



EAST AFR. PROT
42/23

C.O.
2123
S. 10/17



1913
6 Dec.
last previous Paper
No. 39972

Concession to E. Afr. Syndicate

As Synd. have failed to conclude negotiations with Royal Co. for recommendations that scheme refer to in G's despatch of 3 Oct. 1912 which was provisionally set aside be reverted to

The Head

The draft Supplementary agreement (which was drafted when the Royal proposal was made) is in the enclosure at the bottom of the bundle of papers also see Mr. Kettle's minutes on 25/12/12 - I enclose I enclose the advantage to be gained by the Govt by referring the Commission, including of the Supplementary agreement to that proposed by the Syndicate in 39972/13. The S.A. proposed

- (1) that a defined area of 50,000 acres should be marked off & reserved for the Syndicate. This area to comprise land suitable conditions, etc. and (subject to sale) called the 'State' of 'protection' under the proposed terms

Mr. D. can spare
J. G. tel. 21 Jan 14 17.3.14

Printed for the Government

17/14

has occurred
(at least the remaining £70,000 was shared)
to be divided into two blocks, to be dealt
with successively as follows:

(1) The first - say block B1 - to be immediately
purchased by the Syndicate at the price
agreed upon in the original lease (35/15⁰⁰
pence), & sold up into farms (half
the farms to be retained by the Syndicate,
the other half to be sold by the Govt
a total of 150 id. an acre with develop-
ment conditions fixed by the Govt.

(2) When 50% of the farms (i.e. 75%
of the land) purchased by the
Syndicate and any block B2 which
will be dealt with immediately, & 2000

is put in being for the S.A. & the
Syndicate would be at liberty to dispose
of the farms on their half of the B3
blocks as soon as they had bought their
block, but I do not think they would
sell the very small, the A block they
could not dispose of until they had
purchased the freehold.

The S.A. has the advantage of enabling
the Govt to fix development conditions
in respect of 100,000 acres, but
a condition of this kind could be
imposed by the Syndicate, & may
be more easily dealt with.

18528/11

20362/11

You will remember that it was
proposed that as an alternative
to the S.A., the Syndicate could
ask for a revision of the conditions
on the basis of their purchasing
a portion of the land. This came
nothing, & until the proposal had
been made they appeared to be likely
to agree to the S.A.

I have told the Syndicate that
the Govt considers that in view of
the burden of the Board's personal
arrangements the contemplated
the draft Supplementary agreement
should be revised to state if they do
not wish to complete that agreement
at all.

9/1/12

Mr. B. Bromley
Mr. Read

I was advised some of the clauses
to carry out the above agreed
upon at one meeting with ed
Villiers yesterday.
The new clause takes the place
of 1-12 inclusive of the old
supplementary contract & clause
11. It is very simple & clear
& it is of the kind which is dropped

I think we can accept
all the alterations suggested
(the 2nd section's alterations) (see
the red ink amendments on
the left left with us by
Col. V. Allen)

I understand that Col. V. Allen
is to call at 12. in Tuesday
to consider the new terms
if they are agreed he should
then copy the sketch proposed
for transmission to the Govt.
Before this is done he should
write to Govt. I agree to
participate in it.

I must add that, although
I do not consider this at all
a satisfactory form of agreement
I have followed the existing
draft as closely as possible
under the circumstances and agreed
to sign on your behalf of the
Govt. the wish both of the
Govt. & the Sigurd's estate

C. E. Smith

The Govt. I suppose, is anxious to have
the development conditions of the field
to meet the duty that would be imposed
in working on a new field of work

Clause 7 does
not affect the
provision
of clause 3.

The new clause for effect of Col. V. Allen and
that the Government should not be required
to pay for the land before they get it and
that the work should be done by
the Government & by its representatives

They have before clause 3 of the
draft, by which the Govt. has the cost
of survey of the whole area. I think
we should get out of this of course. The
purchase price of 35/- per acre is
in terms of the original lease & ought not
to go to the Govt. ^{to pay} for my charge for survey.
I have not "at the end of the Govt. in clause 3.
[The Government have already surveyed the area
as a whole.]

has clause 6. ? Read the said clause so
to include block A.

(1) This will require provision to be
made with the usual order for the grant of
freehold title. The Government consider that
they would be required to pay for the
title to the Govt. before they get the title
at the date of the title.

