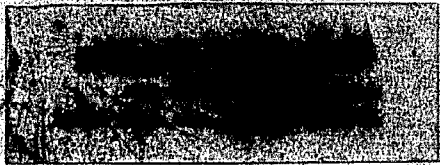


33.

Kenya.

CO533/435

No. 3126.



SUBJECT

Bamboo Industry and

Manufacture of Paper from Bamboo

From

1951/52

Subject

22201/AN

Sir John Campbell Sir C. B. Berkeley

2

Will you be good enough to look at the  
annexed (unregistered) papers.

I saw Th. Kerr this afternoon for an  
His proposals bear a general likeness to those  
of the Jamaica Vaccine Company, with  
the important difference that (so far as I was  
able to gather) the one had a

he is willing to furnish a fund of 1000  
a provision to erect the plant & deliver the  
goods, i.e. that the necessary capital will  
be found. He is thus in a vicious  
circle, to break which he turns to you  
for help.

I have since discussed with Sir C. Berkeley  
who has suggested that you might be

W. Hamilton

after perusal of the pp., to come over & discuss  
with him at a mutually convenient time

From the point of view of the K.V.P.  
I feel a the K.V.P. any impetus that the  
can give the scheme would be valuable

*J. B. ...*  
30

*No. 1000000*

= J

questionnaire.

The 31-3-33.

*31/3/33*

(I understand from Mr. K.V.P. that the process  
had been fully tried out in Germany & in  
Italy.)

*J. B. ...*  
31/3

I confess that when the matter first  
came up as a purely business proposition  
I thought that the maintenance of suitable  
products, also which things would  
be, had been done very good  
If the process was kept & done  
I think has good business production  
I understand I would be 10/11/33

*31/3/33*

... the Comm. would want would be  
... both as to the technical and  
... sides of the project.  
... working bamboos is a very tricky business.  
... remember that a very large amount of  
... research--culminating in manufacture on quite  
... a large scale--was undertaken in India and



2 W.T. Kerr. \_\_\_\_\_ 19 April 53

Submit an application for a financial grant from the C.D.F. to assist in the formation of a Company to establish a new paper making industry & give details of the scheme for the manufacture of paper from bamboo pulp.

This letter follows the lines which have been suggested to Mr. Kerr, and may I think be sent out to Kenya in the accompanying draft.

A possible difficulty arises from the suggestion (in the middle of page 4) that the assistance from the Fund should be regarded as a loan; in the ordinary course of events, this suggestion if accepted would involve the Kenya Government in an obligation to repay the advances to the extent of the Company's failing to do so. Sir John Campbell will perhaps be good enough to advise what alternative arrangements to free grants of interest are likely to commend themselves to the C.D.F., which would not impose any financial obligations on the Government. (If the application goes forward numerous copies will be required: it will therefore save trouble in the end if Copying Dept. could supply necessary stencils now.)

*W.T. Kerr*

W.T. Kerr

21



By air mail  
25/4/33

3

To Gov. 2725 (w/c 2% last year) Cons 15/4  
24 APR 1933

4 To Gov. - 2 and - cons 24.33

5 Minute by Sir J. Campbell regarding conversation with  
S.O.C

6. W.T. Kerr. 9 May 33  
States proposals for the expenditure of £200,000 on  
equipment for providing this sum for the out error in  
802 regarding freight charges for conveyance of bamboo  
pulp.

Sir J. Campbell

Dear Sir

Yours

4 copies in 1000 and 1000000 of  
the point referred to in para 1 of the  
up before and being gone on for the 1000  
The 10-4-33.

has can try. I want at the discussion & card say.

send copies of 4066 for in a short day.

(H.L.P) sig. G 3 9 news.

J. L. O. 922

1233

By air mail  
17/5/33

7

900 100

8 W.T. Kerr  
Enclose copy of D. Bouldings report on samples of  
bamboo & wood pulps prepared by the Board.

in regards to some mentioned  
Sir J. Campbell's minute  
when he saw Mr. Kerr's States that  
his product would compete with  
export made from Saperia Grass which  
is produced in foreign countries &  
is available  
at the price  
at present

It is apparent that  
the project is considered

It is certain now available that the  
the proceeds will be a loan for Cons. by  
at the next C.O.C. meeting - 31<sup>st</sup> May.  
as no objections have yet been received  
from the former - reply to 3

? ACK to both & and in your  
Kerr's cable mentioning that if a  
definite arrangement is concluded as  
regards the provision of the £200,000 for  
bamboo we shall be glad to discuss

Early info. in order that this may be  
communicated to Kenya

H. P. POSS 1/2  
17/5/33

9 Governor Bygone Tel 98 \_\_\_\_\_ 17 May 33

State would support application to C.D.A., but ~~which~~  
has not been furnished with technical details of the  
proposal which would have to be fully considered on  
these merits

I had indicated on 8 Apr 9 amide.

In view of the question now is

whether the Com go to the C.D.A.

the amount of £100,000 for a free grant  
of £50,000 to cover  
the cost of the 1st year's expenditure

The difficulty is

producing a more

clear outline

of 30/5. Para

which states that the question

is more important

the expression of opinion by the

C.D.A. in support of the scheme would

of the 1st April is placing the contract's

with this does not seem to be enough

data for the Com to judge on the

the soundness of the scheme unless

they would no doubt be considerably

influenced in its favour if a company

were prepared to make material out

to the amount of £100,000.  
? But this was subject to any

absent by Sir J. Campbell & others in  
24K for some time, more details  
regards the placing of the contracts to  
which mean that the scheme would be  
go to the next meeting of the C.D.A.

H. P. POSS 1/2

18 3 33

The ...  
... get ahead with ...  
... prepared to support ...  
... not likely to support ...

... what the ...  
... contract to ...  
... is backed by the ...  
... proceed to put ...

... The ...  
... committee ...  
... answer ...

(The ...  
... is intended to ...  
... Sir C. Bottomley  
... Sir J. Campbell ...

... as this was expected ...  
... 31 May ...  
... should now proceed to prepare a submission to the  
committee  
Yes. The only satisfactory course  
is for the Com to decide what  
provisions - further information ...





be retained in Committee

W.C.S.

15.6.33

12 C.O.A.C. Ltr 1263 16/6/33

Discussed at yesterday's meeting of C.D.A.C.  
Answer C.D.A.C. ltr

W.C.S.  
29/6/33

13. C.O.A.C. Ltr 1263

C.O.A.C.

Recommend a loan of £500,000 to the Government of Kenya on certain stated conditions

15. To Treasury - Ltr

W.C.S.

Sanction loan of £500,000 on certain stated conditions  
on trust that Kenya Govt will be prepared to undertake  
responsibility for meeting loan charges in the event of an  
improvement in the financial position.

Drafts herewith.

The draft to Kenya shd. go by air-mail,  
as Mr. Keen with no doubt wish to

Adm  
19/7

By air mail 19/7/33  
to Govt (S.L. (14/6/33) (4.2.2.1)) 19 JUL 1933

Mr. Keen

19/7/33

A further letter to No 19 has not yet been received

The matter is under  
Mr. Keen's review. This can wait  
2 months, unless a further  
letter is received. C.P. 19/7/33

W.C.S.

18-8

22 Acting Governor's Office 4/75 (Air Mail) — 12 Aug. 55

State Kenya Govt. has no information whatever regarding details of scheme & is unable to accept any liability for the payment of loan charges & trusts Treasury will agree that scheme should be supported on its merits.

The last part of para 3 in 16 was clearly put in to save T.L.'s face, and it is quite unnecessary, and even tactless, for the Kenya Govt. to take the point now.

? Put by

See memo of 17/8/55 p. 2

Received under minute of 15<sup>th</sup> August 55

We now know the reason for the delay & this need not be brought up again for three months

J. B. ...

226

and me. He left with me the correspondence which I attach between himself and Mr. Herbert. He has been unable to get anything further out of Mr. Herbert, who is waiting for information from Sir Felix ... with figures from the Contractor's point of view. It was considered that he should stir up Mr. ...

Major Walsh said that Matthews appears willing to take on the finance of the scheme ... had been thoroughly vetted. He seems to ... on the fact of the scheme having been blessed by the U.D.A.C. as an indication of its soundness. I said that this would be a mistake. The blessing of the Committee had been given entirely on the supposition that the promoters would be able to find backing in the city and it was for the backers to satisfy themselves as to the scheme. The "Government label" on the bottle must not be regarded as a guarantee of the contents.

We agreed that the figures which Mr. Herbert had supplied were absolutely adequate and I said that I thought that we had better detain ... which we could compare the additional information which Mr. Herbert is to send ... looking through the papers however I am afraid we shall not be able to

give very much help on that point.

Mr. J. J. ...

Wed. 29.10.33

112

Re. Flood

My attention was called to this paper, which I had not previously seen, by a ref in 10746/Gen & we have since discussed it.

I drew your attention to the fact that so far as ... the ... and has been ... for the statement that ... will not compete with ... Empire industry.

So far as ... I ... though I am not an expert ... compete with ... products, or ... product in this ...

But as regards ... inevitable that it ... with paper mills in the U.S. & if this proves to be the case we shall be faced by another campaign on the same lines as that of the Canadian & U.S. manufacturers against Singapore & Hong Kong rubber shoes.

would it not perhaps be desirable to make discreet enquiries on this subject from the Board of Trade? It could just

to be brought ... touch with ...

...

S. C. Bottomley

... the paper ... made from ... The memo prepared for the C.D.U.C. (No 1246) said it would compete mainly with paper made from esparto grass which is imported from ... That is true, but the ...

... the paper ... be withdrawn. That would be for ...

Wed. 11.10.33

23

To W. Palmer (10/11) etc 1380.1263 com

9 OCT 1933

24

W.T. Kern

(received 11<sup>th</sup> Oct 1930)

(Suggest interview with Mr. Udell)

Mr. J. Campbell

This matter has been under  
consideration since you  
& I saw Mr. Kern a month ago,  
and I think the next step is for  
you and me, separately, to see  
Mr. Udell.

If you agree, will you please  
suggest any and how? My  
impression is that we should  
see Mr. Udell first.

N.B.

Mr. Blawson to  
be kept in touch  
with future  
developments.

24a

Mr. J. Campbell

with

Mr. Udell

Wed.

