



10 DOWNING STREET

6 January 1986

From the Private Secretary

Dear Len,

MIDDLE EAST

The Prime Minister and the Foreign Secretary had some discussion of events in the Middle East this evening.

The Prime Minister said that careful thought was needed as to what she should say to King Hussein next week. There was distressingly little sign of movement on the Arab/Israel front. We would need to establish with the King whether there was anything special which he wished us to say to Mr. Peres.

In relation to Mr. Peres' visit, the Foreign Secretary said that he was looking at ways to end the practice of authentication by the Foreign Office of Certificates of Origin. It might be possible to do something before Mr. Peres' visit. Exporters were anyway increasingly turning to the Arab-British Chamber of Commerce. There were a couple of minor points on which we could offer closer co-operation with Israel on counter terrorism, though we should be very cautious in this field. The Prime Minister agreed and added that it was probably better not to announce any relaxation of the restrictions on arms sales to Israel during Mr. Peres' visit.

The Prime Minister asked the Foreign Secretary to convey her greetings to King Fahd and Prince Sultan during his forthcoming visit to Saudi Arabia. He should also say that she would be writing to King Fahd following her meetings with King Hussein and Mr. Peres.

Yours sincerely,

(C.D. Powell)

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