(2) An area of 2000 acres
? 2500 2000 acres

The new clause provides for the Government
to pay the full cost of the survey &
to pay the full cost of the survey &
to pay the full cost of the survey &

to the... after 1924 they would they
the... have... for the whole
... included... of...
... they would have obtained
... of half the other
... returned...
... of the...
... which they said they would
have allowed to lapse in 1924

Colt 15/1/22

Mr. Attorney
Mr. Head

I submit new clauses 6 & 7 to
carry out what be agreed with Col.
Villiers today. I have not had time
to go through the agreement finally
it is should be glad to have the
papers back before we have the final
copy made for submission to
the Judicial CB 16/4/13

As Col. Villiers objected to
the proposed clause 6 the matter
is no alteration. Colt 16/4/13

Mr. Turgon

H. J. R.
16/4/13

Mr. Attorney
Mr. Head

I have now finally settled the
new clauses (copy below) & made
the necessary alterations in the
draft of the supplemental agreement
(50) left here of Col. Villiers

Handwritten note: had reference to it

We should now

I send this copy
as amended + the
diff of the new clauses
to the Judicial etc for
their counsel stating
that the diff is intended
to carry out the terms
agreed (subject to refer-
ence to the Gov.) between us
& Col. Villiers at the
recent interview.

When we have finally agreed
the provisions with the Judicial
we shall have V. send out
the result is the Gov. and I
will call attention to be V.
one or two points that will
arise. I am not quite clear
that as the law now stands
(viz. the 1902 order & rules
thereunder) the Gov. can do
everything that he agrees to do
with the new diff. he must
either have to consider the
point. I assume that the Gov.

land legislation to be framed
in the Act will contain
a saving with regard to all
rights ^{granted} of existing
agreements. But we should
draw attention to this.
And we must also draw attention
to cl 9 of the agreement
as altered & ask the Govt
to consider what legislation
should be passed for the
purpose of the clause.

I presume the diff
has no objection to the red ink
alterations made in cl. within
copy of the old diff. of the
Syndicate's Directors

Before the letter to
the Syndicate for our diff copy
of the 1911 agreement diff
should be altered so as to
correspond with the diff which
goes to the Syndicate & one
copy of the new clause enclosed
CP. 7/24/13

Mr. G. Fisher

The original lease letter from 12 July
It was printed in the F.O. days - area
land being 500 square miles - rent
(proportion of first 7 years) £500 a year
period 25 years - develop^{ment} condition
that within 7 years from date of lease
not less than 5 ^{farms} ~~years~~ of not less than
5,000 acres each to be established with
adequate equipment stock, &c - Syndicate
to have power to purchase the whole area
for a lump sum of £50,000 after survey of
land & value of farms

The Syndicate claim to have spent
£155,000 ^{up to} first 7 years in the develop^{ment}
of the property & in any case, we submit
that the develop^{ment} condition has been
complied with

Negotiations were carried on with the
Syndicate in 1911-12 on the lines indicated
in the printed 8pt. Agreement herewith
The Syndicate were to return a block of
50,000 acres near the railway & the
remaining 270,000 acres were to be split
up into 16 blocks &c - the scheme being a
suggestion of one of the directors who had
found that a similar arrangement worked well
in former S.W. Africa
This scheme was set aside for the
present scheme, which falls through
The Syndicate then proposed that the whole

with all the work
less land at the
end of the 25 yr.
64.

individual farms, but Col. V. argued that there might be practical difficulties in the way of this as he has made the provision for supply of the whole area of 200000 acres, which is to make the arrangement more elastic.

5(2) + (8) Under the present ^{of the} agreement the first half was to be the share of the Blacks. But the significance of the whole of the selling to be done by trustees they say that the first half price would become known & that prices will be found to keep prices down. The point seems to be of no importance from our point of view, as we are only concerned in getting our 3/2% per acre sold & this is provided for.