16.10.30

Mr. C. Hall

Mr. Udell

W.T. Kern

16.10.30

16.10.30

16.10.30

25

Mr. Palmer (5.0)

2

Encls. extracts from minutes on the scheme state it is doubtful  
whether any part of the proposal has much chance of passing its way,  
& suggests E.A. might be too dear for this market. It is  
stated on competition with paper made in U.S.

The present position (as recorded on the other pp.)  
is that the original scheme is virtually dead  
& a modified scheme is in course of preparation,  
and the promoters have been warned not to  
rely on C.D.F. assistance until the modified  
scheme (which they have promised to submit  
to C.D. when ready) has been vetted  
and approved by C.D.F. (as well as  
by C.D. & Treasury).

Until we have seen the modified scheme  
& examined its details, it is impossible to  
say how far these C.D.F. criticisms will  
be pertinent.

For the moment I shall suggest to  
write <sup>20</sup> with thanks, and to defer details  
until the promoters have submitted their  
new proposals.

Director  
R/11

I agree. My general impression is  
that the scheme is a good potential  
money-lover, & I hope that the  
C.D.F. will see that.

G. L. A. Parsons  
20/10/30



The title of Electro Chemical Pulp and Oil Corporation is new, and it looks very much as if Mr. Udall and Mr. Kerr were getting ahead with the formation of a Company without further reference to us. We do not know what has happened since the first negotiations about which we heard came to an end, but we have definitely warned Mr. Udall that the C.D.A.C. recommendation for assistance does not apply to the new scheme which has been put forward, and that we must await information about it before the scheme can be submitted again to the C.D.A.C. Mr. Udall's concession was to have been for 18 months and has probably now expired unless it has been extended on the ground that he is doing his best to start operations under the terms of the licence.

We must say something to the Federation of British Industries and I think we can do so per draft herewith.

(This letter means by itself and is not

intended for machinery with a  
view to raising money for the formation of  
the new scheme, & that any such  
unsuccessful explanation of the new  
manufacture.

Off. passed W.S.S. 14/12/33

32 To Fed. of Br. Industries (Slans) 16/12/33

36 Federation of British Industries  
Acks. No 32.

RESTRICTED UNDER STATUTE 1911

S. G. Whelan

9 2 33

as rec

14 Nov '33  
I have written to Mr. Udall regarding  
the details of the scheme, your details of the  
scheme, and the suggestion of further  
information should be asked to disclose its  
details.

It is not likely that we shall see more  
of this, but we can wait till we do.

I have written from Mr. Udall  
the plan for 6 months, and we can  
only consider that the scheme is dead.

So inform Sack. C.D.A.C. by spec  
ref 27, sending copy to T. L.F.

J. Whelan  
9/5

I think it is not likely that we shall see more  
of this, but we can wait till we do.

It would have to go to the C.D.A.C. again as a new proposal  
in any case, it would be much in the nature of  
as proposed

W.S.S. 14/12/33





35 To C.D.A.C. — 3pm. — 15/5/64

Copy to Treas. & draft 35

36 To Treasury. (with 35) 18/66 17/5/64

*[Handwritten signature]*



SNYA

NO

CONFIDENTIAL

100

Sir,

I have the honor to acknowledge the receipt of a letter  
received from you on the 10th inst. in relation to the  
subject of a project for the manufacture of cellulose from  
bamboo in this colony, together with a copy of the reply  
which has been returned to this enquiry.

The information furnished by the Hon. the  
Member for the Eastern Districts in relation to the  
registered company, the Eastern Districts Cellulose  
Company, Limited, which was incorporated in the Colony  
in 1911, and which was then controlled by the Hon. the  
Member for the Eastern Districts, is as follows:

The company was then controlled by the Hon. the  
Member for the Eastern Districts, and was then  
engaged in the manufacture of cellulose from bamboo  
in the Eastern Districts. The company was then  
controlled by the Hon. the Member for the Eastern  
Districts, and was then engaged in the manufacture  
of cellulose from bamboo in the Eastern Districts.

The company was then controlled by the Hon. the  
Member for the Eastern Districts, and was then  
engaged in the manufacture of cellulose from bamboo  
in the Eastern Districts.

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Member for the Eastern Districts, and was then  
engaged in the manufacture of cellulose from bamboo  
in the Eastern Districts.

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Member for the Eastern Districts, and was then  
engaged in the manufacture of cellulose from bamboo  
in the Eastern Districts.

The company was then controlled by the Hon. the  
Member for the Eastern Districts, and was then  
engaged in the manufacture of cellulose from bamboo  
in the Eastern Districts.

Copy of letter to Hon. the Member for the Eastern Districts, dated 10/10/11.

I have the honor to be,  
Sir,  
Your most obedient, humble servant,

H. M. M. J. COLE,  
ACTING GOVERNOR.

THE RIGHT HONOURABLE  
MAJOR SIR PALLIS GUNTER-BISHOP, C.B., C.B.E., H.C., M.P.  
MEMBER OF THE EXECUTIVE COUNCIL FOR THE COLONIES.

65

HOME COUNTIES TRUST, LIMITED.

COMMERCIAL, TECHNICAL AND FINANCIAL CONSULTANTS.

First Avenue,  
High Holborn,  
LONDON, W.C. 1

P. M.

2nd October, 1933.

The Governor General,  
Kenya Colony,  
Nairobi.

Dear Sir,

A new process has been developed (and patented)  
possible to manufacture

Super Alfa Cellulose from Bamboo

The process is a new one, and is based on the use of a special chemical treatment of the bamboo pulp. This process enables us to produce a cellulose of a high degree of purity and strength, which is suitable for the manufacture of artificial silk, rayon, and other textile materials. The process is also suitable for the manufacture of paper and other cellulose products. We have been informed that the process is being carried out on a small scale in the East Indies, and it is our intention to establish a large factory in which to produce this high class cellulose in Kenya Colony.

We are interested to establish on the Kenya Colony a large factory in which to produce Super Alfa Cellulose. In order to do this we shall be able to produce this high class cellulose at a price which is competitive to cellulose produced from cotton linters, but which can compete with rayon (which, of course, has a lower percentage of Alfa Cellulose for this reason, not suitable for manufacturing artificial silk etc).

We should be glad to hear from you if you would be interested in the erection of a factory in Kenya Colony, provided transport facilities from Kenya Colony are satisfactory, and provided, of course, that the particular kind of bamboo growing in Kenya Colony is suitable.

In the affirmative case, you could, perhaps, send us a small parcel of bamboo so that we may make preliminary investigations. We may say that there is already a factory existing on the Continent producing Super Alfa Cellulose from bamboo on a commercial scale. The transport for this factory, however, has to be brought over from the East Indies and the West Indies.

Trusting that we may hear from you in due course.  
We remain, meanwhile,  
Yours truly,

HOME COUNTIES TRUST, LTD.  
B. HOSSLEY ?

65

HOME COUNTRIES TRUST, LIMITED.

COMMERCIAL, TECHNICAL AND FINANCIAL CONSULTANTS.

First Avenue, 17  
High Holborn,  
LONDON W.C.1.

P. 251.

2nd October, 1933.

The Governor General,  
Kenya Colony,  
Nairobi.

Dear Sir,

A new process has been developed and patented  
which is possible to manufacture

THE NEW PROCESS OF MANUFACTURING PAPER

It is the intention of the Home Countries Trust, Limited  
to introduce this new process of manufacturing paper  
into Kenya Colony and to establish a factory for the purpose.

The process is a new one and is being entered  
into the Patent Office. It is a process which  
will produce a paper of a high quality and  
which is suitable for the manufacture of  
writing paper, printing paper, and  
other kinds of paper. It is a process  
which has been developed in the  
United States of America and is  
now being introduced into Kenya Colony.

The process is a new one and is being entered  
into the Patent Office. It is a process which  
will produce a paper of a high quality and  
which is suitable for the manufacture of  
writing paper, printing paper, and  
other kinds of paper. It is a process  
which has been developed in the  
United States of America and is  
now being introduced into Kenya Colony.

We should be glad to hear from you if you would  
be interested in the erection of a factory in Kenya Colony,  
provided transport facilities from Kenya Colony are  
satisfactory, and provided, of course, that the particular  
kind of bamboo growing in Kenya Colony is suitable.

In the affirmative case, you could, perhaps, send  
us a small parcel of bamboo so that we may make further  
investigations. We may say that there is already a small  
factory existing on the Continent producing Sugar Alfa  
Cellulose from bamboo on a commercial scale. The bamboo  
for this factory, however, has to be brought over from  
and the West Indies.

Trusting that we may hear from you in due course  
We remain, meanwhile,  
Yours truly,

HOME COUNTRIES TRUST, LTD.  
B. HOSSLEY ?

/C. FOR. 5/4/2/8.

14: November, 1952.

Gentlemen,

I am directed to acknowledge receipt of your letter of the 2nd October addressed to His Excellency the Governor on the subject of a project for the manufacture of cellulose from bamboo in this Colony.

The Conservator of Forests is arranging for a sample of local bamboo to be sent you.

B. As you will probably be aware, there are large areas of bamboo forest in the Colony, and the Government could be interested to receive further particulars in regard to the establishment of a factory for the purposes referred to in your letter.

I have the honour to be,

Gentlemen,

Your obedient servant,

H.L.G. GURNEY.

For ACTING COLONIAL SECRETARY,

Messrs. Home Counties Trust, Limited,  
First Avenue House,  
High Holborn,  
LONDON....N.C.1.

C. O.

31 26 '33 Kenya

Mr. Flood 24. 72

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

X Sir C. Bottomley 14. 12. 72

Sir J. Shuckburgh.

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

CD  
P 14 DEC  
D

*Label 33*

Gentlemen,

I am etc. to acknowledge

**DRAFT.**

THE FEDERATION OF AFRICAN  
INDUSTRIES

EMPIRE COMMISSION

OFFICIAL ORGANIZATION

**FURTHER ACTION.**

The W. J. ...

has been ...

Agent in London ...

of Attorney, obtained a

concession for the exploitation

of bamboo over a large tract

of territory in the interior

of Kenya. The proposal as originally put forward was to erect a crushing mill at Kijabe <sup>on</sup> close to the side of the concession, to transport the macerated fibre to Mombasa, and there to convert it into pulp. It was represented that the total capital required to start the industry would be <sup>about £925,000</sup> between £850,000 and £1,000,000, and the promoters applied for a loan from the C.D.F. of £500,000, which was approved under certain conditions in regard to repayment. The purpose of this loan ~~was~~ <sup>was</sup> to ~~finance~~ <sup>finance</sup> interest for 3 years on £500,000 of the proposed capital. The loan was to be repaid at the end of 30 years or earlier at the Company's discretion.

