

ROUTINE
PRECEDENCE

UNCLAS
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TOSCO 98

WHITE HOUSE
SITUATION ROOM

'75 AUG 17 PM 12:40

McFarlane, Lh

FBIS 39 (OUT OF SEQUENCE) *****

ISRAELI GOVERNMENT AUTHORIZES CONTINUED NEGOTIATIONS ON EGYPT
PACT

LD171523 JERUSALEM DOMESTIC SERVICE IN HEBREW 1500 GMT 17 AUG 75 LD

(TEXT) IN JERUSALEM THE GOVERNMENT'S WEEKLY SESSION, WHICH LASTED
ABOUT 6 HOURS, HAS ENDED. IT WAS DEVOTED TO THE POSSIBILITY OF
AN INTERIM AGREEMENT WITH EGYPT. FOLLOWING THE SESSION THE
FOLLOWING STATEMENT WAS ISSUED: THE GOVERNMENT HAS APPROVED THE
POSITION OF THE MINISTERIAL (NEGOTIATING--FBIS) TEAM REGARDING
THE INTERIM AGREEMENT AS IT WAS EXPLAINED TO THE U.S. GOVERNMENT,
AND IN PARTICULAR ISSUES OF IMPORTANCE STILL AWAITING AGREEMENT. THE
GOVERNMENT HAS AUTHORIZED THE MINISTERIAL TEAM TO CONTINUE THE
TALKS.

17 AUG 1535Z TEF/KK *****

REUIEK 1144
R286R 11197)1BYLRYRCYN
MIDEAST-NIGHTLEAD ISRAEL

McFarlane, Lt

JERUSALEM, AUG. 17, REUTER - THE ISRAELI CABINET TODAY APPROVED THE POSITION ADOPTED BY ITS NEGOTIATING TEAM ON A NEW INTERIM AGREEMENT WITH EGYPT, BUT MADE NO MENTION OF A POSSIBLE VISIT TO THE AREA THIS WEEK BY SECRETARY OF STATE HENRY KISSINGER.

A COMMUNIQUE SAID THE CABINET APPROVED IMPORTANT ISSUES ON WHICH AGREEMENT HAD NOT YET BEEN REACHED WITH EGYPT.

"AT ITS SESSION TODAY THE CABINET GAVE ITS APPROVAL TO THE POSITION OF THE MINISTERIAL TEAM ON THE ISSUES OF AN INTERIM SETTLEMENT, AS IT HAS BEEN CLARIFIED TO THE GOVERNMENT OF THE UNITED STATES, INCLUDING ISSUES OF IMPORTANCE ON WHICH AGREEMENT HAS NOT YET BEEN REACHED," THE STATEMENT SAID.

"THE CABINET AUTHORIZED THE MINISTERIAL TEAM (OF PREMIER YITZHAK RABIN, FOREIGN MINISTER YIGAL ALLON AND DEFENSE MINISTER SHIMON PERES) TO CONTINUE THE NEGOTIATIONS IN ACCORDANCE WITH THE POSITIONS APPROVED BY THE CABINET."

OBSERVERS SAID THE CONTINUED NEGOTIATIONS COULD BE CARRIED OUT DIRECTLY WITH DR. KISSINGER IF HE DECIDES THE CLARIFICATIONS FROM HERE WARRANT A RENEWED ROUND OF SHUTTLE DIPLOMACY.

THE CABINET HAD BEEN EXPECTED TO INVITE DR. KISSINGER TO RENEW HIS PERSONAL DIPLOMACY LATER THIS WEEK.

MORE 1146

R287R 11201)2BYLRYRZSA
MIDEAST-NIGHTLEAD ISRAEL 2 JERUSALEM

TODAY'S REGULAR WEEKLY CABINET SESSION WAS DELAYED FOR AN HOUR TO ENABLE THE NEGOTIATING TEAM TO HOLD FURTHER CONSULTATIONS.

PRIME MINISTER RABIN AND HIS NEGOTIATING COLLEAGUES CONFERRED WITH JUSTICE MINISTER HAIM ZADOK AND CHIEF OF STAFF LIEUTENANT GENERAL MORDECHAI GUR ON LEGAL AND MILITARY QUESTIONS INVOLVED IN THE PROPOSED SETTLEMENT--AND RESERVATIONS BY SOME FACTIONS OF THE CABINET.

THE CHIEF REMAINING OBSTACLES TO AN AGREEMENT WERE UNDERSTOOD TO INCLUDE ISRAEL'S INSISTENCE THAT VACATED AREAS BE DEMILITARIZED AND PUT UNDER UNITED NATIONS CONTROL, AND DIFFERENCES OVER THE NUMBER AND ROLE OF AMERICAN TECHNICIANS WHO WILL TAKE OVER ISRAELI ELECTRONIC EARLY WARNING POSTS IN THE SINAI.

ISRAEL ALSO IS SEEKING AID FROM THE U.S. IN REPLACING SUPPLIES LOST BY PULLING BACK FROM THE ABU RUDEIS OIL FIELDS IN SINAI, AND IN BUILDING A NEW DEFENSE LINE THERE. THIS IS IN ADDITION TO AN EARLIER REQUEST FOR MORE THAN TWO BILLION DOLLARS WORTH OF AID.

MORE 1148