

Environmental Audit Committee

Oral evidence: [Sustainable Seas](#), HC 980

Monday 5 November 2018

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Members present: Mary Creagh (Chair); Geraint Davies; Mr Philip Dunne; Zac Goldsmith; Mr Robert Goodwill; James Gray; Kerry McCarthy; Dr Matthew Offord; Joan Ryan.

Questions 364 - 464

Witnesses

I: Lord Ahmad of Wimbledon, Minister of State for the Commonwealth and the UN, Foreign and Commonwealth Office, and Rt Hon. Claire Perry MP, Minister of State for Energy and Clean Growth, Department for Business, Energy and Industrial Strategy.

Examination of witnesses

Witnesses: Lord Ahmad and Rt Hon. Claire Perry MP.

Q364 **Chair:** I call the Committee to order and kick off this final session of our inquiry into sustainable seas. We are delighted to have two Ministers with us. For sound purposes, could you introduce yourselves, starting on my left, please, with Lord Ahmad?

Lord Ahmad of Wimbledon: Lord Ahmad of Wimbledon, Minister of State at the Foreign and Commonwealth Office.

Claire Perry: I am Claire Perry, Minister of State for Energy and Clean Growth in BEIS.

Q365 **Chair:** It is very nice to see you both here today. Our Committee has heard that the Government's Blue Belt programme is not being delivered as marine protected areas are not meeting international standards, some have no management plans and funding for the programme will end in 2020. We have also heard that the Government could meet its Blue Belt ambitions more simply by designating the South Sandwich Islands MPA as an area to be aligned to international standards. We have heard evidence suggesting that the Foreign Office is blocking the designation. What do you say to that, Lord Ahmad?

Lord Ahmad of Wimbledon: Good afternoon to you all. On the final question first, the South Sandwich Island designation is being looked at as I speak. It is with the Secretary of State and we will be coming out with a decision on that very shortly.

From a more general perspective, we should be very proud of the Blue Belt programme. I speak as both the Minister at the Foreign Office and as the Minister with specific responsibilities for the Overseas Territories. We have now achieved over 3 million square kilometres of our designated target. The funding we have allocated of £20 million by 2020 stays very much in place. There was a question right at the start of this current parliamentary session as to whether that funding would stay on the table. It very much has. We have worked together with the Overseas Territories in delivering what I believe are ground-breaking marine protection areas in many of our Overseas Territories.

If we look at the programmes in the different categories of MPAs, we have been consistent in ensuring we deploy those MPAs that are reflective of not only protecting but also sustaining marine economies in those areas. I believe, when you compare us to international areas, particularly in the area of MPAs and you consider that 24% of our coastlines are marine protected areas, including a large part designated through our OTs, we are leading the way rather than falling behind.

We are looking very closely at specific areas of funding beyond 2020. We are cognisant that we need to see a continuation of ensuring sustainability of our MPAs and that is an area we continue to look at. At



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the moment, there is a £20 million allocation until 2020. Beyond that I cannot confirm what that level of funding will be.

Q366 **Chair:** Are you anticipating an announcement in Budget 2019 and, if so, would that not be too late for these Overseas Territories to plan how to spend the money?

Lord Ahmad of Wimbledon: On the Overseas Territories more generally, I have initiated a programme over the last 14 or 15 months of direct contact, not just through the odd joint ministerial council meeting but directly bilaterally meeting with the Overseas Territories to talk about their broader future in funding and financing, not just in the context of MPAs but helping them build their economies.

On the funding announcements beyond for 2020 and what the Budget may say in 2019, Mr Hammond may have a word or two with me if I were to designate now what that funding may be. Of course we will make appropriate recommendations for that funding round, but the need to ensure sustainable funding, which is the point you are making, is something I also subscribe to.

Q367 **Chair:** If it is announced only in Budget 2019—assuming that there is no emergency Brexit Budget, which we are all hoping will not happen—it would not be allocated until May 2020. Could that leave a gap in the funding?

Lord Ahmad of Wimbledon: I do not believe it will because when you look at the current allocation of funding and those MPAs that have been created, they are based on sustainable funding. If there is a transition period between the next funding round and the current funding round, I believe we will be able to meet that requirement.

Q368 **Chair:** Even if there is a gap? You are hiring people.

Lord Ahmad of Wimbledon: A gap from one budget announcement to the next?

Chair: Yes. One budget ends and people get laid off and are made redundant and find other jobs, and then suddenly you are trying to rehire them. These are remote communities with not many other economic opportunities. People will be packing their bags and shipping their families off long before you have decided what Budget 2019 carries.

Lord Ahmad of Wimbledon: As I have already said, that will not happen because we are looking at the long-term sustainability of our OTs beyond just the funding we have announced for the MPAs. We are working cross-Government in this respect as well. For example, colleagues in DfID have looked at specific projects in terms of infrastructure support for our Overseas Territories. While you raise a genuine concern, I do believe the gaps in the funding will be more between funding announcements, not on the sustainability of funding streams.



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Q369 **Chair:** What about the question of them not having management plans?

Lord Ahmad of Wimbledon: I know there have been questions raised—including on territories such as St Helena—that they do not have management plans. That is not the case and we have continued to provide support for management plans. Indeed, we have deployed specialist experts from companies such as Atkins to help support those management plans.

Q370 **Chair:** Atkins the engineering firm?

Lord Ahmad of Wimbledon: Yes, in support of the programmes we are currently engaging on. This is across the piece. I am not talking about MPAs.

Q371 **Chair:** I know Atkins in terms of HS2 and the CERN Large Hadron Collider.

Lord Ahmad of Wimbledon: We are not building an HS2 across Overseas Territories—despite being former Transport Minister, that would be an ambitious project too far, I fear.

Chair: I knew they were looking at CERN and the “cod particle”, but we will have to leave that one there.

Q372 **James Gray:** Can I ask you to focus further on the South Sandwich Islands, because it is topical? First, what quantity of fishing has there been? The NGOs are asking that commercial fishing in the South Sandwich Islands MPA should be banned. What quantity of commercial fishing has there been in the South Sandwich Islands in the last 25 years?

Lord Ahmad of Wimbledon: I will need to write to the Committee on the current consideration and the exact figures.

Q373 **James Gray:** I never ask a question unless I know the answer. The answer is that there has been none at all. Zero is the answer, just to assist you.

Lord Ahmad of Wimbledon: If that is the case, I bow to your better knowledge on that. But one of the main areas around the South Sandwich Islands is this whole issue that has been raised by the NGOs about the designation of the MPAs. As I said right at the start, this is currently under consideration by the Foreign Secretary and he hopes to make a decision on that MPA very shortly.

Q374 **James Gray:** I know it has been under consideration for quite some time. I want to get at the discussion. If I am right in saying—and I will check this—there has in fact been no commercial fishing of any kind at all for 25 years in the waters surrounding the South Sandwich Islands, what would be the purpose in conceding to the NGOs’ demands to ban it?

Lord Ahmad of Wimbledon: That is a valid point. I said earlier that there are different designations of MPA and those that prohibit any kind



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of fishing. It is important before we see a final designation that we need to look—coming back to a point the Chair raised earlier—at the sustainability of communities across all our Overseas Territories.

Q375 **James Gray:** There are no communities in the South Sandwich Islands. No one lives there now.

Lord Ahmad of Wimbledon: No. In terms of their future and how that is protected, while there has been no fishing around those areas, as you said, that would also, in my mind, suggest there is a need to review whether there needs to be a designation. We are considering the concern the NGOs have raised specifically about a total prohibition, but your point is made that if the current situation is that there has been no fishing, is there a need for a redesignation or a review of it? It is right to review concerns that have been raised with the Foreign Office and then decide accordingly.

Q376 **James Gray:** Indeed. If it were to be redesignated as a no-take zone and if there were to be no fishing there whatsoever, which is what the NGOs are asking for, that would include the two or three trips made every year by scientific research vessels under British licence issued by the Falkland Islands. Would you accept that if a no-take zone were to be installed, it would include the research vessels that are currently licensed to do selective fishing for scientific purposes in the South Sandwich Islands waters?

Lord Ahmad of Wimbledon: That is a valid concern. The current designation gives a clear priority to nature conservation and to management and monitoring for biodiversity research. It is important that we balance. When you put on total bans when it comes to MPAs, there is a concern that other vital research that is being carried out in specific areas, as the current MPA designates, would be put at a straightforward disadvantage. That is why we need to give it proper consideration.