3. Subsequently it was understood that the promoters intended to modify their scheme considerably, to abandon

C.O.

- Mr.
- Mr.
- Mr.
- Mr. Parkinson.
- Mr. Tomlinson.
- Sir C. Bottonley.
- Sir J. Shuckburgh.
- Party U.S. of S.
- Party U.S. of S.
- Secretary of State.

**DRAFT.**

**FURTHER ACTION**

26

<sup>proposed</sup>  
the factory at Mombasa and inst.  
the pulp factory inland <sup>near</sup> at Tsavo.  
In addition it was understood that considerable modifications to the scheme were in contemplation, and ~~that~~ the promoters were accordingly informed that ~~they could not rely~~ <sup>the conditional promise of</sup> ~~upon assistance from the C.D.F.~~ <sup>(with interest)</sup> for



FEDERATION OF BRITISH INDUSTRIES

31/2

TELEGRAMS.  
INDUSTRY, PARL., LONDON

TELEPHONES  
VICTORIA 2861-2870  
(10 LINES)

DIRECTOR  
G. H. LOGGIA C.M.G.  
GENERAL SECRETARY  
V. D. WALKER

MJW/RDC.



21, SOUTH STREET

LONDON

72

Handwritten initials

IN REPLY PLEASE QUOTE

REF No

E. Af. p. 506.

REC.  
13 DEC 1954  
O. O. REG.

The Under-Secretary of State for the Colonies,  
Colonial Office,  
Whitehall, S.W.1.

P.C

Sir, EMPIRE ELECTRO CHEMICAL FUEL & OIL CORPORATION

The following information was received from the  
Director of the Corporation on 11th December 1954  
that the Corporation is planning to set up a  
branch in the United Kingdom for the purpose of  
supplying fuel and oil to the Corporation's  
plants in the United Kingdom.

The Corporation is a public company limited by  
guarantee and its registered office is at 10, Abchurch  
Lane, London E.C. 4. The Corporation is engaged  
in the production and distribution of fuel and oil  
for the use of the Corporation's plants in the  
United Kingdom and also for the use of the  
Corporation's plants in the Colonies. The  
Corporation is a member of the Federation of  
British Industries.

It is noted that the setting up of a branch  
of this nature would result in business being done with  
British manufacturers and the placing of the British market  
on a par with the position in other parts of the world.  
The Federation of British Industries has a considerable  
interest in the Corporation and we are therefore writing to  
ask if you would be so good as to let us have such information  
as you have on file on the subject.

We shall greatly appreciate any information you can give  
us on this subject for the benefit of member firms likely  
to be interested.

We have the honour to be, Sir,

Your obedient servants,

EMPIRE SECTION.  
OVERSEAS ORGANISATION.

COPY.

3, St. Helen's Place,

London, W.C.2.

14th March 1931.

The Under Secretary of State,  
Colonial Office,  
London, S.W.1.

Dear Sir,

BAMBOO CONVERSION

No 23 I have the honor to acknowledge the receipt  
of your letter of the 11th March 1931.

The proposed conversion of the  
to have will benefit the colony  
by-products to the extent of

greater benefits to the colony  
but it is hoped to arrange

It is anticipated that  
produce 75,000 tons of

possible for wood to be  
land near to the factory

no this part of the colony, which is  
unproductive. One great aim is to have

twenty-five years' residence, in order to further the  
interests.

I shall be pleased to receive  
scheme for your approval as soon as it is possible.

I hope it will be in a few days' time.

(Sgd.) Charles Hill.

Mr. Raite, Officer in Charge of the Paper Pulp Section, Indian Forest Research Institute, has been engaged for 25 years in investigations into the paper making properties of bamboo and certain Indian grasses and has published a large number of reports and written books on the subject. One of the latest reports available here is contained in the annexed copies of the "World Paper Trade Review", pages 724 and 812. He hopes that in the future India will be independent of outside sources of supply and also considers that in bamboo India owns one of the world's future sources of raw material, holding that wood pulp supplies must, at some date, be exhausted.

Manufacture of pulp and paper from bamboo was started in India in 1911, on an experimental scale, suffered interruption through the war, but appears to have been started on a commercial scale in 1918. Difficulties were experienced at first in digestion of knots and in bleaching but these were gradually overcome and by 1925, when the Indian Tariff Board held an enquiry, one mill was making paper (mainly printing and writing) of fair to medium quality, resembling wood pulp paper. It was then estimated that pulp from bamboo could be made for sale at between £15 and £16 per ton, and the industry asked for protection and Government financial assistance.

As a result of the enquiry protective duties were placed on paper but no financial assistance appears to have been given and though as a result of continued research some additional machinery in 2 or 4 mills was started and the quality of paper improved, wood pulp, possibly as a result of falling world prices, continued to be the main raw material. To further the use of bamboo material a duty of Rs. 45 per ton, was placed on imported wood pulp in 1932, on the understanding that mills should produce bamboo pulp details of increased production are available but it seems clear that, with all the advantages of bamboo cannot yet compete on grounds of price that pulp without the aid of protection.

The quality of the paper produced vary. Raite, though he says that bamboo can compete with any other raw material, but the more general opinion appears to be that the falling quality of esparto, is not quite so good as bamboo for the highest class writing and printing but that bamboo pulp papers and can compare favourably with that material.

The manufacture of bamboo paper in Japan, China and India, though little information is available, is not, apparently, on a very large scale.

It is similar to manilla as a paper making material.

Before dealing with the point raised by Mr. Clauson, there are certain statements made by the promoters of the scheme that require comment. In the first place it is said that the products of the country would compete mainly with esparto pulp but it is noted from Dr. Goulding's report that the bamboo pulp or a mixture of bamboo and aisal would furnish papers of similar strength and quality to wood pulp papers and also that the pulp is similar to sulphite wood pulp. This being so, it would appear that the price it is hoped to realise (£12 per ton) is too high to compete in any except local markets, the present price of "special" quality

bleached sulphite, C.I.F. East Coast, varying between £10 and £11 per ton. It is also stated that it is proposed to make packing and wrapping paper "practically the whole of which is at present produced outside the Empire". This is not correct for British production in 1930 amounted to 202,000 tons, valued at over £4 million and production has increased since that time. The U.K. is also largely interested.

On the question of competition in the same market we can raise no objection as regards pulp; practically all the varieties with which bamboo can compete are imported. There is not sufficient information to show whether the Company could compete successfully in the home market for paper, but I am inclined to think that freight charges would more than offset any advantages to be gained by cheap labour. In any event, however, it would not appear practicable to impose the suggested condition, as there is hardly any variety of paper that would not now compete with British manufacture.

Another danger that must not be overlooked is local competition - apart from cigarette paper, most of the paper exports into Kenya come from the United Kingdom. In 1930 the value was worth £40,000, mainly stationery but some printing paper. Other markets must also be considered, it is possible that an undertaking would supply some parts of Africa, including important South African markets. On this point the Committee will be able to give further information.

Yours faithfully,  
[Signature]

~~The information is given in the letterhead memorandum, dated 1930, which would have been available to the Committee in connection with this subject. The data in the above information available at present is therefore not complete. Mr. Carr has obtained further information from the~~

Mr. Carr seems to think that Mr. Carr proposes an export of pulp and paper. I am not altogether clear, however, that this is the case. In the first place it may be noted that the short financial statement enclosed with Mr. Carr's letter of the 19th April is on the basis of pulp manufacture. The possibility of paper also being manufactured seems to arise from page 2 of the same letter. In the first paragraph of that page he refers to the production of paper pulp from bamboo, and to the price which he anticipates he will obtain. In the next paragraph he refers to "certain types of paper which the factory will manufacture" which will have special insulating properties and realise a higher price. The "higher price" can only refer back to the price for pulp already quoted, and what I think he has in mind is the production of pulp for making cable or insulating paper, i.e. "paper" should be "paper pulp". This is borne out by the fact that the beginning of

bleached sulphite, c.i.f. East Coast, varying between 200 and 250 per ton. It is also stated that it is proposed to make packing and wrapping paper "practically the whole of which is at present produced outside the Empire". This is not correct as British production in 1930 amounted to 202,000 tons, value of over 24 million and production has increased since that date. The Government is also largely interested.

On the question of competition with the new pulp, it is not possible to raise no objection as regards pulp; practice is to import pulp with which bamboo can compete are imported. There is not sufficient information to show whether the proposed pulp can compete successfully in the home market for paper, but I am inclined to think that freight charges would more than offset any advantages to be gained by cheap labour. In any event, however, it would not appear practicable to impose the suggested conditions, as there is hardly any variety of paper that would not now compete with British manufacture.

Another danger that must not be overlooked is the possibility of competition - apart from cigarette paper, most of the paper imported into Kenya come from the United Kingdom. Last year the total value was £40,000, mainly stationery but some packing and wrapping. Other markets must also be considered, so it is possible that the proposed undertaking would supply many users of paper, including the important South African markets, as well as other countries which are competitors in India and the near East.

(Signed) Kerr

It is difficult to believe that the Advisory Committee could have provided the £60,000 in respect with this sum as the total of information available. Possibly there are other sources from which Mr. Kerr has obtained further information from him.

Mr. Clausen seems to think that Mr. Kerr's proposal is for both pulp and paper. I am not altogether clear, however, that this is the case. In the first place it may be noted that the short financial statement enclosed with Mr. Kerr's letter of the 19th April is on the basis of pulp manufacture. The possibility of paper also being manufactured seems to arise from page 2 of the same letter. In the first paragraph of that page he refers to the production of paper pulp from bamboo, and to the price which he anticipates he will obtain. In the next paragraph he refers to "certain types of paper which the factory will manufacture" which will have special insulating properties and realise a higher price. The "higher price" can only refer back to the price for pulp already quoted, and what I think he has in mind is the production of pulp for making cable or insulating paper, i.e. "paper" should be "paper pulp". This is borne out by the fact that the beginning of

At this point, the product would be sold to the market which varies between 20 and 30 percent. Please be aware that the entire production of the Ranga project is being sold to the market. If the Ranga project is successful, it will be a major source of production of asbestos, and it is expected that the production of this material will be increased to 100,000 tons per annum.