3/2%

5(3) This is necessary a very important provision. The significance is not in a position to put it more mainly into develop^t & as they have fulfilled their develop^t intentions. It is to have to wait for 15 years before we shall be in a position to make over the land & make a fresh start. Under the arrangement proposed it will be the responsibility of land to be taken up but other develop^t will be to be carried out by the new holders & necessary with full regulations

57(4) comment

50/60

The Executive attach importance to this
as they say that a purchase may require land
in a block other than the block which is
being disposed of at the time & that they
do not wish to lose the chance of doing a
deal

cl. 6 The clause is originally drafted by Mr
Templeton gave the power to terminate the
agreement only. Col. V. suggested that
the Executive ought to have the power to
buy on their own account if they could not
sell to others & it was further agreed
that if the Govt failed to sell the
land it should be empowered to sell free of
the lease or then get settlers on to the
land

cl. 7-16 comment

The Secretary I think that the Executive
ought to be told that the Govt will have
to be consulted as to their proposed
amendment & read with. The amendment
it stands appears to me to be much too
vague

and the copy of the printed copy of agreement
is amended - the 5th clause
clause to the Executive as proposed by
Mr Templeton & making it clear that the

proposed provisions are nearly intended (1)
to form a basis of discussion with the
Govt. to whom the whole matter will have
to be referred as soon as possible?

H. J. R.
19/11/13
M

26 12 13

I am not at all convinced as to either the
necessity or even the desirability of proceeding
with these negotiations. If the Company can
by means of the proposed arrangement
placed practically in a position to dispose at its
own will of 320,000 acres of freehold land
it is obvious that it will not be of much
use for the Govt to attempt to dispose of
leasehold land whilst this area has been
disposed of. The development of
the Crown lands will be arrested until their
lands are disposed of. It appears to me that
the Govt gets absolutely nothing out of the
proposed deal, and loses any chance of
clearing in 154 years time the residue of
the whole 320,000 acres.

I do not propose therefore to go into the
details of the proposed supplemental agree-
ment, but it appears to me to give the Co. power
to sell half the land - paying to the Govt 3 1/2% per acre
within six months of the land so sold and then
at the end of the fifteen years the Govt will

be left with the other half which may be
unrealisable.

At present with only 18 yrs to run
the Co. can sell nothing without a payment
of £50,000 it has precluded the whole
£20,000 never according to Mr Read there
is little likelihood in present circumstances
of their being able to do this and it appears
to me that we get no consideration for
parting with our reversion to this huge
block in 18 1/2 years time, while we render
other Crown Land impossible to sell for
that period.

I would drop the negotiation
there, but as we have committed the Gov.
the matter I hope to ~~be~~ bring out
pointing out that under the Indenture
we shall once preclude the free farms already
said that it may also preclude any portion
of the remainder instead the Gov. at
18 yrs with a large amount of un-
realisable land, with without any obligation to pay
up the balance of the £50,000. That it seems
desirable also that he should consider how
far the leasing of the Crown Land will be affected
by placing these free hold farms on the market.

Ch.

21.12.13

I agree with Sir J. Anderson

and suppose we are not concerned in

any way by your letter of 30th

in 2012/13. 11/12/13

to Telegram

The Read

There was talk for my cabinet

I submit it for review

of the bill, which today ^{has been} explained

to the President, but the Department will

not expect a letter until we get the

Governor's despatch in reply to ours. We

gather that in the meantime Col. Walker

contemplates trying to raise the money

necessary to buy the whole away, but

it is not at all clear that he hopes to be

successful.

There are two points which I mention to

you. (1) The five forms are included

in Block A which (§ 13 of the printed

draft & § 8 of the T. C. act) are

reserved for the general emergency

and cannot be bought unless the

Synodicate own members of the

option under the proposed plan to

buy outright.

(2) It was hoped that the possibility

of the Synodicate collecting for sale

the best parts of the new money

which would be avoided by the

requirement, (C. W. T. act, sec. 50)

that the division into blocks should be

managed in conjunction with the

Lead Office so that the form should

be fair to private parties in case of



TELEGRAM:

The Governor of the East Africa Protectorate to

Secretary of State for the Colonies
Received at London on 11.21.12 6th December 1912

ms
3992

ms
3036/12

No. 267 Your telegram of 2nd November ^{*} East Africa Syndicate have failed to conclude negotiations with Bovril Company. Governor recommends that scheme referred to in your despatch of 3rd October No. 644 last year, which was provisionally set aside, be reverted to.

BOVRIL.

* No 39972

† LT transmitting copies of Nos 155, 156, and 160

THE EASTERN TELEGRAPH COMPANY, LIMITED.