That said, if you look at the current MPA that is in place, it has been classified as a sustainable use MPA under the current system of designation and has ensured we can carry out the research required, which I believe is very valuable for the future of MPAs and the oceans generally.

Q377 **James Gray:** It is very valuable, but if there were to be a ban it would not happen.

Lord Ahmad of Wimbledon: Indeed.

Q378 **James Gray:** Would that have significant consequences for our relationships with the organisation of CCAMLR?

Lord Ahmad of Wimbledon: Yes, it would. I know there were various elements within the press over the weekend on this particular issue. As I



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said, it is under active consideration and I do not want to pre-empt any decision the Foreign Secretary may make in this regard.

Q379 **Chair:** You do not want to pre-empt what the Chancellor is going to say in the Budget; you do not want to pre-empt what the Foreign Secretary is going to say.

Lord Ahmad of Wimbledon: I am neither Chancellor nor Foreign Secretary. What the future holds one never knows, but it would be inappropriate for me to make a budget announcement or indeed a decision that is with the Foreign Secretary and pre-empting what he may finally decide on this.

Q380 **Chair:** They do seem to be making your job a bit more difficult, though. Just back to the management side, why do we have marine protected areas without management. We heard from Professor Ian Boyd, DEFRA's Chief Scientist, who said that not enough management and monitoring was being undertaken in the Overseas Territories. He said, "We should be evaluating the MPAs all along. As far as I am concerned, we are not. We need to do more of that". We heard from academics who said that there is no point putting in place an MPA that does not have a management strategy with effective measures for management. We are designating these things and then we are not checking; yet we do have satellite technology and we do have the ability to monitor what is going on. Is there any reason why not? Is it money? Is it will? What is stopping this?

Lord Ahmad of Wimbledon: I would challenge that. CEFAS, the organisation that manages the MPAs for us, together with the Marine Management Organisation, the MMO, is working with the territories to support their operations. I have some specific examples here. This includes the trialling of cutting-edge technology and satellite surveillance, which you have raised. I have seen that directly, particularly with those territories—

Q381 **Chair:** Where did you see it?

Lord Ahmad of Wimbledon: I visited one of the Catapult centres here to see how we can map the seabed. During the Commonwealth summit on HMS Belfast, we had a demonstration for some of our Commonwealth countries about our seabed mapping technology.

Q382 **Chair:** That is totally different. With great respect, mapping the seabed is not about protecting the MPAs.

Lord Ahmad of Wimbledon: No, but we are fully conscious of the fact that protecting them is about unreported and unregulated fishing. With designated and enhanced surveillance from satellites, we can now see, through our National Maritime Information Centre for example, designated boats in particular areas. The key territories covered through such satellite technology include the Ascension Islands, St Helena, Tristan de Cunha and BIOT, and assessments of each territory's marine habitats are also made. We are using technology to assess that.



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Q383 **Chair:** You are using that in those areas at the moment?

Lord Ahmad of Wimbledon: In those areas. If I may add to that, you would have heard of the Darwin Plus programme that we have deployed to help marine projects across all 14 Overseas Territories. This is adding to the support that we are giving to our Overseas Territories across the piece.

Q384 **Chair:** When does that funding come to an end?

Lord Ahmad of Wimbledon: No, that continues. We are in the 2017 funding round for that. This is part of our continued funding in the current budget term for our OTs.

Q385 **Zac Goldsmith:** Lord Ahmad, my understanding is that not a single NGO campaigning for protection of the South Sandwich Islands is asking for closure of the stock assessments or ending those two or three research trips that happen every year. To your knowledge, is any single organisation asking for that to happen?

Lord Ahmad of Wimbledon: My understanding is that there are various representations being made, including for a designation of total abstinence. As to the implications of the nature and the detail of that, I do not know the specific detail of the current terms but the current licence has allowed that vital research to continue. From my perspective, coming back to the concern the Chair raised, without pre-empting the Foreign Secretary, a concern I would continue to have is to ensure that vital research continues across our territories where they have been designated to allow for that research. On the specific issues on the South Sandwich Islands, I know many NGOs have given evidence on what is being proposed by them. They have also raised the issue of research and have said that their aim is not to prevent such research taking place. That is why it is appropriate that we give due consideration to their concerns while at the same time looking at the MPAs.

Q386 **Zac Goldsmith:** A final point on the South Sandwich Islands: it is true that there has been no fishing there for 25 years, but would you agree that preventing the establishment of a legal fishing industry, which would be much harder to get rid of in due course, is a reason to provide protection for that site? Is the fact that it has not been fished another reason for doing so, plugging ahead with what is potentially the Government's programme?

Lord Ahmad of Wimbledon: If, as Mr Gray has pointed out, there has been no fishing there for 25 years, that should not be the sole reason why we do not look at concerns that have been raised. They need to be appropriately evaluated and then we should give our decision accordingly. Just because something has not happened historically may not prevent it happening in the future. That is why due consideration needs to be given.

Q387 **Zac Goldsmith:** Every ecosystem that has protection today would not have had protection before despite the fact that it had not been



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plundered. I simply say that to counteract the argument made earlier. My apologies, I am trespassing but I felt obliged to ask that and to make that point.

Again to Lord Ahmad, as Chair of the Commonwealth until 2020, how are the UK Government galvanising support for a legally binding Paris-style instrument in the negotiation of the UN High Seas Treaty?

Lord Ahmad of Wimbledon: During the Commonwealth meeting that was held here, we made a range of announcements in support of our objectives around our commitments at Paris. For example, to give you a specific, we launched the additional funding for the Commonwealth Marine Economies Programme, which means that we are now supporting 17 small island developing states through budget funding of £26.5 million. The whole essence there is that the programme will be helping the small island developing countries deliver sustainable marine environments. That underlines our commitment to lead on building sustainable marine economies across small island states. The first country that has taken up the mantle on that, which we are working with already, is Guyana.

Q388 **Zac Goldsmith:** Are all the 17 small island states you mentioned members of the Commonwealth?

Lord Ahmad of Wimbledon: Yes, mainly across the Caribbean and Pacific. I think most of them are. I can speak with some insight of one of the areas. I was in the Pacific Islands Forum when hurricanes Irma and Maria hit the Caribbean. As Minister for the Caribbean, coming back to a point I made earlier, it was about building sustainable marine industries but it was also about protecting and predicting how we could mitigate against the impacts of climate change. I know Minister Perry will talk on that particular point, but we have to look at this as a whole. The commitment we have given through the Commonwealth, including the additional funding we have provided, is reflective of the priority we are attaching to this, particularly to those small island states that, frankly, do not have the technical capacity to take up such issues.

Q389 **Zac Goldsmith:** This is a question to Claire Perry. Witnesses to this inquiry have told us that we need a new body established to provide oversight on the high seas, particularly in relation to deep-sea mining. Is that a position the British Government supports and will support as it negotiates the UN High Seas Treaty?

Claire Perry: It is an important question. There are always questions about the economic viability of the manganese nodules and the resources you can exploit on the seabed, and also real concerns about environmental standards and licensing conditions. Our own Government policy is evolving quite rapidly. My Department has taken the lead to co-ordinate across Government so that we can have a shared view of the economic potential, how we generate revenue from this, what the right licensing conditions are, and whether there a baseline for the international scientific environmental impact. It is evolving. I am not sure



I have a view yet as to what the right international model would be, but I am very keen to have a UK Government-wide view of the potential of this and the right conditions for any exploitation.

Q390 Zac Goldsmith: This is probably a question for Lord Ahmad. DEFRA and the Foreign Office have announced an ambition to protect or designate a third of the world's oceans as marine protected areas by 2030. What level of support can we expect from the UK Government towards international enforcement of marine protected areas?

Lord Ahmad of Wimbledon: I have just returned from the Our Ocean conference in Indonesia and that was a commitment we made. If you look at the British example—and it is important on the world stage to also reflect domestically on what has been achieved—24% of our coastal areas are now designated MPAs and we are totally committed to the target of MPAs being created across 30% of the coastlines by 2030. That is a statement we have made at an international conference and will be reflective of the international strategy that we are currently working on.

Q391 Zac Goldsmith: We heard from the meeting of the Commission for the Conservation of Antarctic Marine Living Resources last week a suggestion that negotiations with other countries have stalled in relation to accepting proposed new marine protected areas. What plans do the Government have to ensure Norway, Russia and China in particular commit to the expansion of MPAs? Are those reports accurate?