It is anticipated that they will use available 1,000 tons of soda per annum which he thinks will find a ready market in India. The price which he anticipates he will obtain is £12 a ton, presumably c.i.f. Indian ports. The present some quotation for such soda is £13 to £14 a ton according to quality, but the quality is probably lower and is, I believe you said, inferior to the material Mr. Kerr, unless he were prepared to do the work, might have some difficulty in disposing of his product. In any event this material might tend to displace some of the output in India which ranges from 8,000 to 12,000 tons a year.

In view of the position about pulp, there are clearly some objections to the U.K. Government assisting the Ranga, especially as the paper industry is not so satisfied with the recent trade agreements. I have much doubt whether Mr. Kerr will manufacture paper at all, and, if not, it might be better to let him know the condition that he should not proceed to paper production, at any rate so long as the conditions are unpaid.

Intld) R.Y.

1st November, 1933.

November 3

3126/1/8

Sir,

I am directed by Secretary Sir Philip Cunliffe-Lister to refer to your conversations of the 16th of October in this Office with Sir [unclear] and Sir John Campbell, on the subject of the establishment in [unclear] of a factory for the production of bamboo pulp, for which financial assistance will be sought from the original [unclear].

1. The Secretary of [unclear] record of the [unclear] submitted to the [unclear] Committee is an [unclear] important part [unclear] from Bombay [unclear] of a vegetable oil [unclear].

2. Sir Philip Cunliffe-Lister [unclear] you will recognise that the [unclear] financial assistance which was given to the original [unclear]

SECRET

CHARLES UDALL, ESQ.

scheme, cannot be extended to the revised and enlarged proposals until Government has had an opportunity of examining them; and he has no doubt that, as you undertook the interview, you will in due course submit a copy of the scheme, as finally modified.

I am,

Sir,





wrapping paper.  
The present position  
is that the ~~the~~ Advisory  
Committee have provisionally  
advised the grant of  
£50,000 in interest on  
£500,000 for two years,  
on condition that the  
money is raised, but the  
project is at present  
hanging fire a little  
on the question of actually  
raising the cash.

So far the words of the  
promoter have been taken  
for the statement of the  
project with  
complete  
Dignity

I have  
to make  
enquiries  
As far as I am  
concerned to  
be true, but  
wasn't, there seems to  
reason why Kenya should  
not supply the U.K.  
with pulp just as much  
as Canada.

But when we get to  
take it down to me

G. O.  
Mr.  
Mr.  
Mr.  
Mr. Parkinson  
Mr. Tomlinson  
Sir C. Bellamy  
Sir J. Shackleton  
For the U.S. of S.  
Partly, U.S. of S.  
Secretary of State

DRAFT

REPRODUCTION SECTION

32  
that the position may well  
be different & that the  
U.K. paper mills might  
start complaining bitterly  
of the competition, particu-  
larly if the undertakings  
were financed with public  
funds provided by the U.K. or

Could you very kindly  
let me know whether you  
think there is any danger  
of this? If so, we might  
perhaps start off

discussions on the  
subject  
I think the important point  
is to get a clear  
understanding of the  
situation  
I am sure

should be worked out  
they do they expect  
we continuing to supply  
right of free entry for  
their products into the  
U.K.

Yours ever,  
Apt. G. L. M. Blawie

COPY.

THE CENTRAL NEWS LIMITED.

General Managers' Department,

5, New Bridge Street,

LONDON, E.C. 4.

21st August, 1932.

Major Conrad Walsh,  
Messrs. Matheson & Co. Ltd.,  
3, Lombard Street,  
E.C. 4.

Dear Major Walsh,

I have to acknowledge with thanks receipt of your letter of yesterday's date, in reply to mine of the 29th instant. I am, in conjunction with Mr. Kerr, drawing up a summary of estimates, costs of production, etc., and will let you have same early next week. We are awaiting the final confirmatory figures from the contractors, but Sir Felix Pale and Mr. Mackenzie promised me on Monday that these should be sent to us within the next day or two.

When these further details are in our possession, Mr. Kerr and myself will be pleased to discuss them with you, as you suggest, on any convenient occasion.

Yours very truly,

(sgd) E. Hugh Herbert.

construed as an offer of the business, though doubtless when our plans are complete, we shall be glad to discuss matters more closely with you; and by that time, from the preliminary details made available, you will be able to gauge the extent of the interest of yourself and your associates.

When Mr. Kerr and I saw you, we gave you tentatively the capital scheme of the Company, and gathered from our telephoned conversation that you considered that this scheme might possibly be altered with advantage. I will not, therefore, at this juncture make any further observations in that connexion, except to reiterate that any scheme which protects the vendors' interests and does not necessitate any variation in the terms of the guarantee obtained from the Colonial Development Fund will doubtless be acceptable.

The Company's output will be 40,000 tons of pulp and paper, from 100,000 tons of raw material, viz., macerated wood. The macerating plant will be situated at Kijabe on the borders of the concession, and the pulp-factory on the hill at Nkahanu. Arrangements in respect of both are now being practically completed.

The Company will manufacture its own chlorine gas and electric power for its own requirements, and there will be a reserve of 5,000 tons of chlorine gas for emergency requirements.

The price of the 40,000 tons of pulp, it is estimated, will be about 100 shillings per ton. Such pulp is suitable for making paper, but for other purposes, the price is about 120 shillings per ton. The price of the paper will be about 150 shillings per ton.

The quality of the 40,000 tons of pulp is of the highest. The quality of both the pulp and paper has been guaranteed by the Imperial Institute, and offers to purchase pulp or paper made by the

Company's chlorinating process from Algha bamboo have already been received at price in excess of all other offers. These offers have emanated from firms supplying the Stationery Office, and the Stationery Office itself has stated that it will do its best to encourage the use of Kenya pulp and paper, even to the extent of giving a small cash preference. It has, of course, been explained to the firms in question that the Company is not in a position to deliver for over a year. The cost price of the pulp to the Company is rather under £8. per ton c.i.f. London and the cost price of the wrapping paper is slightly in advance of this figure. The profit margin on the pulp, therefore, is around 10% and on the wrapping paper, around £2. per ton.

All the points relative to the quantity of the paper and pulp will, of course, be cleared by reports in the prospectus. The production of suitable goods will be undertaken as a matter of course and the goods will be produced in this country.

SATUINI,

LIMURU, KENYA.

*W. J. G. G. G.*  
11th. August, 1953.

A.C.C. Parkinson Esq., C.M.G.  
Colonial Office,  
Downing Street,  
London, S.W. 1.

Dear Parkinson,

I was glad to get a line from you and thank you for what you say about the Bamboo Pulp Scheme and I quite understand the difficulty of the position in fact I have felt I should not have bothered Bottomley at all - but you know how it is, one wants to explore every avenue of help these times as I am feeling my inactivity very much indeed

Unfortunately I have no further news to show the position has changed.

You seem to have got East African weather your side this year, here we are still suffering from drought accompanied in our case with cold and misty weather.

The only excitement now a-days is the sessions of the Executive Council and the strong feeling that

AIR MAIL



22

KENYA

No. 475

GOVERNMENT HOUSE  
NAIROBI  
KENYA

39

RECEIVED  
22 AUG 1933  
REGD

1st August, 1933.

Sir,

No 18

I have the honour to acknowledge receipt of your despatch No. 552 of the 19th July and enclosures on the subject of the issue of an advance to this Government of £60,000 from the Colonial Development Fund, upon certain stated terms and conditions, in connection

with the proposed acquisition of land for the purpose of the construction of a road from the Government of Kenya.

The Government of Kenya will be prepared to undertake responsibility for meeting the loan charges.

No 9

As was indicated in Sir Joseph Byrne's telegram No. 98 of the 17th May last, whilst this Government is anxious in general terms to encourage the establishment of a new industry, it has no information

whatever --

THE RIGHT HONOURABLE,  
MAJOR SIR PHILIP CUNLIFFE-LISTER, P.C., G.B.E., M.C., M.P.  
SECRETARY OF STATE FOR THE COLONIES,  
DOWNING STREET,  
LONDON, S.W. 1.

whatever regarding the details of the scheme and  
regret that it is not possible to accept any  
liability for the payment of loan charges. In trust,  
therefore, that the Lords Commissioners will be  
of the scheme should be supported.

I have the honor to be,

Sir,

Your most obedient, humble servant,

*Mr. Wilmore,*

ACTING GOVERNOR.



C. O.

Mr. Fawcett 15/7

Mr. Flood 15/7

Mr. Parkinson

Mr. Tomlinson

Sir C. Bottomley

Sir J. Shuckburgh

Perms U.S. of

Party U.S. of

Secretary of State

AIR MAIL

C.D.  
17 JUL  
1938

19 1938

DRAFT.

Kenya

OAB

N<sup>o</sup>. 532

7) In reply to my despatch N<sup>o</sup> 339 of the 17<sup>th</sup> of May, I have recd. to transmit to you for your info copies of further correspondence in regard to the proposed establishment of a factory in Kenya for the manufacture of paper, pulp & related products from bamboo waste.

2. You will observe from this corresp. that H.M.S.G. have now approved the issue from the C.D.F. of your Govt. of an advance of £60000 to be lent to the Company which will control

~~C.D.F. 16/7~~  
 (15) 15/7  
 From C.D.F. 3/7  
 (15)  
 To T.G. 1/7  
 (15)  
 From T.G. 1/7  
 (16)  
 To Home 1/7  
 (cont. all) (17)

copy to Treasury 16/7

Copy (for records) to C.D.F. T.G. L.P.F.

The indentations upon certain  
stated terms and conditions.

3. I shall not fail to  
notify you of further developments  
in regard to the steps taken  
by the promoters to comply with  
the various stipulations attached to  
the loan.

(Sgd.) P. OUNLIFFE-LISTER

3126/35

Kenya

4217

Approved by No 19

18 JUL 1935

C. O.  
Mr. F. H. 15/7  
Mr. H. 15/7  
Mr. Parkinson  
Mr. Tomkinson  
Sir C. Bottomley  
Sir J. Stubbings  
Her Majesty, U.S. of S.  
Parly, U.S. of S.  
Secretary of State

DRAFT

W. T. K. E. 1/1

Sir

I am very glad to refer to previous

Copy to LFF

2/16

Sir V. Campbell etc, etc

...  
...  
... considered by the ...  
... on the 22<sup>nd</sup> of June ...  
... recommendation, and with the consent  
... of the Treasury, the ... has  
... been approved an advance from  
the Colonial Development Fund on the

following terms and conditions.