22

LONDON STATIONS

RECEIVED FROM
42, PARLIAMENT
STREET.

THE GLOBE HOUSE
 FINSBURY PAYMENT, E.C. (3502) W. 1. LINE
 17, OLD BROAD STREET, E.C. 4
 18, LEADENHALL STREET, E.C. 3
 23, MINDING LANE, E.C. 1 MARKET
 25, MARK LANE, E.C. 2 BLDG.
 37, HOLBORN VIADUCT, E.C. 1
 449, STRAND, W. C.
 41 & 42, PARLIAMENT STREET, S.W. 1
 FOREIGN AUSTION HALL: ONE TRINITY SQUARE
 THE BALTIC, ST. MARK LANE, E. C. 2
 1045 Holborn
 220 Gerrard
 2516 Gerrard
 1105, W. C.
 1105, W. C.
 1105, W. C.

RECEIVED OFFICE
 18 DEC 1913
 41, & 42, PARLIAMENT ST., S.W. 1

FROM

The following message has been received at

Foot

From *Nairobi*

For

to *Chapelries*

Date *11/12/13* Time *11:00*

267

unwholesome

carcochte

have

fabladora

conclude

nephode

boord

company

governor

rampelum

scheme

unguarded

bluff

turfiness

totalasant

pugnanti

santlets

be

natbock

Bowring

REPLIES SHOULD BE ORDERED *Via Eastern*

Doubtful words should be clearly & fully repeated. See this book.
 This is the only reliable method of transmitting without the production of this Copy.

London & Liverpool & Newcastle & London Wall, London

42128/13



(No. 2.) 2 January 1914

DRAFT.

E.A.P. no. 2
to Mr. Balfour

- MINUTE.
- Mr. Balfour 3/1/14
 - Mr. P. 31/12/13
 - Mr. P. 1/Jan 1/14
 - Sir G. Fiddes.
 - Sir H. Just.
 - Sir J. Anderson.
 - Lord Emmott.
 - Mr. Harcourt.

for comment

I have spoken to Sir J. Anderson before altering the diff. but he would see alterations as 1/1/14

Staff. discussed in with (Mr. J. P. ...)

No 42123

Circle 1914/14

Sir,

I have the honor to acknowledge the receipt of the Memorandum dated 28/12/13 of the Board on the subject of the proposed modification of the lease of land in the E.A.P. held by the Bank of Africa & ...

The matter has since been discussed informally with Colonel C. A. Villiers, of the Egyptian ...

It is desired that certain modifications might be made in the draft supplementary agreement the proposed agreement the proposed

in particular, the act
of present legislation
to lay down an estimate
of money which would
be necessary to purchase
one of the six remaining
blocks contemplated
in the draft and they
deem, also, that the
sale of land should
be conducted by their
representative in their
name
of a modified draft
which has been
submitted to them with
a view to giving effect
to the requirements under
and before approval of
it are those of
official discussion
but they have not
thought it best to
communicate to the
House of Commons

(Please refer to
L 105)

(The Treasury claim
is possible for this)

(Please refer to
L 105)

Should you wish
to provide for the
purchase of the
blocks, you will
be able to purchase the
first four already
developed, and that they
would also be able to
purchase the freehold of
any fraction (not less than
one-half) of the
remaining land
at the end of
the original term of 25
years with a large amount
of profit & unvaluable
I should think might be
possible to purchase
the land for a sum
unvaluable, without any
obligation on the part of
the Syndicate to pay
the balance of the purchase
price of £50,000.
The further question
arises whether the operation
of the Syndicate, by putting
L 105

land on the market for
possible sale at a most
favourable opportunity
would not prejudice
the Government's
interests of Crown land
in any way.

5. I shall be glad to receive
a full exposure of your
views on these points. You
may please consider that
the disadvantages of the
proposal are outweighed
by the advantages of breaking
up a large area which
the opponents are not
able to do in a position
to be of good effect, but
I am sure that the
Government will not be
convinced to an agreement
which might prejudice
its interests.

6. It is possible, I think, that
the facts will seem to
be in such a state
as to be open to discussion.

DRAFT

In particular I would
draw your attention to
the red ink alterations
(especially in the Schedule)
which were suggested by
the opponents before the
late meeting, and
and any other for comment.

Yours etc

(Signed) L. HARCOULT