Lord Ahmad of Wimbledon: We are continuing at all levels, whether it is through our engagement through multilateral fora or the bilateral engagement that we are having with the countries, to suggest very strongly and implore them to subscribe to this target. If you look at the challenge that oceans more generally pose, I must admit I have been quite shocked and startled by the stats. Inaction is not an option and inaction to some limited degree of protection is also not an option. If we do not act, we will lose our coral reefs and we will see climate change impacting our oceans in a major way. Those are the hard facts that need to be reflected in our discussions we are having, whether through multilateral discussions or bilaterally.

Q392 Zac Goldsmith: Can I press you on one part of that? Are Norway, Russia and China evenly and equally resisting these efforts or is there a particular obstacle internationally that we will have to use our diplomatic skills to overcome?

Lord Ahmad of Wimbledon: That is far too general. Every country has its respective positions and concerns and I am not going into a rating game of which country is slightly more inclined than others. It is important that we position ourselves by example of what we are doing. We are seeking to base our MPAs on scientific evidence and to ensure, if we look at oceans more generally, that this is a collaboration. It needs to be working with experts. It needs Governments to be acting and also the private sector. If you take the example of the initiatives we have taken in



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plastics, it is heartening to see an increasing number of private-sector companies coming on board in that respect as well. The message has to be a very clear one, that inaction is not an option and we remain very much committed, through multilateral organisations and bilaterally, to the 30% by 2030 target.

Q393 James Gray: Zac Goldsmith's question was very specific. It was about the CCAMLR negotiations last week on the subject of whether or not the Weddell Sea should be designated as an MPA. What happened?

Lord Ahmad of Wimbledon: We have remained very much a long-standing advocate for MPAs to be introduced in Antarctica. We led the first discussion around the South Orkney Islands, which was agreed in 2009. We have continued to strongly support the designation of various parts of Antarctica and the Ross Sea region is another example of that. There are disagreements in this respect and, from my perspective, coming back to a point I mentioned earlier to Mr Goldsmith, we will continue to proactively engage.

Q394 James Gray: Yes, I have got that. It is a specific question. It is really important. The Weddell Sea would be by far the biggest MPA anywhere. It is extremely important. The whole of the world has agreed that the Weddell Sea should be designated an MPA with the exception of Russia, China and Norway. Therefore, what happened at the international negotiations where the Foreign Office was represented last week? Is it right that the Russians, the Chinese and the Norwegians blocked the designation of the Weddell Sea as an MPA?

Lord Ahmad of Wimbledon: We need the agreement of all concerned. We have a view that I have expressed, but we cannot act unilaterally in this regard. We need countries to come on board in support of ensuring that Antarctica, as a resource, is protected for all and we will continue to lobby in that respect. Clearly, there was a disagreement by the three countries you have mentioned, but that was not our view.

Q395 Mr Goodwill: I suspect that if you were to ask the man or woman on the street—or on the beach for that matter—that if the Government were going to introduce a new ocean strategy, while they may have difficulty putting a pin in the map and locating the South Sandwich Islands, having watched “Blue Planet” they would understand about the sandwich packaging and the issue in the sea. I would like to ask Lord Ahmad if he agrees with me that they would be surprised if they heard the new ocean strategy does not include marine protected areas, the Blue Belt programme or the 30% marine protected area target. Why are those not included?

Lord Ahmad of Wimbledon: The international strategy we are planning is still to be issued. The Foreign Office holds the pen more as a co-ordinator. There are seven Departments involved and so this is across Whitehall.



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On the specific issues you have raised, particularly on the issue of the 30%, I have already given that assurance and it will be reflected in the strategy. I do not subscribe to whatever—

Q396 **Mr Goodwill:** It is work in progress and the criticisms are being addressed?

Lord Ahmad of Wimbledon: The Chair said that perhaps I have not given specific details, but it is my earnest hope—and I am pushing for this—that we will see that strategy by the end of the year.

Q397 **Mr Goodwill:** What is in the strategy if it does not include or yet have marine conservation objectives?

Lord Ahmad of Wimbledon: Our commitment to the 30% target of marine protection areas will be included in the strategy. That is a very specific assurance I can give you. Coming back to some of the earlier points we have picked up, I can say with absolute clarity, as the Minister for the Overseas Territories, that it will continue to include a commitment—while I cannot give a guarantee of funding beyond 2020 or pre-empt the Chancellor in this respect—to continue our work on the Blue Belt initiative with our Overseas Territories. Those are two specific things I know will be included. On your question of the MPA, yes, it will be.

Q398 **Mr Goodwill:** You are aware of these concerns and you are addressing them in at least two of the three areas that I mentioned?

Lord Ahmad of Wimbledon: Absolutely. They are very much there.

Q399 **Mr Goodwill:** You mentioned the Government. It might be quicker to list the Departments not involved in this. Is there a risk that we may have a bit of a silo mentality and that the co-ordination across Government is not happening? It is the Foreign Office's job to make sure it is happening. Are we in a silo atmosphere or are things working quite well between Departments?

Lord Ahmad of Wimbledon: Minister Perry is shaking her head, which means she is agreeing with me. I regard myself as reasonably approachable, as is the Foreign Secretary. In all seriousness, we have seen a real commitment across all Departments, from DEFRA and BEIS. The fact that Minister Perry and I are appearing together in front of you is reflective of the fact that we do have joined-up working. I have been a Minister in different Departments for a few years now and I assure you the issue of lack of Whitehall co-ordination always has been a concern. But the importance of the oceans strategy and the need to work together and collaborate on this is extremely important and that is reflected across Whitehall.

Claire Perry: It is a very timely inquiry because, historically, we potentially could have been making policy in our different areas. But I have been in the job now for a year and a half and I have seen an accelerating focus on oceans. We are massively involved in the climate



change debate and the ocean plastics. When we worked together to establish funding to announce at the Commonwealth summit to tackle plastics innovation funding, it was unprecedentedly easy to put together a joint departmental funding bid to offer at the Commonwealth summit. I am so struck that it is working incredibly well, whether we are having conversations about blue forests or polar research or sustainable fisheries. I have not seen the strategy yet. It may not be all coming together on paper. It will do, I am sure, but there is a high and good level of cross-departmental working in this area.

Q400 Mr Goodwill: Is there an interdepartmental group working and is that at ministerial level or at official level? How often do they meet?

Claire Perry: It is both. Our officials do meet and co-ordinate, but when we have specific questions—for example, about plastics or some of the work I have been doing with DEFRA on blue forests—we co-ordinate via our ODA funding. Some of that large chunk of £2.5 billion funding that comes out of BEIS is directed towards adaptation and mitigation in these small island states, as Mr Goldsmith was saying, and that is very much a co-ordinated effort with DEFRA and DfID.

Lord Ahmad of Wimbledon: I can give the practical example of the Commonwealth summit and the announcements that were made and subsequently. I saw the benefits of Whitehall working through officials meeting regularly and the inter-ministerial group. We are continuing with that across all the Commonwealth commitments, during our tenure as chair in office up to 2020, to ensure Ministers across Government come together on delivering important priorities. The Commonwealth Marine Economies Programme, for example, is reflective of the ambition for larger developed states in the Commonwealth to work with the smaller island developing states to ensure we deliver on our objective.

Q401 Chair: Before we move on, I have been reflecting on Norway blocking it. You might expect Russia and China to block things, but this Committee visited the Arctic in August and we were impressed with Norway's conservation efforts. Are you a little surprised that it is trying to disrupt conservation efforts in Antarctica? What diplomatic resource are you putting in now, Lord Ahmad, to overcome those barriers, particularly among some of our very near neighbours with whom we would expect to co-operate on Arctic science as well as on Antarctic science.

Lord Ahmad of Wimbledon: You raise a very important point. I will be raising this directly with the Foreign Minister of Norway at my next meeting. We are working on a close range of initiatives across the piece with Norway and we are very much aligned when we talk in general terms about our values agenda. It is entirely consistent that we need to see Norway aligning with some of our perspectives on this particular issue.

Q402 Chair: Is that simply a commercial fishing issue for Norway?



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Lord Ahmad of Wimbledon: Norway has raised specific concerns. It is partly the issue of fishing. With our departure from the European Union, one of the areas we discussed recently when I met with the Norwegian Foreign Minister was how we will work within the context of fishing areas and how we look at fishing more generally in our relationship with the EU.