3. The sum of £60,000 will be advanced to the Government of Kenya which will lend it to the company which is to be formed for the purpose of establishing the factory. The loan from the Kenya Govt to the Company will bear interest at 5% per annum, and will be repayable by that Company to the Govt within ten years, or earlier at the Company's option. The loan will rank as a first charge against all the assets and undertakings of the Company.

~~4. The loan will be repaid by the Company to the Government of Kenya within ten years, or earlier at the Company's option.~~

4. H.M.'s Treasury and the Chairman of the C.D.A.C. have been consulted by the Company for the provision of the whole of the capital required by the new undertaking, for both equipment and working capital: and (b) the personnel which it is

- C.O.
- Mr.
- Mr.
- Mr.
- Mr. Parkinson
- Mr. Tomlinson
- Sir C. Bottomley
- Sir J. Shackleton
- Permt. U.S. of S.
- Permt. U.S. of S.
- Secretary of State

**DRAFT.**

proposed should constitute the Company. Board of Directors in London has received the approval of H.M.'s Treasury and the Chairman of the C.D.A.C. 5. You will, no doubt, notify this Department, in due course, of the steps which it is proposed to take in order to comply with the stipulations contained in the proposed conditions of the loan.

THE CHIEF CLERK

TREASURY

WHITKRA 124



EXCHEQUER CHAMBERS

Sir

Reference is made to the letter of the 10th inst. of

His Majesty's Treasury of the 10th inst. of the 10th

No 10

instant (3126/33) signed by the Secretary of the Treasury

concurring in the

advice of the

of the 10th inst. of the

from the Colonial Secretary of the

London on the 10th inst. of the

The purpose of the

utilize the same for the

railways

(S) 10/11/33

RECEIVED  
11/11/33

The Under Secretary of State  
Colonial Office

(c) definite arrangements, satisfactory to His Majesty's Treasury and to the Chairman of the Committee, to be first made by the company for the provision of the whole of the capital required by the new undertaking for both equipment and working capital;

(d) the personnel which it is proposed should constitute the company's Board of Directors in London to receive the approval of His Majesty's Treasury and the Chairman of the Committee.

8. My Lords note that the Secretary of State is of opinion that the present budgetary position of the Kenya Government does not permit of its entering into any financial commitment in connection with the proposed loan. The Colonial Development Advisory Committee however, think it would be unfortunate if the scheme were abandoned with owing to this particular difficulty, and they think that whilst the loan must necessarily be repaid by the Government of Kenya, that Government should be enabled to meet the repay to the Imperial Treasury, and that the Government themselves receive from the loan the necessary equipment and capital repayments.

3. In reply I am to request you to inform the Secretary of State that, in view of the benefits to the trade and revenues of Kenya which may be anticipated from the scheme, My Lords would, in normal circumstances, expect the Government of Kenya to undertake the responsibility for meeting the charges on the loan from the Fund. They recognise, however, the present financial difficulties of the Government, and they are prepared to agree to the special treatment proposed in the present instance.

A copy of this letter has been sent to the

Secretary of the Colonial Development Advisory Committee  
and to the Crown Agents for the Colonies.

I am,

Sir,

Your obedient Servant,

*R. V. Nichol*

46 15

C 80



Mr. Freeton

Mr.

Mr.

Mr. Parkynson

Mr. Tomlinson

Sir C. Bottomley

Sir J. Shuckburgh

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

3126/63 Kenya

C.D.  
R 5-JUL  
D 6

Answered by No. 16  
\$3

6 July, 1963

Sir,

**DRAFT.**

THE SECRETARY,

THE HOUSE OF COMMONS,

I am etc. to refer to  
the letter of the 3rd of July  
from the Secretary of the C.D.A.C.

(C.D.A.C. 1963) administering the  
scheme for the establishment of a  
parliament of Kenya

as stated, to  
the establishment of a

for converting organic  
and animal waste into paper pulp and  
kindred products.

3. The S. of S. is glad to  
note that the scheme, which has  
already met with the approval of  
himself and the Governor of Kenya,  
is warmly supported by the C.D.A.C.

117

and he trusts that the L.Crs. of  
the Treasury will give their sanction  
at an early date for the desired advance  
from the <sup>Ch. Development Fund</sup> ~~S. of S.~~ He feels sure that  
Their Lordships will share his view  
that the present budgetary position  
of the Kenya Government does not permit  
of its entering into any financial  
commitment in connection with an enterprise  
which, however promising, is none the less  
speculative.

3. On receipt of Their Lordships'  
authority for the advance, the S. of S.  
proposes to inform the Govt. of Kenya  
and the promoters of the scheme that  
no actual issue from the Fund will be  
made pending satisfaction with the  
conditions stipulated in para. 3 (b), (c)  
and (d) of the Committee's letter under  
reference.

I am, etc.

(Signed) J. E. W FLOOD



Communications on this subject should be addressed to

THE SECRETARY

Telephone ~~XXXXXXXXXX~~  
Whf: 9191



14  
COLONIAL DEVELOPMENT ADVISORY COMMITTEE,  
COLONIAL OFFICE,  
DOWNING STREET,  
S.W.1

E.D.A.C. 1271.

3rd July, 1933.

Sir,

C. O.

I am directed by the Colonial Development Advisory Committee to request you to inform Secretary Sir Philip Cunliffe-Lister that, at their 58th Meeting on the 28th June, they had before them an application on behalf of the Government of Kenya for the grant of a licence to the Colonial Development Fund to establish an industrial plant in Kenya of an industry for the manufacture of paper from bamboo and sugar cane. It is stated that the plant has the advantage of being able to produce paper of a quality superior to that of Mr. Kerr and Mr. Herbert, and of being able to produce paper of the weight which it is proposed should be produced and operate the same undertaking.

2. The Committee have examined this scheme in detail as a result of that examination and their discussion with Mr. Kerr and Mr. Herbert, they have been impressed by the care with which the scheme has been drawn up, and the tests which have been made to determine the feasibility of the processes which it is proposed to adopt. They

The Under Secretary of State,  
Colonial Office.

*Handwritten notes:*  
1271  
1271  
1271

are assured that no technical difficulties in treating the bamboo are likely to be encountered; that there is a ready market at a profitable price both for the insulating paper and the paper pulp which it is proposed to produce, and that the material to be produced by the undertaking would not compete with similar material produced elsewhere in the British Empire. In short, the Committee consider that the scheme is a promising commercial venture, which if successful should prove of considerable benefit to Kenya. It is a scheme which, in the Committee's view, is eminently suited to which assistance might be given in its initial stage.

The assistance applied for took the form of a loan to the company at a rate of interest. In view of the fact that the undertaking is anticipated by its promoters to be a highly remunerative one, the Committee see no objection to the rate of interest should be given from 5 per cent and they understand that the promoters consent in principle. The Committee accordingly recommend that a loan of £25,000 should be made to the Government of Kenya to

be lent to the proposed company on the following

terms, and subject to the following conditions:-

- (a) the loan to bear interest at 5 per cent, repayment to be made by the company to the Government of Kenya within 10 years, or earlier at the option of the company;
- (b) the loan to rank as a first charge against all the assets and undertaking of the company;
- (c) definite arrangements, satisfactory to His Majesty's Treasury and to the Chairman of the Committee, to be first made by the company for the provision of the whole of the capital required by the company for both equipment and working capital;
- (d) the persons named in the memorandum of association of the company to be approved by His Majesty's Treasury and the Chairman of the Committee.

In the event of the Government of Kenya not making the loan, the company should be able to raise the necessary capital by other means. The Committee are aware of the present difficult financial position of the Government of Kenya, and in the circumstances, they consider it not unreasonable that their

Government should not assume any further financial liability, even when that liability is of a contingent character and, so far as one can judge, likely to involve little risk of loss. It would, in the Committee's view, be unfortunate if it were not possible to proceed with the scheme owing to this particular difficulty, and they suggest therefore that it should be agreed by His Majesty's Government in the United Kingdom (who must necessarily have a direct interest in the preservation of financial stability in Kenya) that the Kenya Government should be under an obligation to repay to the Imperial Exchequer only such sums as they themselves receive from the company in repayment of the advance which they would make to the company and in respect of interest should the Committee's recommendation be accepted. It will be recollected that a somewhat similar arrangement was made in connexion with the advances made by the Government of Sierra Leone to the Sierra Leone Development Company.

5. A similar letter is being sent to the Treasury.

I am,

Sir,

Your obedient servant,

*J. S. Williams*

Secretary to the Committee.



SERIES 2 had characteristics practically the same as those of modern insulating papers, although it would be desirable to get its breaking load up to that of Series 5 or 6.

The high elongation of the bamboo papers are also very good and are superior to those of most wood pulp insulating papers.

The sisal paper was a very interesting paper and its elongation was very high. This paper did not withstand heat-treatment so well as the bamboo papers, but it is possible that this could be improved.

The gummy air porosity of this sisal paper was also higher than is found desirable for cable insulating papers, as such a paper would take a long time to impregnate. The paper could, however, probably be

Answered by No. 4

C. D. A. C. 1203.

COLONIAL DEVELOPMENT ADVISORY COMMITTEE.

I circulate herewith, for consideration by the Committee, a memorandum prepared in the East African Department of the Colonial Office, submitting on behalf of the Government of Kenya an application for assistance for the establishment of an industry in Kenya Colony for the manufacture of paper pulp from bamboo and sisal waste.

The usual summary of answers to the Scheduled Questions is prefixed.

J. B. WILLIAMS,

Secretary to the Committee.

COLONIAL OFFICE.

16th June, 1933.

