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Prime Minister

**CONTROL MEASURES FOR ENERGY RELATED GREENHOUSE GAS EMISSIONS**

My Private Secretary wrote to yours on 2 October giving details of the background to and a summary of an interim draft of a study my Department has been undertaking for the Energy and Industry subgroup of the Intergovernmental Panel on Climate Change (IPCC) Response Strategies Group. The interim draft was presented to the subgroup on 28 September. The study is now almost complete. It is my intention to submit it to the IPCC before the end of this month.

The study is a technical analysis of some of the options, and their costs, open to the UK to curtail CO2 emissions. It contains, by the very width of the topic, and by the short timescale in which it has had to be prepared, only a partial analysis, but nevertheless it shows some of the important features. First, it demonstrates that, set against the rising trend in UK CO2 emissions modelled in the study, CO2 emission control will require action right across the spectrum of energy suppliers and users, including transport, with Government, industry and individual consumers all playing a part. Second, no single technology will prove dominant in our search for solutions, although enhanced energy efficiency in all sectors and the increased use of gas for power generation are among the most promising for the short and medium term. Nuclear power has a potentially important role to play but, as recent events have shown, is subject to special difficulties and needs to improve its economic performance if it is to achieve its full potential.



Third, none of the options, apart from a proportion of energy efficiency measures, comes cheaply, and the costs rise markedly as the technologies are made to penetrate less and less favourable niches.

In the light of the Noordwijk Declaration, in which David Trippier was able to subscribe to the aim of stabilisation of industrialised nations' CO2 emissions by the year 2000, and your own speech to the UNGA, where you raised the possibility of international agreement to targets to reduce greenhouse gas emissions after the 2nd World Climate Conference next autumn, we must expect to be questioned on how we are to reconcile such approaches with the CO2 trends set out in the study. Delivery of the study to the IPCC will effectively put it into the public domain and we have seen last Friday the kind of misrepresentations the press might make.

There is much to be said, therefore, for taking the initiative in order to get over the most important point, which is that this is a matter for international action - the UK is responsible for only 3% of the world's CO2 emissions, and our share will proportionally decline in the future. What is needed is a truly global agreement, under which, as you envisaged in your UNGA speech, each nation will make an appropriate contribution to an agreed international programme of measures. The best way to do this might be for an arranged question, in which we could make the existence of the document known, by placing it in the Library at the same time stressing the need for international action.

But beyond that we need to recognise that within the UK all sectors will need to make an effective contribution to the total national effort. Actions will impinge on a number of Departments, notably my own, Transport, Trade & Industry, the Environment Departments and Agriculture.



I shall be bringing forward proposals, particularly on energy efficiency, which this study, and other similar analyses, indicate is amongst the most effective options. I am sure colleagues will also be ready with their Departmental responses.

I copy this minute to Douglas Hurd, John Major, Peter Walker, Nicholas Ridley, Malcolm Rifkind, Cecil Parkinson, Chris Patten, John Gummer and Sir Robin Butler.

CONQUEROR



Secretary of State For Energy

23 November 1989



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Acid Rain

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