Q403 **Chair:** Are you saying that the protection and conservation of the Weddell Sea has become bound up in the Brexit fishing negotiations?

Lord Ahmad of Wimbledon: No, not at all. What I am saying is that Norway works outside the EU when it comes to issues of fishing. We continue to collaborate very much with our EU colleagues. The message I have delivered to Norway is about the need to have close alignment when we come to areas of difference to ensure that we can somehow bridge the gap. On the issue you have raised, we need to continue to work and raise these concerns with Norway directly. Like you, Chair, I was surprised by Norway's stance, but it is important that we continue to raise our concerns directly with them.

Q404 **Chair:** But Norway will then have this in its negotiating bag for when we come to negotiate fisheries policy outside the EU. Is that what you are saying? Will this be one of the things that Norway has in its back pocket if we are trying to get access to their waters or they are trying to get access to ours and there is this unresolved issue of the Antarctica designation and the fishing down there?

Lord Ahmad of Wimbledon: No, Norway has arrangements in play with the EU. Not being members of the EU, they have arrangements on fishing together with the EU. We have worked—

Q405 **Chair:** There are no arrangements in place with us and we are about to negotiate them, aren't we?

Lord Ahmad of Wimbledon: If I may just finish, one of the areas we want to ensure across the piece when it comes to Brexit—and this is no exception—that we have worked together with EU colleagues and that we continue to work with Norway to see how best our positions with the EU continue to be aligned once we leave the European Union. I do not think having particular agreements in the back pocket is the way they will approach this.

Q406 **Mr Philip Dunne:** I have some questions on deep-sea mining that are probably best addressed to Minister Perry. We have had evidence from the International Seabed Authority about the materially richer deposits of minerals and rare earths under the sea than are available on land from conventional extraction. We have also had evidence from Greenpeace of substantial quantities of rare earths potentially available from recycling things like mobile phones. Do the Government have any evidence or do you have a view on the desirability and necessity to be able to extract minerals from under the sea in due course?



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Claire Perry: You are quite right, Mr Dunne, to focus on the possible value of this. The estimates we have seen suggest that deep-sea mining could be worth up to £40 billion to the UK economy over the next 30 years. Equally, it is correct to say that there is an unknown environmental impact. The idea of flattening seamounts, scraping seabeds, having impacts on fishery stocks and other challenges are to be answered. That is why the co-ordination effort that is going on, led by my Department, is vital. If we are going to have a co-ordinated view of the likely economic possibilities but also a co-ordinated view on the risks, we can develop better regulations within our own 200-mile nautical area, which would be effectively ours to manage. I do not have advice on when we will have that final policy and we could write to the Committee, if there is a target outline, as to when that might be available. It is a critical piece of work and I am very pleased we are pushing forward on that.

Q407 **Mr Philip Dunne:** I am glad you raised that because it takes me neatly on to my next question. There seems to be an inconsistency between the requirements on sponsoring states to license contractors who are going to be undertaking deep-sea mining before they can submit a sponsor application to ISA. The evidence that we have heard from the owner of the current licence for seabed resources is that there is no intent to undertake mining within the 200-mile nautical limit. The Government would be asked to provide rules and regulations for extracting in the knowledge that that is not going to happen in onshore waters but to be doing so thousands of miles into the deep Pacific where we have a responsibility but no immediate implications. How would you expect to be creating the regulatory infrastructure that you need to set rules that you know are not going to be implemented within our national waters?

Claire Perry: We have licences for deep-sea mining in the Pacific Ocean in the Clarion Clipperton Zone. You are right that the current licensed activity is not happening in our territorial waters.

Q408 **Mr Philip Dunne:** We do, but the rules for any future licences require you to grant licences for operators in the UK waters before any further licences are granted elsewhere.

Claire Perry: Yes. I have just been given some helpful advice that the timetabling is that we want to have a clear view on our own policies early in 2019 so that we can bring forward the right regulations domestically but then have them applied internationally. This is one of these areas where using the UK's longstanding ability to influence early emerging international regulations could be a positive opportunity because other countries are not going through a similar process either of joining up the economic opportunity with the right level of environmental regulation.

Q409 **Mr Goodwill:** We already extract aggregates in our own territorial waters and that has not exactly been an environmental success. It has been more to do with the difficulty in getting gravel and sandpit applications. It has almost been out of sight and out of mind.



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Claire Perry: Yes. If you look at some of the catastrophic flooding events that have happened in coastal communities, there is an argument that we need to do better to regulate in this particular area. Manganese nodules have been around in the ether for many years and we are now starting to see a concerted effort. It reflects a concerted effort to think about oceans. Whether it is the impact of climate change or the requirement to protect fisheries or do more with exploration, we do need to have a more joined-up approach. Out of sight and out of mind has been a lot of our thinking around ocean policy, particularly when it relates to the ocean in very sensitive areas—Arctic and Antarctic areas—and that is changing very rapidly.

Q410 **Mr Philip Dunne:** How are the Government going to achieve the ability to undertake environmental assessments several kilometres underwater when the technology to extract and the technology to operate and function that far underwater is not well developed? How are the Government going to keep ahead of the contractors?

Claire Perry: We have been historically and will continue to be one of the leading countries in marine exploration at the poles. One of the happiest moments of my ministerial career was going up to Birkenhead to launch the RSS Sir David Attenborough with Boaty McBoatface, which is of course the remote-controlled submersible that can do to a certain depth some of this analysis and investigation. We have spent about £200 million on polar research funding from the Government and this is one of the areas where we can be deploying that to ensure we have the right environmental regulations and doing work that the contractors are not currently doing.

Q411 **James Gray:** That is not going to be deployed specifically.

Claire Perry: It is going to be deployed at the poles in general, yes.

Q412 **Mr Philip Dunne:** Will it have the capacity to get to the seabed in the Clarion Clipperton Zone if you wanted to deploy it there?

Claire Perry: I do not know. I can find out. We are amazingly rich in science knowledge and R&D in this space. One of the amazing points of the IPCC report that was just published was the level of UK scientific contribution to that report, much of which was focused on the impact on both oceans and coastal communities. I am being told by my officials that we are working closely with the UK science base and the supply chain to understand what we would need to do to carry out this work. Again, it is an example of where the UK's long-term scientific leadership in this area could be incredibly helpful to building up the international knowledge base. It is the same with CO₂ emissions where we have the third most accurate emissions inventory in the world. Numbers one and two are Malta and Luxembourg. We are very good at this assessment and analysis and we can be helpful.



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We are working with the National Environment Research Council—NERC—to understand whether there is a formal research bid that should be put together to support work in this area.

Q413 Mr Philip Dunne: Do you expect that the Government are likely to allow exploration in some of the specific sites? In addition to the Clarion Clipperton Zone that we have talked about, which sits within a regional environmental management plan, there are other areas. We have heard about Poland being granted consents over the Lost City, for example, which has particular, unusual hyperthermal vent structures. Are the Government likely to rule out exploration in areas of such sensitivity at this stage or at some stage in the future?

Claire Perry: I cannot answer that question, Mr Dunne. I am happy to go away and take advice, but my sense is that we are at the stage of trying to understand the costs and benefits—if indeed there are benefits—of exploring in that area. Do you want to add anything?

Lord Ahmad of Wimbledon: I agree with Claire. The work we are doing with the ISA is extremely important. We have appointed designated experts who are independent of Government to help in that research and to build on what Minister Perry said on the issue of expertise.¹

On the example you have raised of the Lost City, we have to learn from the experience of exploration and then exploitation and techniques. With the current discussions that are happening at the ISA and through the review of UNCLOS² and with the specific discussions on looking at those

¹ The following note was later requested for inclusion in the transcript by the Foreign and Commonwealth Office:

"Dr Gordon Patterson of the Natural History Museum, a highly regarded deep-sea marine biologist, sits as an independent member of the Legal and Technical Commission (LTC) of the International Seabed Authority (ISA) and has done since 2016. He was nominated for election by the UK government and elected to the LTC by the Council of the ISA. His expenses for participating in the work of the LTC and relevant international workshops are paid by the FCO, but he does not represent the UK government's views on the LTC. The government does however seek Dr Patterson's views and advice as we develop our policy on deep sea mining, in particular the environmental aspects of the regulations.

Dr Patterson was preceded on the LTC by Dr David Billett of the National Oceanography Centre in Southampton, whose participation was similarly funded by the FCO but who participated in the work of the LTC in an independent capacity.