SUMMARY OF ANSWERS TO "SCHEDULED QUESTIONS"

1. Description. Establishment of a pulp factory in Kenya to utilize bamboo and also...
2. Estimated total cost £950,000
3. Date of commencement Installation will begin as soon as funds are available and have been arranged.
4. Date of completion Output would commence 12 months later.
5. Allocation of cost Local: about one-third.  
U.K. about two-thirds
6. Reasons for not undertaking work before A new scheme
7. Method of financing £950,000 capital to be raised by promoters, interest on £600,000 of which would be found for two years from the Colonial Development Fund
8. Administrative ...
9. ... ...
10. ... ...
11. ... ...
12. Amount required in financial year

(a) 1955-56	£15,000
(b) 1956-57	£50,000
(c) 1958-59	£15,000

SUMMARY OF ANSWERS TO "SCHEDULED QUESTIONS"

1. Description. Establishment of a pulp factory in Kenya to utilize bamboo and other local raw materials.
2. Estimated total cost £930,000
3. Date of commencement Installation will begin as soon as funds have been arranged.
4. Date of completion Output would commence 12 months after commencement.
5. Allocation of cost Local: about one-third  
U.K. about two-thirds.
6. Reasons for not undertaking work before A new scheme

7. Method of financing £930,000 capital to be raised by promoters, interest on £500,000 of which would be found for two years from the Industrial Development Fund.

B. Advantages

- (1) ...
- (2) ...
- (3) ...

10. Availability of raw materials ...
11. Availability of labour ...
12. Availability of capital ...

C. Financial Projections

<u>12. Amount required in financial year</u>	
(a) 1953-54	£15,000
(b) 1954-55	£30,000
(c) 1955-56	£15,000



10, Ashburnham Gardens.

Chelms, 10.

19th April 1935.

The Right Hon. Sir Philip Cunliffe-Lister,  
G.B., M.C., W.P.  
Secretary of State for the Colonies,  
The Colonial Office,  
Downing Street, S.W. 1.

Sir,

I beg to make formal application for a financial grant from the Colonial Development Fund to assist in the formation of a Company to establish a new paper-making industry in Kenya.

The basis of this undertaking will be the waste forest mannanila situated at Kijabe in Kenya, adjacent to the railway. This mannanila was sold in 1931 to Mr. O'Shane, with whom I am in communication whom I have full powers to act in this matter.

The proposed new undertaking will deal with 100,000 tons of mannanila transported by rail the mannanila from the factory at Mombasa, as the sea-front will convert the crushed mannanila into pulp by chlorinating process; one station of the undertaking outlined to manufacture the necessary chlorine gas and caustic soda from sea-water by electrolysis. The Admiralty has kindly supplied me with an analysis of sea-water at Mombasa, and the analytical content of the water is entirely suitable for the Company's purposes. The sites for macerating plant at Kijabe and for the main factory at Mombasa are under offer to the new undertaking, on suitable terms. The railway freight charges which the undertaking will pay on its raw materials from Kijabe to Mombasa

advance to cover interest at, say, five per cent per annum could be given on the above-mentioned sum of £200,000 for a period of at least two years, while the construction and erection of plant is being proceeded with, and the new industry is being launched.

From trials on samples of pulp made from bamboo by the soda-lime process, which the new undertaking will utilise, there is no doubt as to the feasibility of the new plant, but aid extended by the Government Development Fund on the lines suggested would be invaluable in helping to bridge the long wait for interest on the debt capital for establishing the industry, before the profit-earning stage is reached. The amount of such assistance payments could be regarded as a loan, which would be redeemed by the Company in due season, or converted into equity shares at the option of the Government and the Kenya Government.

The total amount of capital required for the undertaking will be £250,000 to £300,000, including working capital, contingencies and formation expenses. In view of the assistance now petitioned, the difficulties in raising the additional £100,000 on the equity of the undertaking. Mr. Mall and the undersigned will vest the bamboo concession in the new company for a share consideration only.

In venturing to submit the above request for your consideration, I beg to point out:-

that the establishment of this new industry in Kenya will give profitable local employment to seven Europeans and 500 natives at Elgeyo, and three Europeans and 600 natives at Mombasa;

that it will imply the transport of 100,000 tons of raw material per annum over the railway from Elgeyo to Mombasa; (It can be arranged that this movement be regulated so as not to inconvenience the railway at peak periods during the crop movements)

that it will enable an expenditure of over £500,000 to be made with the best type of British machinery and

that it will set up an Empire production of paper (viz. of the packing and wrapping category) practically the whole of which at present is imported into the Empire. The import of this class of paper in 1912 totalled 209,531 tons, valued at £3,700,000 and in 1913, 159,100 tons, valued at £2,728,000.

I sincerely hope, you entertain my proposal favourably. I will refer the matter to the Committee of the Colonial Development Fund. I will, of course, hold myself at the complete disposal to reply to any queries they may desire.

I have, etc.

(Sgd) W.F.K.M.H.

the establishment of this new industry in  
five profitable local employments of seven  
and thirty has, and 500 machines and thirty  
and 500 machines of horses;

will imply the transport of 100,000  
over the railway and the  
it can be arranged that the  
of for an on the  
(statements) during the crop movements

will enable an expenditure of over  
with the best type of British

set up an Rapid production of  
of the packing and wrapping  
the whole of which at present  
The import of this  
valued at 25,000  
valued at 25,000

you enter my proposal to  
the Committee of the Colonial  
course, hold myself  
to any queries they may have

I have, etc.

(Sd/-) W. T. R. M.

Progressive list of Firms which will be  
required to supply Plant and Machinery

Babcock & Wilcox Ltd.

Belliss & Morison, Ltd

Mirless Watson & Co. Ltd.

Charles Walmsley & Co. Ltd.

Bertrams, Ltd. with

A. & J. Main & Co. Ltd

The British Thomson-Houston Co. Ltd.

A. & Smith & Co. Ltd. Glasgow

Gilbert Gilkes & Gordon, Ltd.

James Bertram & Co. Ltd. Edinburgh.

W. & A. G. Ltd

Investigative List of Firms which will

Manufacture Paper and Pulp

K E N Y A

1954

MINING DEPT

24th April 1954

I have the honour to transmit to you, for your consideration, a copy of a letter from Mr. Kerr, applying for assistance from the Colonial Development Commission for the establishment of a paper-making industry.

Mr. Kerr has been informed that, under the provisions of the Colonial Development Act, advances from the Government of Kenya to a Colonial Government, and that, if necessary, if his application is to be considered by the Colonial Development Advisory Committee, the Government of Kenya should support the scheme and should express its readiness to act as intermediary between the Fund and the promoters.

The details of the proposal have been discussed by my advisers with Mr. Kerr, who has returned favourable comments on the various points put to him. It will, however, be noted that the present scheme differs in certain particulars from the somewhat similar

scheme which was examined by the Government on a previous occasion.

The advantages, both to the Colony and the Uganda Railway and Harbours Administration of establishing the projected industry are self-evident.

Yours faithfully,  
RUFUS HINNY, K.C.H.O., K.B., C.B.  
etc. etc. etc.

1948

have the honor to transmit to  
you a copy of a letter from  
the Colonial Secretary  
Department of a paper-

been informed

Department of

Colonial Secretary

his application

the holder

the Railway Administration

the position

As regards the form in which the desired financial  
assistance should be granted, I should propose  
represent to the Colonial Development Advisory Committee  
that the Government of Kenya is not in a position  
to incur any financial responsibility directly  
in the matter.

I should like to know whether you  
intend to submit the application to the  
Development Advisory Committee of an application based  
on Mr Kerr's letter of the 19th of April. In the event  
of an affirmative reply it will be convenient if you can  
confirm the following statements in Mr Kerr's letter:

- (a) That he has full power to act for Mr Uden,
- the holder of the bamboo forest concession,
- (b) That a site for the crushing plant at Kijaba  
is under offer from the Railway Administration. (As  
regards the Kombasa site I am aware of the position  
from paragraph 5 of your despatch Kenya-Uganda  
No. 49 of the 31st March).

c. In the event of your being prepared to support  
the application it is desired to place it before the  
Colonial Development Advisory Committee at their meeting  
towards the end of May. I have, therefore, to request  
that your reply to this despatch may be communicated to  
me by telegram.

I have, etc.  
(Sgd) PLYMOUTH.  
(for the Secretary of State)

Telegram from the Governor of Kenya to the Secretary of State  
for the Colonies.

Dated 17th May. Received 4.50 p.m. 17th May, 1933

No. 19.

Your despatch of 24th April No. 272. I am sorry to hear that  
the railway industry and gladly support application to  
the Development Fund as you propose in paragraph 4  
of the report. Mr. Udall has sent power of Attorney to Ken.  
The railway freights charges are not fixed in concession but  
the railway has quoted tariff of 25/- per ton. Understand it  
may not be possible for the Company to regulate movement  
during the non-peak periods. The railway is not  
advised to be arranged by the Company. It is  
at present not clear whether the railway is  
likely to be able to handle the traffic  
proposed. It is not clear whether the  
proposed concession will be granted.  
Instead of the railway being able to handle  
it is clear that the railway is not  
any technical details of the proposed  
concession may be prepared and  
fully considered on their merits in due course. Also I should  
it clear to Udall that the proposed Mbaraki Factory  
will have to be substantiated to local authorities if it is  
to be erected at Mbaraki. Moreover no details concerning  
water required at Mbaraki have been submitted.



10 Ashburnham Mansions,

Chelsea, S.W. 10

May 9th, 1933

The Under Secretary of State,  
Colonial Office, S.W. 1.

Sir,

I have the honour to acknowledge receipt of your letter of April 27th, and in reply to the enquiry of March 21st referring to the expenditure of £600,000 on equipment and how we propose to provide for this.

Before the application for assistance in providing for the interest on expenditure during the construction period was made, it had been ascertained from several firms who were asked to quote for plant, that terms could be arranged for spread payment over a given period.

Since this application however, was set in motion that may, we trust, and the construction of the whole plant being placed at the contractor, who would undertake responsibility for the efficiency of the scheme as a whole. This was materially assisted if it were known that the Personnel Committee had requested the scheme and assistance from their resources. If in the definite arrangement is come to, I will at once communicate the name of the firm.

An error was made in the letter of April 19th in stating that the freight charges for conveyance of bulk pulp were included in the lease, at 22/9 per ton. This should have been the conditions of Tender, given in the issue of the Kenya Official Gazette of April 1st, 1930



27th April 1948

I am directed to acknowledge the receipt of your letter of the 19th of April, and to inform you that your application for assistance from the Colonial Development Fund in connection with the establishment of a factory in Kenya has been referred to the Governor of Kenya by the Secretary of State on the 20th of April. Your application will be addressed to you when the necessary information (which has been requested) is furnished by the Kenya Government and considered.

