

DOMESTIC

EAST AFR. PROT.

19735

REC
FILE 3 JUN 07



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Individual

(Subject)

1907

1907

June

previous Paper.

2299

Forest Concession to
Uplands of E. Africa Landgate

Submits drawing as to conditions of -

(Minder.)

Mr. Lintell

See 19819

1902 5/8

W.H. James

Copy to Dept of Geog. Survey

Subsequent Paper.

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19014*



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EMERALD HOUSE,
RIGBY 3 JUN 07
KRW GREEN,

K R W.

527

1st. June 1907.

Sir,

In reply to your letter No 17422/1907 dated 28th. May, I have the honour to submit a note regarding the proposed grant of a forest concession to the "Uplands of East Africa" Syndicate.

I have the honour to be,

Sir,

Your obedient servant,

E. Hatch
Chief Conservator of Forests

Under Secretary of State,
Colonial Office,
London, S.W.,

REPORT

19735

REC-3 JUN 07

A Syndicate termed the Uplands of East Africa Syndicate Ltd., represented in Nairobi by W. F. Prosser, asks for a concession of the timber rights over 20,000 acres of forest, that is to say 10,000 at the back of the Lari swamp not far from Nairobi and 10,000 acres near Elburgon Station, at mile 474 on the Uganda Railway. The elevation of the second locality is 6,820 feet. The forest there is good; a photograph is given of it on page 61 of the Official booklet, entitled "The Uganda Railway and the Great Lake." The forest between the Lari swamp and the Aberdare-Satima range is also of good quality, but has been considerably destroyed by the natives.

It is stated that the proposals for the concession of this forest will have to be drawn up in regular form by the Crown Advocate (memorandum by the Commissioner of Lands) but the proposals in their present form are so crude that I find it difficult to understand what ^{exact} meaning is to be attached to them. Before they could be placed on a business footing the following four points would have to be settled.

- (1) Term. No period for the termination of the lease is mentioned in the papers, though it is apparently in contemplation to work the exploitable timber over 10,000 acres in 8 years. A perpetual lease equivalent to the alienation of the forest is of course out of consideration.
- (2) Price. For the exclusive forest rights over 20,000 acres of valuable forest, situated close to the Uganda Railway, some consideration more definite than the promise to establish a Bacon-Curing Factory would have to be given.
- (3) Public Competition. Such a tract of forest could not be leased except by public competition to the highest bidder. Two other saw mills adjacent to the Railway have already been established. One of these owned by Dr. Atkinson and Lord Dalmeida has been recently put into a thorough state of equipment, and as a pioneer enterprise in working order, is deserving of Government encouragement to the fullest extent. The

owners of these two mills, and those proposing to work the Lingham and Kenia forest areas, would naturally have strong ground for complaint if forest more accessible and therefore more valuable than theirs, were ceded in any manner other than by open competition.

(4) Security Substantial security would have to be taken for the dye and early establishment of a bacon and refrigerating factory. The papers do not mention a refrigerating factory, but this (judging from South African experience) would be a necessity. 529

The general conditions of which it is proposed to work the forest are similar to those embodied in my proposal for working the Kenia forest. It may, perhaps, be assumed that what is intended by these crude proposals is that the forest should be leased as proposed in my report on the Kenia forest. I am, however, of opinion that for the purpose in view it is unnecessary to enter into such a forest lease. The conditions differ from the case of a forest lease at Kenia. The forest for which a lease is now asked is in settled country and situated on the Uganda Railway. It is not necessary to make a line of railway to it, nor to enter into any large expenditure in order to work the forest. In the public interest it is inadvisable that this forest, which is accessible and of good quality should be locked up, or assigned to any one interest for a term of years. It must be considered too that the Lingham and Grogan leases and the proposed leases of forest at Kenia are bona fide attempts to work the forest. The present application is apparently a proposal to secure exclusive forest rights, as a Government contribution towards the cost of working a Bacon-Curing factory. What will be the value of these rights in a few years no one is in a position to say.

It seems remarkable that no concession is sought from the Railway Department, though naturally a carriage rebate might be asked for on the chance of bringing ocean-wise traffic

to the Railway: the Uganda Department can now show nearly a clear balance sheet while the Forest Department has in the current year's budget a revenue of only £3,170 against an expenditure of £8,029.

At the same time it has to be recognised that a Ham and Bacon-curing factory is an institution which the Government would naturally support and encourage to the utmost. Mr. Mac Donald in his agricultural report recommends a Government grant of £500 towards the establishment of such an institution, and personally it has my warmest sympathy. For the establishment of such a factory a supply of fire-wood and second-class timber for packing cases is essential. The Syndicate will naturally decline to spend money on a Bacon-curing factory unless their supply of the necessary timber be assured. For this purpose, however, it is not necessary to entertain such an objectionable proposal as a forest concession nor to enter into the trouble and risk of a forest lease. The forest over which a concession is now asked, will shortly be demarcated, mapped, and set aside as State forest; the exploitable timber being marked and sold compartment by compartment, and year by year, at an upset price, to the highest bidder. The Syndicate may be relieved of any apprehension with regard to the destruction of the forest and the supply of timber required for its operations.

The Proposals in Detail

The proposals as submitted are open to criticism on the following points.

Clause 3. "All native rights in the area shall be reserved." If this clause were carried out there would probably be no forest left at the end of 3 years.