In addition to Dr Patterson's membership of the LTC, BEIS convenes an expert group on deep sea mining that includes cross-Whitehall as well as independent science and industry input and the Defra have convened an expert group on the environmental aspects of deep sea mining that includes independent scientific expertise."

² The following note was later requested for inclusion in the transcript by the Foreign and Commonwealth Office:

"The reference to a review of UNCLOS is a reference to the negotiations at the UN to



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jurisdictions beyond national boundaries, it is important that we not only have a voice on that but show leadership.

Coming back to an earlier point, all these things have to be evidence-based. The investment in research is extremely important and the transparency of that research, which is collated by the ISA, needs to also be clear for everyone to see. If we do not do that, if we do not regulate effectively, we are in danger that there will be parts beyond national boundaries and national territorial waters that are not regulated effectively.

Q414 Mr Philip Dunne: In those areas, is it right that we should use our leadership position you have been describing to seek international agreement that there should not be exploitation in areas unless it is happening within the context of a regional management plan?

Claire Perry: If we can establish a gold standard of environmental principles, we can have an important leadership role, as we did in the discussions around Antarctica and exploitation on the continent in the 1940s.

I want to add, with my Clean Growth hat on, that I am always looking for what is the economic opportunity of doing this. We are not just doing this to protect the environment; we are doing this to say how we could build an industry or an IP product off the back of it. The advice I have been given is that marine robotics autonomy, which is of course a crucial part of this exploration, could reach a value of almost \$140 billion over the next 15 years. The UK could take up to 10% of that, building on our excellent research base. There is an important economic opportunity for us here in helping to set these environmental standards and being in the lead of carrying out the research and exploration sustainably.

Lord Ahmad of Wimbledon: If I may, Chair, add one specific point, I think the whole intention of the international discussion is not to replace but to complement what happens at a regional level, to ensure those regional agreements are strengthened. We do have a strong position and the role of the ISA will evolve in how its future responsibilities play out.

The other challenge—and that is where the opportunity lies as well—when you look at how much of the seabed is currently open to such mining, it is a very small fraction of the some 55% that falls beyond areas of national jurisdiction. It is important, when it is a fraction of anything, that before it grows you set the framework to ensure that we have the kinds of regulations in place that reflect the experience of exploration from respective countries. I believe that is why a transparent process from the ISA is going to be crucial in this respect.

Q415 Chair: There is a bigger question about whether resource extraction is a

develop a new Implementing Agreement under UNCLOS on the conservation and sustainable use of marine biodiversity of areas beyond national jurisdiction."



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model for a sustainable circular economy and we can certainly wax lyrical on that.

Before we move on, I want to ask Minister Perry how many licences BEIS has given out for mining in deep-sea international waters or how many applications have gone to the ISA. We have heard from Chris Williams of UK Seabed Resources, a subsidiary of Lockheed Martin, which obviously has one. Are there others?

Claire Perry: We have sponsored two successful applications at the ISA since 2013 and these were exploration licences for UK Seabed Resources Limited.

Q416 **Chair:** Okay, so both are under that one licence. Fine. How were they allocated? Are they not set up as a kind of Government-sponsored subsidiary? What is the relationship between Government and Lockheed Martin?

Claire Perry: I am furiously looking. I can't answer that question but I would be extremely happy to provide the information.

Chair: Okay. If you could write to us—

Claire Perry: Of course.

Chair: We did get half an answer, but I am curious.

Claire Perry: We will try to clarify.

Chair: Fantastic. Thank you. We are going to move on a question on plastics from Geraint Davies.

Q417 **Geraint Davies:** Claire Perry, under the Clean Growth strategy, Government aim to have zero avoidable plastic by 2050, yet the United Nations say that by 2050 there will be as much plastic as there are fish in the sea. Do you not think that ambition is much too small? More importantly, don't you think that in the short term the Chancellor should have done much more to provide the fiscal incentives through taxing virgin plastic and difficult-to-recycle plastic to help us be more effective in our leadership in solving this massive problem?

Claire Perry: Of course, fishing is primarily a DEFRA lead but I can try to answer as much as possible. You are absolutely right to point out the incredible and recently realised shocking statistics on fishing and plastic biomass. What I have been very struck by is that when we talk to other nations with our climate change hat on or in our international conversations, we are absolutely seen as leading the charge on plastics—on plastics reduction, on innovation, working with other countries. As you will know—

Q418 **Geraint Davies:** Does that not show how hopeless they are? If you want to want to get to zero avoidable plastics by 2050, having as much plastic as fish is certainly—

Claire Perry: We have to start somewhere.



Geraint Davies: Yes, somewhere else.

Claire Perry: What has been fascinating to me is understanding that we have banned plastic shopping bags and have saved allegedly 15 billion bags-worth being taken and disposed of, and we have banned plastic microbeads, which we now understand have a devastating impact. We have taken some pretty substantial steps in quite short order.

Q419 **Geraint Davies:** Wouldn't you have liked to have seen more innovation?

Claire Perry: Absolutely, and what I would like to see more of is working at the source of the problems. About 70% of the plastics making it into the sea come from seven rivers, primarily coming out of Africa and Asia. You see shocking pictures of tributaries in Indonesia that are completely full of plastic debris. The challenge is trying to work with those countries to solve their plastics problems.

Q420 **Geraint Davies:** Should we not show them leadership by taxing plastic and having more ambition? As far as I am aware, business has not yet even been given tight definitions of the single-use plastics that they should aim to get rid of. There is enormous intelligence and forward thinking in business but there is no leadership in Government. When are you going to tell them which plastics are which?

Claire Perry: I entirely reject that idea. The UK Government are being held up as an absolute first mover in this space, which is moving very rapidly. During Green Great Britain Week, we saw companies pledging to have a more sustainable supply chain.

If I could share just one example, however, of where I think we are spending our research and development money very effectively—I mentioned the big challenge of stopping plastics getting into the oceans through these particular rivers—one of the huge challenges is that many of these countries do not have a rubbish collection or recycling industry.

Q421 **Chair:** That is where we are now sending our plastics; we are exporting our waste plastic

Claire Perry: Quite, and that clearly needs to stop.

Q422 **Geraint Davies:** Fraudulently. It almost smells of corruption, doesn't it? Shouldn't we do it here instead of sweeping it under the carpet?

Claire Perry: There are lots of questions I would love to answer, but where I was going with this is that one of the most exciting pieces of technology I have seen is a company called Recycling Technologies, which is very close to my constituency in Swindon, that has a cracking unit that will turn any form of plastic into feedstock, creating the value of turning it back into feedstock. It does it in a module the size of a shipping container so it can be exported and put on the banks of these various rivers and solve the problem, not just chopping the plastic up or reusing it or putting it into road surfaces but turning it back into feedstock, reducing our need for fossil fuels. That is technology that the British



Government are sponsoring. It is ready to go commercial. It is that sort of innovation that will help solve the problems internationally. We cannot create a rubbish collection system from the UK in some of these countries.

Q423 Geraint Davies: No, but on the issue of single-use plastic—you were saying that we were taking leadership—my understanding is that we are going to try to get all plastic to be recyclable by 2040. In Europe, they are looking at 2030, so we are not even up to European standards and we should be taking the lead. I appreciate that there are problems in the developing world, but we should be taking leadership to facilitate change there rather than saying, “We are doing something; stop moaning”.

Claire Perry: There are many ways to tackle the plastics problem. Clearly part of that is to improve recycling rates and there are consultations currently out there on the idea of deposit schemes—refunds for deposits. We have shown absolute leadership in banning microbeads, which is something that other European countries have not done. Microbeads are a major problem in the ocean food chains. I may not be able to persuade you that we are leading but I hope I can persuade you that this has come from nowhere, in the last 18 months, to being one of the most fundamental questions for DEFRA.

Q424 Geraint Davies: You mentioned the plastic bag levy that was initiated in Wales and is now Britain-wide. There have been other examples, like the latte levy and maybe a tax on bottled water and so on. These market incentives do massively affect consumer behaviour so why has the Chancellor not introduced these other incentives that clearly work? Aren't you angry about it?

Claire Perry: No. We have banned plastic bags. I remember clearly the conversations about that, how it was terrible and anti-business. Who knew that 5 pence would have such an effect?

Geraint Davies: I know, but what about—

Claire Perry: Would you like me to answer the question, Mr Davies?

Geraint Davies: Yes.