The fourth page of your letter under reference states that if the necessary assistance is granted from the Colonial Development Fund, you will be responsible for raising the additional capital required to meet the equity of the undertaking. In view of the fact that the Secretary of State will be interested to know what steps are being taken to obtain the necessary capital required for plant, etc.; and I am to advise you that I am in a position to furnish

the following information on this point which could be of assistance to the Kenya Government and (if necessary) to the Colonial Development

Administration.

I am, etc.

(Sgd) J. S. F. Flood.

FEDERAL BUREAU OF INVESTIGATION

LONDON, S. P. 7.

May 10th, 1935

Dear Mr. Kerr

With reference to our interview on the  
6th instant I enclose, in duplicate, a short report  
on the samples of bamboo and eical pulps which  
you left with me, and I trust that it will be

of interest to you.

Report on

BAMBOO AND SICAL PULPS PREPARED BY THE POMILO PROCESS.

The small samples of pulp prepared from the East African bamboo (Arundinaceae) and sical hemp were submitted to the Imperial Institute by Mr. J. J. J. They consisted of bleached pulp which were of excellent colour and equal in appearance to sulphite wood pulps of good quality. It was desired to obtain evidence as to the suitability of the pulps for the manufacture of strong wrapping paper for cable insulation.

Preliminary inspection and microscopical examination of the pulps showed that the fibre had not been injured during the course of preparation. The ultimate fibres exhibited the typical form and appearance of bamboo and sical fibres respectively and were found to have the following dimensions:-

	<u>Length in mm.</u>		
	<u>Minimum.</u>	<u>Maximum.</u>	<u>Average.</u>
East African Bamboo	1.4	4.5	2.7
East African Sical	1.7	5.3	3.0

	<u>Diameter in mm.</u>		
	<u>Minimum.</u>	<u>Maximum.</u>	<u>Average.</u>
East African Bamboo	0.0076	0.0381	0.0188
East African Sical	0.0076	0.0330	0.0211

These measurements agree with those previously observed at the Imperial Institute for the ultimate fibres of the East African bamboo and sical hemp.

Report on

PULPS PREPARED BY THIS FORM

Small samples of pulp

from East African bamboo (African)

submitted to the Institute

of Research of the

Department of

Chemistry

of the University

of Cambridge

England

1950

1951

1952

1953

1954

1955

1956

1957

1958

1959

1960

1961

1962

1963

1964

1965

1966

1967

1968

1969

1970

A list of each pulp prepared by this form is given in the Appendix to this report.

The results of the tests carried out on the various pulps are given in the Appendix. It will be seen that the pulps prepared from East African bamboo are of a quality comparable with those prepared from other sources.

It will be seen that the pulps prepared from East African bamboo are of a quality comparable with those prepared from other sources. The results of the tests carried out on the various pulps are given in the Appendix.

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The results of the tests carried out on the various pulps are given in the Appendix. It will be seen that the pulps prepared from East African bamboo are of a quality comparable with those prepared from other sources.

67

In view of the strength of the paper furnished by Sisal pulp it is possible that its addition to bamboo would add the necessary strength to the latter to enable the mixture to serve for the production of a satisfactory insulating paper.

Paper thus produced from pulp of the quality of the samples supplied by Mr. Kerr would probably give strong sheets of close, even texture, good "look through", and capable of standing the impregnation treatment commonly applied to insulating papers.





4 The question of the production of the manufactures of water for power lines result with in the production of water and steel pumps prepared by the Government of Kenya. It is considered that the Government of Kenya should be able to meet the demand for water for power lines from non-British sources.

5 The Government of Kenya has proposed an advance from the Fund to the Government of Kenya of the plant to be purchased by the preference shares of the Company, to a total amount of £500,000. In addition, a further £500,000 will be raised from the sale of shares of the Company.

The Government anticipate that the placing of the shares will be materially assisted if the Colonial Development Advisory Committee were prepared to support the Government. They suggest, therefore, that an advance to the Government of Kenya of 5 per cent on a sum of £600,000 should be made for a period of two years, involving the payment of £300,000 from the Fund. It will, therefore, be the responsibility of the Government of Kenya to meet any financial responsibility in the matter.

The Secretary of State desires to suggest, for the consideration of the Committee, that an advance be made from the Fund to the Government of Kenya of £50,000 (or such less sum as may be required to meet interest at 5% for 2 years on the Preference shares actually issued); on the understanding that this amount will be passed on by that Government to the Company as a loan, free of interest repayable at the end of ten years, or earlier at the option of the Company.

received in repayment by the Colonial Government to be immediately repaid to the Imperial Exchequer.

7 It is proposed to arrange for the Promoters of the scheme to be available during the meeting of the Committee, in case it should be desired to interrogate them on any matters arising out of the proposals.

C. G.

June 1933

C. O.

Mr. Flood. 23.5.33.

Mr.

Mr.

Mr. Parkerson.

Mr. Tompkinson.

Sir C. Blomley.

Sir J. Stuchburgh.

Parml. U.S. of S.

Party. U.S. of S.

Secretary of State.

C. D.  
R 23 MAY  
D. 24

DOWNING STREET,

25 May. 1933.

Sir,

I am, etc., to refer to your

letters of the 5th and 11th of May

on the subject of the application which

you have submitted for consideration

of the Colonial Development

Committee from the Colonial

Development Board. It is the intention

of the Committee to be considered at

the next meeting of the Colonial

Development Advisory Committee, but it

will come before that body at their

meeting to be held towards the end of

June

DRAFT.

W. T. KERR, BSO.

Revised to a copy

PS

Time /

June. The provisional date ~~is~~ fixed for

this meeting is in the afternoon

of the 26th of June, at the

Colonial Office, and it would be

an advantage to the Committee if

you and Mr. Eckart could arrange to

attend ~~at~~ that meeting in ~~case~~

<sup>order that you may be able</sup>  
<sup>to present</sup> ~~if necessary,~~  
the Committee should ~~desire to be~~

furnished with further verbal

information concerning the scheme.

~~Enclosed,~~

The date finally fixed for the

Committee's meeting will be communicated

to you ~~in due course~~

E. W. FLOOD





COPY OF REPORT

from.

Telephone,  
Kensington 3264 (four lines)

IMPERIAL INSTITUTE.

X.430/2

1914-1933.

Dear Mr Kerr,

With reference to our interview on the 6th instant.

I enclose, in duplicate, a sheet upon which are written all  
signal notes which you have written with me. These notes are  
available for your reference.

BAMBOO AND SISAL PULPS FOR CABLE INSULATION

The bamboo and sisal pulps were prepared by the process from the East African bamboo and sisal stems were prepared by Mr W.T.Kerr. The samples of prepared pulp "lines" and were of excellent colour and equal in appearance to suitable stock-pulps of good quality. It was desired to obtain evidence as to the suitability of the pulps for the manufacture of strong wrapping paper for cable insulation.

Preliminary inspection and microscopical examination of the pulps showed that the fibre had not been injured during the preparation. The ultimate fibres exhibited the typical appearance of bamboo and sisal fibres respectively and were found to have the following dimensions:-

Length in mm.

	<u>Minimum</u>	<u>Maximum</u>	<u>Average</u>
East African Bamboo	1.4	4.5	2.7
East African Sisal	1.7	5.3	3.0

Diameter in mm.

	<u>Minimum</u>	<u>Maximum</u>	<u>Average</u>
East African Bamboo	0.0076	0.0381	0.0188
East African Sisal	0.0076	0.0330	0.0211

These measurements agree with those previously observed at the Imperial Institute for the ultimate fibres of the East African bamboo and sisal hemp.



A test of each pulp was made by determining the tensile strength of the specimens at a temperature of 105°C. The results were as follows:

At the end of this period the specimens had become slightly yellow; the Sisal pulp was more resistant to a smaller extent. These results indicated that the specimens were composed of well-pulped cellulose. The specimens appeared to have lost strength during this treatment and were in a crumbling condition.

During recent years a considerable amount of work has been carried out at the Imperial Institute in Japan, the paper-making qualities of East African Bamboo and Sisal hemp, and it has been found that in both cases satisfactory percentages of pulp of good quality can be obtained. Water-leaf paper produced in the laboratories of the Institute from bamboo is soft and bulky and although the ultimate fibres somewhat resemble those of straw pulp in appearance, the pulp is more similar to wood-pulp in its working characteristics. Sisal pulp furnishes a water-leaf paper of exceptional strength and quality, resembling in these respects the paper obtainable from Manila hemp. The papers prepared from both bamboo and Sisal pulps have been found to possess excellent strength. The results of this work have indicated that bamboo pulp would furnish a considerable range of papers and that Sisal pulp should produce exceptionally strong papers of excellent quality and finish. In the unbleached condition mixtures of these two pulps (in approximately equal proportions) should furnish strong papers of similar strength and quality to the wood pulp papers now marketed.

Large quantities of strong pulps such as Manila Pulp, Jute pulp, and Kraft wood pulp are used as cable or insulating papers. Such paper is usually unsized and finished on one side only.

In view of the strength of the paper furnished by Messrs. Kerr  
it is possible that its addition to bamboo would add the necessary  
strength to the latter to enable the mixture to serve for the  
production of a satisfactory insulating paper.

Paper thus produced from pulp of the quality of the samples  
supplied by Mr Kerr would probably give strong sheets of close,  
even texture, good "look through", and capable of standing the  
impregnation treatment commonly applied to insulating papers.

C. O.

Mr. Priestman 13/5

Mr. *Blood* 13/5

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shackburgh.

Permt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

1196/33

C.D.	
R	15 MAY
D	15

For Air Mail 7th May.

17 May 1933.

**DRAFT.**

FLHYA.

NO. 339

DOV.

Sir,

Information, copies of further  
 correspondence with Mr. *Kostov* on  
 the subject.

I have, etc.

*Received  
 to the  
 H.S.P.*

(Sgd.) P. GUNLIFFE-LISTER.



Railway down the Escarpment, but 8 miles from the most accessible Railway Station (Uplands), and the farthest point of the area is about 12 miles further. The climate is cold and well suited to Europeans. Uplands Station is 32 miles from Nairobi, and 361 miles from Mombasa.

It is estimated that there is an average of not less than 40 tons of air-dry bamboo per acre, and that the area will give a continuous annual yield of not less than 40,000 tons of dry unbleached pulp.

There is no large river, but numerous small streams intersect the area.

Supplies of limestone in the Colony are rather scattered, the nearest being about 35 miles by rail. The quality varies considerably.