The forest between the Lari swamp and the Aberdare Saltin Range is being rapidly destroyed by the natives. I have elsewhere quoted Mr. Hinde's opinion that this forest destruction is going forward at an alarming rate. Mr. Hinde estimates that a forest belt averaging half a mile in breadth

Railway

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The Proposals in Detail

The proposals as submitted are open to criticism on the following points.

Clause 5. "All native rights in the area shall be reserved."

If this clause were carried out there would probably be no forest left at the end of 5 years.

The forest between the Lari swamp and the Akardare Saltina Range is being rapidly destroyed by the natives. I have elsewhere quoted Mr. Hinde's opinion that this forest destruction is going forward at an alarming rate. Mr. Hinde estimates that a forest belt averaging half a mile in breadth

is being destroyed yearly. The Deputy Commission of the Kenia province is not alone in this opinion. It is recognised on every side that if the forest is to be preserved native rights must be enquired into, the forest demarkated, and further encroachments stopped. Arrangements are being made to put this most necessary work in hand without delay. The forest concessionaire or lessee can be given no rights over the natives nor any guarantee that the native rights in the area shall be reserved. It may be necessary to remove the natives from the whole or portion of the forest and this would reduce its value to a lessee or concession holder from a labour point of view. But obviously he could be given no guarantee with regard to the natives nor any *logus standi* in the dealings between Government and the natives.

Clause 4. In clause 4 it is stated that "the Syndicate shall comply with all reasonable demands made upon them by the Conservator of Forests in matters concerning the exploitation and removal of produce from the area." It is possible to put various interpretations upon the term "reasonable demands". Such a clause should be deleted and the Syndicate required to work the forest under whatever forest regulations may be in force at the time.

Clause 5. Clause 5 follows the Kenia conditions, but here it must be pointed out that Cedar, Yellow-wood, Camphor, Momo and other first-class timbers are not such as would be required by a Bacon-Curing Syndicate; and to use them, for either fuel, or bacon cases, would represent an economical waste as indefensible as the present use of Cedar for fuel by the Uganda Railway.

7-2-10 Clauses 6 to 10 repeat the Kenia conditional. Rates are specified for the valuable timbers Cedar, Camphor, Yellow-wood and Momo. In the Kenia proposed lease, after the expiration of the rebate allowed to meet the cost of opening up the forest, the rate is 3 pence per cubic ft for these first class timbers.

The rates proposed for the Bacon-Curing Syndicate forests are actually less than those recommended for the distant Kenia forest.

532

Comparison of Rates.

Bacon-Curing Syn. Proposed forest lease: at Kenia

Bar	2.2 (pence or annas)	3 (pence or annas)
	2.4	3
Fire-wood	1.6	3
	1.6	3
Other timbers	0.8	1 1/2

Clause 10 further proposes to make the Bacon-Curing Syndicate a free grant of firewood (limiting the cuttings naturally to exploitable timber). It is true that firewood at present has no value in this forest, owing to the undeveloped state of the country. But it is impossible to say what development may take place in 8 years. And, further, some of this fuel may be required by Government for working the Uganda Railway, whose supplies of exploitable timber are already running short. Before leaving Nairobi I had the advantage of discussing with the General Manager of the Uganda Railway the measures to be adopted in order to work the Railway forests conservatively. Details of the measures agreed upon are given in my general report on the forests of the Protectorate, now under preparation. One of these measures consists in the construction of a branch line of railway (at the expense of the Uganda Railway) in order to tap the forest not far from Elgon, where it is now proposed to give away firewood free to the Bacon-Curing Syndicate. I cannot account for the proposal to give firewood away free to a Syndicate when the supply required for the Railway is deficient.

Clause 11. This is the saving clause of the proposed concession. Under it Government could perhaps terminate the concession by insisting on prohibitive rates, though such a course might be held to be illegal and in any case would be arbitrary. Merely to raise the rates would mean difficul-

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the Syndicate succe

It is quite unnecessary to create these difficulties.
The natural course is for the Syndicate to pay for its fire-
wood like other people at market rates, and these market rates
are regulated automatically as the country develops and
firewood in each Section of the forest is sold year by
year.

523

Clause 13. Clause 13 appears to be unnecessary except in the
case of coppicing species. Some expense is involved in
falling trees low and when the timber is bought standing, it
is unnecessary to impose the cost of falling low in the case
of coppicing species. Exactly what species yield useful
timber is not yet known.

Clause 14. This clause, without a penalty, will either re-
main inoperative or require a resort to the law courts. Such
matters cannot be regulated beforehand and under a general
provision of two lines. They should be left to regulate them-
selves automatically in connexion with the systematic working
of the forest under the forest regulations which apply equal-
ly to every one working in the forest and are altered from
time to time as occasion demands.

Recommendation.

I recommend that the Uplands of East Africa Syndicate
be informed that it is not the policy of Government to grant
exclusive forest rights of which the value cannot be gauged,
but that the importance to the Syndicate of securing
a regular supply of timber for packing cases and wood for
fuel is fully recognised and measures will be taken at once
to surveying, demarkating, and setting aside, as State
forest, the area from which the Syndicate seeks to draw its
supply of timber and firewood. The timber, the fuel, and
the pig-grazing rights, (so far as they are compatible with
the conservation of the forest) will be sold, at intervals
of one or two years, according to the demand. The forest
will be worked under the forest regulations in force at the