Claire Perry: Thank you. DEFRA policies include the deposit return scheme, packaging recovery note reform, extending the 5 pence bag levy to small retailers, banning plastic straws, cotton buds and stirrers, removing single-use plastics from the Government's estate—we will be happy to see plastic drinking cups gone in the next few months and years—and a call for evidence on single-use plastics. Your definitional point is a valuable one and we need to be clear about the definition so that everyone can work with it.

There are numbers of possibilities in the R&D space to have properly biodegradable plastics. How many times have you been told that something is biodegradable in your compost heap only to find that is only



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true if your compost heap is at 100 degrees and is on a commercial scale? We now have properly biodegradable plastics that will degrade in a normal garden compost heap and there are lots of other challenges that we can solve.

We talked about this in Green Great Britain Week. On 16 October we underlined our commitment to phasing out single-use plastics. As we have mentioned, we helped make a £25 million cross-Commonwealth investment to start helping Commonwealth countries to solve some of their problems with technology.

Q425 Geraint Davies: Would you not agree that intrinsically, from an economist's point of view, if virgin plastic was taxed, if the cost of plastic went up, demand would go down and there would be more incentive to use sustainable alternatives, such as having drinking glasses around this table and so on? Is there not a case that you should be making to the Chancellor for raising the cost of plastic?

Claire Perry: I am not the departmental lead. I remember very clearly when I was a stay-at-home parent having the debate about whether it was better to get milk from the milkman in a glass bottle or in a plastic carton, and our environmental evidence was quite equivocal because washing and sterilising milk bottles requires a lot of energy. Proper analyses need to be undertaken to make these decisions. We are phasing out plastic drinking cups across the Government estate; that will happen anyway. However, we need to make decisions that do not have unintended consequences and that are good for the long term.

Q426 Geraint Davies: Okay, but would you not at least accept that plastics manufacturers should pay for the recycling, 90% of which is currently paid for by payers of council tax?

Claire Perry: There is a lot more that companies could do, although I was pleased to see the commitments companies are making, but ultimately we consumers have a choice. We have all become very accustomed to buying our single-use plastic bottles and stopping to give our kids smoothies out of single-use plastic cups. We have become a nation of single-use plastic consumers and I think we can all do a lot to change that. I did the go plastic-free for Lent challenge—it was not that tough.

Q427 Chair: I want to bring you back. We have just had the Budget. We had no latte levy, which was this Committee's main recommendation. We have to wait until 2022 for the tax on virgin plastic. That tax would help some of the green innovations that you have been talking about. Until a recycling company has a company in England to sell to, there is no point in producing recycled plastic here because nobody is buying it. As long as virgin oil prices are lower than recycled plastic prices, there is no market. That is what happened with the milk bottles when the dairy industry got together and said they were going to recycled content. The price of oil fell and all the investment that had been put in was lost. We are still basically



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exporting the UK's plastic waste to those countries that you have just mentioned—China, Indonesia, Thailand and Malaysia. We are caught in a bizarre world, are we not, where the Chancellor does not take the action that we need. Are you disappointed?

Claire Perry: Again, this is not my Department's lead area. That would be an important conversation to have with a DEFRA Minister. The thing that has surprised me—and I did pay tribute to Sir David when we launched the boat named after him—was how much this issue has seized the nation and not just in a "We all have to do better" kind of way. Consumers are making very clear choices now about the way that —

Q428 **Chair:** This year one million more coffee cups a day than last year were sold—that report was buried on Budget day—so consumers are not making different choices.

Claire Perry: I have to say that I think the massive growth in the numbers of people carrying their multiple-use coffee cups is really remarkable.

Chair: The evidence is a million more coffee cups a day, so we might be doing our best—

Q429 **Geraint Davies:** What you are saying, and as the Chair has said, is that there is now a political and consumer appetite to accept change—whether it is the sugar levy that we had in the past and now a plastic levy—and children are saying, "We want tax on plastic, we want a better world". As the Chair has pointed out, the market incentives would shift us to make it more economic for us to use sustainable alternatives, so why will the Government not take the initiative? Why will you not put pressure on the Chancellor?

Claire Perry: If you look at what we have done in the last three to four years with plastic bags, microbeads, cotton buds and so on, compared with what other countries have done—just a couple of years ago it would have been incredible to think that we would be banning plastic cotton buds, which were something that we just accepted and chucked away after a single use.

Q430 **Chair:** That is an EU ban.

Claire Perry: We are pushing ahead with the ban. Of course this will all become irrelevant and we will be able to set our own plastic policies relatively shortly.

Q431 **Geraint Davies:** Do you think that much more needs to be done?

Claire Perry: In these cases, neither Government nor the private sector can act alone. We absolutely have to join up and do this together if we are going to lead the world.

Q432 **Geraint Davies:** Do you accept that much more needs to be done?



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Claire Perry: I absolutely accept that much more needs to be and I do not think this is an area where Government will be able to move alone.

Q433 **Geraint Davies:** Let me ask Lord Ahmad about what, in terms of international initiatives, Government are doing to ensure and measure the success of international schemes.

Lord Ahmad of Wimbledon: Going back to CHOGM and the comment about the Commonwealth during the CHOGM summit—I am sure you would have followed that—the Prime Minister launched the Commonwealth Clean Oceans Alliance. That is a member-state action group led by the UK and Vanuatu—it was about a large developed state leading—which now has 20 participating members who have pledged action on plastics. This includes some of the areas that Minister Perry has already talked about: the ban on microbeads, cutting down on single-use plastics, eliminating avoidable plastic waste, and so on. The Clean Oceans Alliance is supported by funding of £66.4 million to boost global research and help Commonwealth states, particularly small island states—

Q434 **Geraint Davies:** Are banning single-use plastic and taxing virgin plastic on the international agenda or not? Obviously internationally there is a £5.3 trillion fossil fuel subsidy and there is a lot of interest in subsidising plastic, but in your eyes is the international community looking to tax or ban certain sorts of plastic or not?

Lord Ahmad of Wimbledon: Tax is often the first thing people go to, but I think it is about how you drive behavioural change. I can give you an example. Ellen MacArthur, who became the fastest solo sailor to circumnavigate the world, set up a foundation and put £500,000 of her own money into it. The foundation is supported by Government. That initiative has compounded and we are developing initiatives such as a programme we are now running with Indonesia that has made the specific commitment of a 75% reduction in plastic over the next seven years. That programme has come about as a result of the commitments by the Ellen MacArthur Foundation and that kind of organisation, supported by British Government—I believe about £2.4 million. You have the likes of PepsiCo, Coca-Cola and Dow Chemicals coming on board and supporting that initiative. Different countries will have different experiences. The driver has to be how you can change people's behaviour.

Q435 **Geraint Davies:** You don't think the driver should be the cost of plastic—

Lord Ahmad of Wimbledon: The cost of plastic is one driver

Geraint Davies—which is subsidised globally by the consumer through the oil industry? Surely you must accept that if the cost of plastic went up, the demand would go down and that would help us on the way to sustainability. Do you accept that?



Lord Ahmad of Wimbledon: That is a simple principle of economics; the price goes up. What I am saying is that we need to, in effect, drive changes in people's behaviour.

Coming back to the point you raised just now Mr Davies, there is more to be done, absolutely. We are at the start of this particular programme. We see that countries are waking up to the challenge and the cost of plastic pollution. Sometimes we do need specific and impactful measures. When we had Plasticus the whale outside the Commonwealth Heads of Government Meeting, what did it do? It raised the profile of the issue. It brought the attention of the media and other players to the perspective that combined action is important. This is not just about Britain taking action; it is about sharing good practice and seeing what we can do. There will also be other countries undertaking actions that we can learn from.

Q436 **Geraint Davies:** With regard to Britain taking international leadership, what are you doing, and what are Government doing, about ensuring we comply with the Stockholm Convention with regard to safeguarding our marine environment from the release of harmful chemicals such as PCBs?

Lord Ahmad of Wimbledon: If you look at the history of PCBs and the persistent organic pollutants, as they are now called, the POPs—we are always coming across different acronyms—there has been a progressive decline from the 1970s through to the 1980s. The UK Government have committed to removing all PCBs by 2025. In 25-year environment plan that has been announced, we have also pledged to reduce the POPs material in existence by 2030. These are specific commitments we have made as part of the Government's 25-year environment plan.

Q437 **Chair:** You said Government have made a commitment to remove PCBs by 2025. From what? From UK manufacturing? From every PVC window that contains PCBs? I am not clear.

