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From the Private Secretary

7 August 1980

As you know, the Egyptian Ambassador called here at 1715 today. Mr. Hurd was present.

The Ambassador handed to the Prime Minister the text of President Sadat's message to Prime Minister Begin dated 2 August. He asked the Prime Minister to treat this text as confidential until it is released from Cairo. He said that Egyptian Ambassadors in France, the Federal Republic of Germany, Italy, Luxembourg and Australia, were taking parallel action. Egypt believe the role of the EEC countries to be crucial at this stage, given the problems caused by the US election.

The Prime Minister said that the European countries had been conscious of the need to maintain the momentum in the Middle East despite the UT election, and that this was part of the background to the Venice declaration. The new Act passed by the Israeli Parliament, followed by a move to East Jerusalem, would make the situation still more difficult for everyone concerned. It would also create acute difficulties for President Sadat, Mr. Carter, and for all those who had been Mr. Begin's staunchest friends.

The Ambassador referred to recent reports that the Israelis might now contemplate not withdrawing from the remaining Sinai territory still to be ceded under the Camp David accords. He said that Egypt was trying to keep movement in all possible directions. Egypt was striving for real peace. No peace was possible without Palestinian rights.

In reply to a question from the Prime Minister, the Am'assador confirmed that no reply had yet been received from Mr. Begin.

The rest of the exchanges were courteous but inconsequential. The Prime Minister said that she was looking forward to Vice-President Mubarak's visit.

The Ambassador did nothing to counteract the comments in the brief that he has not proved a very effective performer.

I am sending a copy of this letter and its enclosure to David Wright (Cabinet Office).

M. A. PATTISON

S. J. Gomersall, Esq., Foreign and Commonwealth Office.

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