20. People's increasing but legitimate demands can only be met by ensuring that industry is more efficient in its use of energy, that it disposes of its wastes safely and that it uses raw materials in a sustainable way. For many years the UK has sought to assist developing countries with energy efficiency for sound economic reasons. The environmental challenges we all face call for a fresh impetus to this work and together we need to redouble our efforts.

UK Action

- 21. To demonstrate our commitment to policies based on sustainable development we in the developed world must recognise what we can do at home as well as internationally. In the UK we have published two documents responding to the Brundtland report. The most recent, "Sustaining our Common Future" reviews progress on taking environmental costs into account in our policy making, discusses the interpretation of sustainable development and aims to increase awareness of its importance in activities outside the control of governments. Much of what we hope to achieve can be done nationally, even locally, but with a common goal. This report will be submitted to next year's UN/ECE Ministerial Conference on sustainable development in Bergen. It has a very simple framework and could be followed easily by other countries, whether rich or poor. It describes what we are doing in a number of policy areas:
 - we are spending 15m a year on research into climate change and the ozone layer;

- British industry will have halved its 1986 level of CFC consumption by the end of this year, ten years earlier than required by the Montreal Protocol. We have called for a strengthening of the Protocol, with a demand for production and consumption of CFCs to be cut by 85% as soon as possible and by 100% by the end of the century;
- we have formed a special unit to encourage our industry to adopt a "cradle-to-grave" approach to tackling waste and pollution in production processes including designing products for re-use and recycling and minimising waste;
- we have included provisions in legislation governing the privatisation of the electricity supply industry to promote energy efficiency for consumers as well as competitive pressure for generators. The new electricity supply companies will also be obliged to buy a proportion of "non-fossil fuel generated" electricity;
- we have introduced tax differentials in favour of unleaded petrol which have contributed to a significant increase in its use to about 25% of all consumption;
- we have introduced measures to encourage our farmers to protect and enhance the environment including tough regulations controlling the sale and use of pesticides;

- we have consistently argued against policies which encourage excessive levels of agricultural production in developed countries leading to depressed commodity prices and making it more difficult for developing countries to strengthen their economies through exports;
- next year we intend to publish a White Paper containing a major statement of our plans for further integration of environmental considerations into all aspects of government policy.
- 22. In the global context we will continue to contribute to the debate on more sensitive areas such as population growth, debt and how the world should co-operate to prevent the loss of species and the destruction of their habitats. We have already more than doubled our contribution to UNEP and continue to support developing countries to enable them to participate in ozone and climate negotiations. We will also work internationally to encourage measures, including economic measures, to improve efficiency in the use of energy of all kinds and to ensure that programmes to encourage energy efficiency in developing countries are eligible for financial and technical assistance.

- 23. Forestry is an area of traditional British expertise.

 Forests represent part of the natural capital of our planet but have been progressively degraded over centuries. They are an economic resource but they need investment to maintain them. In the tropical areas investment is needed to improve management and conservation. Degraded land should be reforested to rebuild capital in the soil and to meet the needs of local people.

 Forests are a bank of genetic resources which need conservation and research. This adds up to a need to recapitalise the forests.
- 24. We should revitalise and relaunch the Tropical Forestry
 Action Plan through which the developed world can provide coordinated assistance to individual developing countries. This
 assistance should include analysing policies which presently
 encourage the destruction of forests. It should identify
 priorities for investment and research and provide resources.
 Britain is assisting with the Tropical Forestry Action Plan in 20
 countries. We stand ready through our aid programme to do more.

Economics and Environment

25. If we are to meet the challenge of sustainable development it is important that any improvement in our standard of living today should still leave for our children the man-made or environmental assets they will need to attain a high quality of life. Environmental assets are not just the stock of oil and gas, coal and minerals. They also include the ozone layer, the protection provided by forests and wetlands, the ability of rivers and oceans to receive wastes and the priceless largely untapped resources of the earth's biological diversity. All too often these environmental assets are treated as if they were free and consequently abused. At the same time subsidies can be one of the most damaging mechanisms for the environment when they encourage practices such as land clearance and policies which increase short term productivity but lead to long term losses. Governments must ensure that market forces work to the benefit of the environment. In the past we have tried to do this through direct regulation alone, but the increasing range and intensity of environmental problems, and their global nature, means that we must supplement our regulations with more efficient mechanisms. For example, we can use market forces themselves to change production and consumption patterns to make them environmentally more benign. We need producers and consumers to understand and respond to the underlying value of the environmental assets used in the production and consumption of goods and services. There a major tasks here for economists working on environmental policy

and for environmentalists who wish to persuade people that protecting the environment makes economic sense. We in the UK would like to stimulate further discussion of these issues and help other countries to work towards practical applications of sustainable development suited to their own circumstances. We are working to improve the tools economists use in assessing the environmental costs and benefits of projects and policies in developing countries. How should they value environmental costs? How are policies best designed to promote environmentally sustainable development? We aim to produce a manual next year for developing countries which should provide some of the answers.

Conclusions

26. The UN is today faced with a totally new set of problems but the solutions lie in the tried and tested method of co-operation. The UN and especially UNEP have a key role in building global partnerships. All of us here have a responsibility to look for opportunities for co-operation, not conflict. The five UN

regional conferences on implementing the Brundtland Report provide the first opportunity for political action-based decisions to be taken. The conclusions of these meetings will provide inputs into the 1992 Conference on Environment and Development. The conference must aim to take realistic and equitable decisions in recognition of the democratic nature of the United Nations. I look forward to going to Brazil myself as I am sure that if the conference is to deal adequately with the challenges which now face us, representation must be at no less a level than Heads of State or Government.

27. I would like to end with a quotation from James Lovelock that transcends the democratic nature of debate in the UN General Assembly and which we would all do well to remember if we are to avoid the tragedy of Easter Island on a global scale:

"If we think only of ourselves and degrade the earth, then it will respond by replacing humans with a more amenable species. It will live, but we may die. We should see ourselves as members of a very democratic planetary community and remember that in a democracy we can be voted out."