Lord Ahmad of Wimbledon: The major pollutants of our oceans today are the organic pollutants, and those are what we seek to remove across the piece in our 25-year plan.

Q438 **Chair:** Are you removing them from industrial processes, or are we banning them in the UK? Are we going to ban their use? Their import? Their sale? Their export? I am not clear how you are going to get rid of them by 2025.

Lord Ahmad of Wimbledon: There is a range of measures. If I may, for completeness, I will write quite specifically about measures.

Q439 **Chair:** We have not heard that from the scientists, so I would be curious to learn more.

Lord Ahmad of Wimbledon: Of course. I understand that. You raise a valid point because that is identified as one of the major pollutants.

Q440 **Chair:** PCBs are already embedded in lots of different products.



Lord Ahmad of Wimbledon: Point taken.

Claire Perry: This is not in my notes but I think this is a really important point. Of course we focus on plastics because plastics have been very visible, but the challenges around waste pharmaceutical products going into the oceans, of light pollution, of radioactive materials—there is a massive wake-up call about the fact that whatever is going from the land into the sea may well end up having an impact, including on CO₂ levels. It is really important to have this inquiry. We are also chairing the G7 Future of the Seas and Oceans Working Group position. This is a conversation that is very important on so many levels, not just the visible stuff, the plastic debris.

Q441 **Geraint Davies:** As you have raised it, there is concern—you may know about it—about moving 300,000 tonnes of mud from Hinkley Point to south Wales and whether there has been sufficient radioactive testing. Are you up to speed on that? Do you feel more could be done?

Claire Perry: I visited Hinkley Point and saw the incredible safety and quality of the works currently happening. Given our world leadership on safety and environmental standards, I would assume that testing is being done properly but I would be happy to double check if there is any work going on in the Department on that issue. I am sure there is work, but I will check whether any questions have been raised.

Chair: Thank you.

Q442 **Kerry McCarthy:** Back on your home turf of climate change, there was nothing in the Budget about climate change. Was that disappointing?

Claire Perry: You mean the Chancellor did not say “climate change”, but there was some work in there. There were some very specific announcements that will help us move the dial quite considerably towards our carbon budget if we bring them out at scale.

Q443 **Kerry McCarthy:** What were they?

Claire Perry: One was the increase in the Industrial Strategy Challenge Fund. The number one project that we are working on is the industrial decarbonisation of clusters. We talk about decarbonising heat, decarbonising industry, carbon capture storage. The way to move the dial in cutting carbon emissions from industry is to do it on a cluster basis. We know we have clusters like Teesside and Grangemouth that would be suitable so we were able to secure additional funding to take that work forward.

Q444 **Kerry McCarthy:** When would that work pay off in reducing emissions?

Claire Perry: We will shortly be publishing our pathway on CCUS. We would like to publish the pathway to having at-scale CCUS by 2025.

Q445 **Kerry McCarthy:** In terms of making a difference to our emissions as opposed to being long term—



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Claire Perry: It will be the fourth and fifth carbon budgets, more like the fifth. That was one.

The second is that we froze the carbon floor price. That was something we got very good feedback on from many of the NGOs. They were pleased that we have a floor price. With the price of carbon coming up in the ETS model, there have been arguments about whether this floor price was still needed, but it is and we have kept it.

Also, there was the announcement on the business energy efficiency funding. One of the key challenges for carbon emissions reductions is how you cut the emissions from industry, particular the heavy industries, the critical industries—cement, steel, and so on. Getting money out of the Treasury to take forward some work in that area was a good commitment.

Q446 **Kerry McCarthy:** But there was very little. The IPCC has said that the window for taking significant action has to be within the next 12 years. We know that the fourth and fifth carbon budgets are not on track to take us towards reducing emissions by 80% by 2050. Do you accept that the fourth and fifth carbon budgets alone are not enough?

Claire Perry: I think I have said this in front of the Committee before. If I look at what we have already banked, we have already overachieved on our budgets. When the Labour Government passed the Climate Change Act, that allowed us to use flexibilities. My hope is that we will not, but that is a possibility. Even 10 and 15 years away from these budgets ending, we are over 90% of where we need to be against 1990 levels. I am confident that we will get there. The IPCC report was a very sobering assessment of what we needed to do and that is why we are the first major industrial economy to ask for advice on how we might achieve a zero-emissions economy.

Q447 **Kerry McCarthy:** That will be in the second half of this century.

Claire Perry: Not necessarily.

Q448 **Kerry McCarthy:** The target is 80% reduction by 2050 and then looking at—

Claire Perry: Yes, and then looking at how we get to zero emissions.

Q449 **Kerry McCarthy:** If you were asking the IPCC for advice on that, that would mean later.

Claire Perry: No, we have not asked them about that. We have asked them to suggest a date when this would be achievable. The last time we took advice, the IPCC said that technologically it was not feasible to go to zero emissions.

Q450 **Kerry McCarthy:** That is an admirable ambition for the longer term, but the IPCC is worried about what is happening in the next 12 years or so. There has been a lot of criticism of what you have published. I think the



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transport and agriculture sectors are flatlining and they are nowhere near meeting their parts of the bargain. There has been quite a lot of work on the energy side, but waste, for example—do you talk to DEFRA about the waste and resources strategy?

Claire Perry: Absolutely—

Kerry McCarthy: How does that work?

Claire Perry:—and the forestation and marine strategies. I think you are right about the big chunks. By the way, emissions per vehicle are dropping, as are emissions per home. It is just that we have more vehicles and we are building more houses. You need to run fast just to stay still.

Q451 **Kerry McCarthy:** Fuel duty in the Budget did not do anything to reduce the number—

Claire Perry: The breakeven point for electric vehicles versus fossil fuel vehicles is rapidly approaching the switching point and the £1.4 billion being spent on charging infrastructure is a really important movement. Sorry, I got off track. We have to do more—

Q452 **Kerry McCarthy:** I was asking how you work with DEFRA.

Claire Perry: We do work with DEFRA.

Kerry McCarthy: How do you work with DEFRA in making sure that your objectives, your role in trying to meet climate change targets—when I talk to DEFRA Ministers, not just on this Committee but on the EFRA Select Committee, I am pretty worried that climate change is not really there.

Claire Perry: I am sorry to hear that.

Kerry McCarthy: When I am talking to witnesses generally—I would not put it just on Ministers—from the agriculture sector, and I am also on the Health Bill Committee at the moment, so I am getting it from all sides—there is an astonishing level of ignorance about the carbon footprint of agriculture and what action is needed. Where do you fit into that? I get the impression that DEFRA thinks it is not its responsibility, that its responsibility is adaptation and you do the rest.

Claire Perry: No, it is for all of us. The point about the Clean Growth strategy, which is an action plan across Government, is that it is for every Department. The DfT led on the Road to Zero strategy, but of course we and DEFRA were very closely involved in it; the same with the Agriculture Bill. The Secretary of State for DEFRA has been very clear that he wants payment for public goods in the Agriculture Bill and one of the public goods is sequestration of carbon and reduction in CO₂ and methane emissions. Climate change is very much front and centre in policymaking in DEFRA, and it has to be. We saw announcements in the Budget about tree planting. Tree planting is one of the most cost-effective ways to cut



carbon emissions, as well having other sustainability benefits. We saw those announcements.

We can always say more needs to be done, that we need to accelerate the pace of change, but I do think we are driving this. I am not suggesting we should in any way rest on our laurels but during Green Great Britain Week, which many of you came and supported, I was very struck, looking at the PwC report, by the fact that we have decarbonised more than any other country in that index, per unit of economic growth since 2000. It is really striking. Looking at the IPCC report, which is very sobering, the language can be so frightening to people, and they think, "We can't do it. Too difficult. No way we can get to zero emissions. Can't do it." But if you say to people, "We have cut our emissions already by 40% since 1990 and the pace is accelerating, 4.7% reduction last year in the UK", it becomes doable. It is not a terrifying impossible prospect; it is doable. In a way, I am more optimistic about it, because I think we understand more and more the scale of it and that we have levers to act on.

Q453 Kerry McCarthy: The Committee on Climate Change criticised the Clean Growth strategy for lack of detail and said it would only have a modest impact on emissions. The Committee has also said that for the fourth carbon budget to be on track, we would need to know details of additional policies to be added to it by the end of this year so that they could then be worked to in the next couple of years, because 2020 is not that far away. What is happening in that regard?

Claire Perry: We continue to bring policy areas forward. Today I have set out detail of the requirements on landlords to improve the energy efficiency of their rental properties. We have set what the cap will be on that. We continue to put detail on all the policies. I would be very happy to write to the Committee with a list, which we published in our response to the CCC. It has been a pretty much non-stop, continual piece of work. We had Road to Zero, we have the Agriculture Bill going through. We are absolutely committed to delivering this, the pace of change is accelerating, and we are getting more funding out of the Treasury, which is always a good thing, in order to deliver on some of these policy areas.

On the business energy question—we have always talked a lot about the energy efficiency of homes and there are always arguments about electric versus hydrogen pathways—we have never been able to sit down and properly tackle with industry the question of how, if you are a steel company, you are going to be able to emit less carbon from making something that is essential to the economy. The big questions are the ones where the real impact will be felt.

Q454 Kerry McCarthy: That is our concern, that there is lot of work being done on a small-scale policies, but not enough on the biggest.



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Claire Perry: The big policies, particularly those around industrial decarbonisation at scale, are a huge focus for the Department. It is the first time it has been done on a joined-up basis.

Q455 **Joan Ryan:** I have a couple of questions on sustainable fisheries, the first to Minister Perry. How do the Government intend to support the Marine Stewardship Council's review of its standards to ensure that consumers can be confident that the fish they are purchasing are meeting sustainability standards?

Claire Perry: Forgive me, Ms Ryan. This is entirely a DEFRA policy area so I can only go with what I know, with what has been provided, but you may get much better intel from the DEFRA Minister.

Clearly, we understand the importance of the MSC. We have been in the forefront of developing traceable supply chains. The CMO legislation lays down these requirements. To my knowledge, however, there has been no independent evaluation of the MSC and Government currently do not have view as to whether this is the right scheme or there might be another scheme that is better.

I assume, Chair, that you can always get that information from DEFRA Ministers, who will be engaged more closely with this industry than I am. Apologies.

Q456 **Joan Ryan:** Accepted, but picking up on the point you just made—this is a private organisation in essence—the World Wildlife Fund wants stronger checks and balances so that decision making is not in the hands of the certifier alone. They began as private and became independent. What do you think? Do you think there should be?

Claire Perry: Personally, and this is entirely my own view, I think anything that supports consumers to make good decisions and suppliers to want to conform—it is the same issue with food labelling of meat—or anything that supports transparency and quality would have my full support, but I am afraid I do not feel qualified to comment on the current MSC scheme and how effective it is in reaching those goals.

Q457 **Joan Ryan:** Do you discuss this with DEFRA? It seems to me that it is very connected with sustainable seas.

Claire Perry: You would think it is a business-related issue. This is part of the glory of Government, that different Departments lead on different industry areas. Food and drink industries belong to DEFRA. Of course we work with them and we have talked to them extensively on food and drink packaging. I have never discussed the MSC with DEFRA. It has never come up in our ministerial conversations.

Q458 **Joan Ryan:** There is a strong link to sustainable seas. What is running in your answer is that there is a lack of joined-up working here. Let me explain why. I am going to ask Lord Ahmad a similar question about what Government are going to do to ensure that certification schemes, such as



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those run by the Marine Stewardship Council and the International Fishmeal and Fish Oil Organisation, are complying with the objectives of the marine protected areas so that they do not harm threatened and endangered species. Do you want to address that and then perhaps we could come back to this bigger picture issue?

Lord Ahmad of Wimbledon: As Minister Perry said, that is a DEFRA lead. What we are seeking to do within the strategy that is being produced is to address those specifics—that is why it is a cross-Government policy and strategy that is being developed—and we can certainly provide you with the detail from DEFRA colleagues.

Coming back to a point made earlier about different perspectives—I believe you mentioned the WWF in that respect—I would be happy to share this particular note from the strategy, which we sent out to other partners in terms of valuing their contribution to the strategy. The WWF is among about 47 individual organisations that we are consulting on the international strategy on oceans that we are developing. The specific concerns and examples that you have raised will, I am sure, be reflected in some of the contributions those organisations make.

On the specific area of the DEFRA lead, as Minister Perry said I think it would be best to ask DEFRA to write to the Committee on the detail. I am sure that once we see their collection of contributions from across Government, it will include the points you raised. I will certainly take it upon myself to ensure that we take up that specific point in our exchange with DEFRA.

Q459 **Joan Ryan:** You might want to speak to DEFRA's chief scientific adviser, Professor Ian Boyd, because he told this Committee of his concerns about the salmon aquaculture industry feeding krill from the Southern Ocean to fish here and that this has an environmental impact. We are seeing that impact obviously in the Southern Ocean but also in the Antarctic. Much of the Southern Ocean food web is based on krill and these tiny little crustaceans, which whales and penguins eat, are under pressure because of climate change and because of this fishing policy. It is having an impact.

If that does not indicate that there should be some joined-up working going on around sustainable seas, marine protected areas, and these issues of sustainable fishing—to me it seems absolutely obvious.

Claire Perry: I am not here to lay on the flattery, but as when I gave evidence to the Committee about the need for pension regulators to pay attention to TCFD-type issues, it is a tribute to this Committee that you help Government to see these what might be glaringly obvious from outside—

Q460 **Joan Ryan:** That is by the by. I do not think it is acceptable to come and be asked a question on something that clearly affects your Department and your responsibilities as much as anybody else, even if they are the lead Department, to say to me, "Ask DEFRA." We do ask DEFRA. I have



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just told you what DEFRA's chief scientific adviser said. Of course we ask DEFRA, but it does impinge upon your policy area so it is appropriate to ask you. You said at the beginning, Lord Ahmad, about going away and finding out, not just so that you know but because you are Ministers.

Claire Perry: That is absolutely right.

Lord Ahmad of Wimbledon: You are absolutely right to raise this. Working across Government is the right approach. In the development of an international strategy, it would be wrong if the Foreign Office or BEIS suddenly went off and did something. What we have sought to do in the strategy that we are now working on—and I have already intimated this—is to go very wide in our remit when it comes to Whitehall, the contributions that have been made both to this Committee and on the specific issue of the strategy and the need for joined-up thinking. I have accepted the principle that there are always things we can do more effectively. I totally take that on board. On the specific issues you have raised, I think it is important that we reflect not only joined-up thinking but the specific example you raised when it comes to issues of MPAs, for example, that these things are all very much factored in as we consider the policy that we need to establish, not just for ourselves but also through the discussions we are having elsewhere.

Joan Ryan: You may know that the Marine Stewardship Council took so seriously, as it should, the responses and criticisms from NGOs that it has to open its review. You might want to look at that because there were quite significant criticisms made, despite the fact that in the past MSC's contributions have been game changers, but times have changed. I think this is something that both your Departments and DEFRA should be looking at. I hope that next time we can have a little bit more engagement from your Departments on this matter.

Q461 **Chair:** Final questions. You had positions around the carbon price in the Budget. Following up on Kerry's question, Minister, do you think we are going to stay in the European emissions trading scheme after Brexit?

Claire Perry: I gave evidence recently at the House of Lords Economic Affairs Committee. It will depend on the outcome of the Brexit negotiations. If we have a no deal Brexit, which I hope very strongly that we do not, we will not have an option to stay in the scheme. We are completely convinced that the ETS system is working much better now, that the pricing signals are much more effective and that it is the best scheme out there. We may end up in a relationship where we are aligned but we have created our own virtual ETS market, for example, but work on this is very active and ongoing currently in my Department. Having been in the pioneering seat in the UK, cap and trade systems do work. The reason we have been able to move ourselves out of the coal generation of power—we will be out of coal entirely by 2025—is because we have had very strong price signals. We are absolutely convinced of the need to remain in an effective system but it will depend on the negotiated outcome of Brexit.



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Q462 **Chair:** Why are Government proposing a carbon pricing of £16 per tonne when those carbon credits are currently running at £25 to £30 per tonne?

Claire Perry: That is on top of the ETS price.

Q463 **Chair:** In addition to?

Claire Perry: Yes. It goes on top of. We have the ETS price and then we add a carbon price on top for generators.

Q464 **Chair:** It is not instead of, it is as well as?

Claire Perry: It is as well as.

Chair: Okay, thank you. That is one of the mysteries of the Red Book that has now been explained to me. That is very helpful. Thank you very much indeed. We are going to leave it there. Thank you very much.