The Railway freight on bamboo pulp to Kilindi Pier in 10-ton lots and over, pressed to 25 lb. or over per cubic foot, loading by sender, is £1.2.0 per ton.

As the result of trials, the Imperial Institute, London, reported that the Kenya bamboo yielded a pulp of good felting properties, which could be readily bleached, and yielded a white paper of good quality. Specimens of the pulp and paper can be seen at the Imperial Institute, S. Kensington, or at the Forest Office, Nairobi.

No tender will be considered unless the prospective tenderer or his representative has investigated the proposition on the spot together with such matters as factory site, transport, water, lime and fuel supply, etc.

GENERAL NOTICE No. 459.

NOTICE.

NOTICE is hereby given that J. Marmohammed Wajid, residing at the address mentioned in Article 10 of the Companies Act, 1928, has been appointed as the Liquidator of the company mentioned in Article 10 of the Companies Act, 1928, and that the said company is being wound up.

To all whom it may concern,  
 Notice is hereby given that all assets of the company mentioned in Article 10 of the Companies Act, 1928, and all other assets of the company mentioned in Article 10 of the Companies Act, 1928, have been received from the liquidator of the company.

Mombasa,  
 28th March, 1930.

ATKINSON, WRIGHT & BOWN,  
 Advocates for Jengal Mahomed.

FOREST DEPARTMENT,  
P.O. Box No 337,  
Nairobi.  
Kenya Colony,

~~3c~~

22nd May 1961.

Ref. No IQ4/11/58/31

Sir,

With reference to your letter of the 30th December 1960, I have the honour to inform you that your tender for the exclusive right to cut Bamboo for the manufacture of paper pulp in the forest on the Kibugu Escarpment as outlined in rai on the attached plan is accepted, on the conditions laid down in the notice dated 1st March 1960 inviting tenders.

The actual area of Bamboo within the licence area is estimated to be about 10,000 acres. In the invitation to tender to this Department it is estimated that with the area available for manufacture the area should be capable of producing about 10,000 tons of pulp per annum. The licence area is situated in the following manner:

It is proposed to enclose from the 3000 acres of the licence area small areas of bamboo not exceeding 100 acres each along the boundaries of the Kibugu farms for the supply of bamboo for building outposts to the public in that district. The licence will also reserve to the Department the right to undertake any reafforestation operations necessary in the area and to utilize any surplus lands required for the residence of its employees and their stock.

4. If you will forward me cheque for £100 being the six years licence fee a licence will be issued to you forthwith. I would remind you that if the licence is not taken up within 18 months of the date of this letter, all claims to it or its proceeds will be deemed to have lapsed. I would also remind you that if substantial operations on the terms of the licence have not been effected within 18 months of the date of the licence the letter will become void.

I have the honour to be,

Sir,

Your obedient servant,

(Sd)

Chas. Udall, Esq  
P.O. Box 874,  
Nairobi.

COMMUNICATIONS SECTION

No  
C. O.



3126/75  
Keay

26

- Mr. *Franklin 25*
- Mr. *Blond 25*
- Mr. *Parkinson.*
- Mr. *Tomlinson.*
- Sir *C. Bottomley.*
- Sir *J. Spuckburgh.*
- Permt. U.S. of S.
- Parly. U.S. of S.
- Secretary of State.

Answered by Nos

C. O.		
R	26	APR
D	26	

✓ 20 Apr 53

Si

**DRAFT.**

W. H. Keay

I am ve. to ack. the

rest of yr. letter of the 19<sup>th</sup> of April, and to inform you that your application for assistance from the *Govt* *Department* *of* *Finance* in connection with the

W. H. Keay (y)

establishment of a *factory* in *Keay* has been referred to the *Governor* of that *Colony* by the *arrangement* of *April 26<sup>th</sup>* *1953*.

A *form* communication will be addressed to you when the *Govt's* reply (which he has been requested to furnish by *telegram*) has been recd &



considered.

2. On the fourth page of your letter under acknowledgment you state that if the desired assistance is forthcoming from the C.D. Fund, you anticipate no difficulties in raising the additional £250,000 to £500,000 on the equity of the undertaking. In this connection the S.F.S. will be interested to know from what sources it is proposed to obtain the £250,000 required beyond the £250,000 capital required.

(Signed) J. D. W. F. L. 1933

C. O.

16888/32 Kenya.  
3/26/33

Mr. Freeston 21/4  
Mr. Bond 21/4  
Mr. Parkinon  
Mr. Tomlinson  
Mr. C. Bottomley 22/6  
Mr. J. Shuckburgh  
Permt. U.S. of S.  
Parly. U.S. of S.  
Secretary of State.

Airmail 25th April

97 3  
C.D.  
R 29 APR  
D

DOWNING STREET,

24 April, 1933.

Sir,

I have pleasure in transmitting to you for your consideration, a copy of a letter from Mr. W.T. Kerr applying for assistance from the Colonial Development Fund towards the establishment of a paper-making industry in Kenya. Mr. Kerr has been informed that, under the terms of the Colonial Development Act, advances from the Fund can be made only to a Colonial Government, and that it will therefore be necessary, if his application is to be submitted to the Colonial Development Advisory Committee, that the Government of Kenya should support the scheme and should express its readiness to act as intermediary between the Fund and the promoters.

**DRAFT**

KENYA

NO. 272

Gov.

~~SECRET~~

*Revised*

3. The details of the proposals

have been discussed by my advisers with Mr. Kerr, who has returned satisfactory answers on the various points put to him. You will observe that the present scheme differs in essential particulars from the somewhat similar proposals which are understood to have been examined by your Government in previous

... financial assistance should be granted, I should propose to represent to the Colonial Development Advisory Committee that the Government of Kenya is not in position to incur any financial responsibility,

C. O.

Mr.

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir G. Ballomley.

Sir J. Shuckburgh.

Parlt. U.S. of S.

Parlt. U.S. of S.

Secretary of State.

**DRAFT**

responsibility, direct or indirect, in the matter.

5. I should be glad to learn whether you are prepared to support the submission to the ... of application based on Mr. Kerr's letter of the 19th of April. In the event of an affirmative reply it will be convenient if you can confirm the following statements in Mr. Kerr's letter:-

(a) That he has full authority to act on behalf of Mr. Udall, the holder of the bamboo forest concession;

(b) That a site for the ... plant at Kijabe is under consideration by the Railway Administration. (As regards the Mombasa site I am aware of the position from paragraph 5. of your despatch Kenya-Uganda Transport No. 40 of the 21<sup>st</sup> March.)

6. In the event of your being prepared to support the application

5/10/53  
in case

it is desired to place it  
before the C.D.A.C. at their  
meeting towards the end of  
May. I have, therefore, to  
request that your reply to this  
despatch may be communicated to me  
by telegram.

I have, etc.,

(For the Secretary of State)

Signed: P. S. ...

R 2  
89

RECEIVED  
21 APR 1933  
COL OFFICE

10, Ashburnham Mansions,  
Chelsea.

S.W. 10.

3c 19th April, 1933.

The Right Hon. Sir Philip Cunliffe-Lister,  
G.B.E., M.C., M.P.,  
Secretary of State for the Colonies,  
The Colonial Office,  
Downing Street,  
S.W.1.

ACKD. BY P.C. P.C.

Am 12

Sir,

I beg to make formal application for a financial grant from the Colonial Development Fund to assist in the formation of a Company to establish a new paper-making industry in Java.

The basis of this undertaking will be the bamboo forest concession situated at Klajah in Java, and nearly adjacent to the railway. This concession was granted in 1931 to the staff with whom I am in partnership, and from whom I have full powers to act in this matter. (Copy of lease attached.)

5/17

The proposed new undertaking will erect a crushing mill to deal with 100,000 tons of bamboo per annum, and transport by rail the macerated fibre to the Company's pulp factory at Mombasa,

2.

The Right Hon.  
Sir Philip Cunliffe-Lister, B.S.E., M. A.

on the sea-front. The Mombasa plant will convert the crushed bamboo into pulp, and in the process one section of the plant will be utilized to manufacture the necessary chlorine gas and caustic soda from sea-water by electrolysis. The Admiralty has kindly supplied me with an analysis of sea-water at Mombasa, and the analytical content of the water is entirely suitable for the Company's purposes. The plans for the macerating plant at Kijana and for the main factory at Mombasa are under consideration on suitable terms.

The principal charges which the undertaking will incur are for the carriage of bamboo from Kijana to Mombasa, and for the carriage of Mr. Udall's concession, which is produced from bamboo, and for the carriage of sisal, is of a good quality marketable in Great Britain. The output of the first unit of plant if it is proposed to lay down will be 40,000 tons per annum, of a quality estimated to command a quotation of at least £12 per ton, at which price a good profit will be realised by the Company. Certain types of paper which the factory will manufacture, and for the production of which bamboo is particularly suitable, have special insulating properties, and

The Right Hon.

Sir Philip Cunliffe-Lister, G.B.E., M.C., M.P.

92

two years, while the construction and erection of plant is being proceeded with, and the new industry is being launched.

From trade comment on samples of pulp made from bamboo by the chlorine process, which the new undertaking proposes to utilise, there is no doubt as to the ready saleability of the new product; but aid extended by the Colonial Development Fund on the lines suggested would be invaluable in helping to bridge the long wait for interest on the necessary capital for establishing the industry, before the profit-earning stage is reached. The advance to cover interest payments could be regarded as a loan from the Fund to be repaid by the Company in due course, or could be convertible into equity shares at the option of the Fund Committee or the Kenya Government.

The total amount of capital required by the new Company will be £650,000 to £900,000, including working capital, contingencies and formation expenses; but in the event of the Colonial Development Fund's being able to grant the assistance now petitioned, the undersigned anticipates no difficulties in raising the additional £250,000 to £300,000 on the equity of the undertaking. Mr. Udall and the undersigned will vest the bamboo concession in the new Company for a share consideration only.

Handwritten note: *See file 1000*

The Right Hon.

Sir Philip Cunliffe-Lister, G.C.B., M.

In venturing to submit the above request  
for your consideration, I beg to inform you

(1) that the establishment of the new  
factory in Kenya will give direct  
local employment to seven Europeans and  
500 natives at Kijabe, and 100 Europeans  
and 500 natives at Mombasa;

(2) that it will imply the transport of  
100,000 tons of raw material per annum  
over the railway from Kijabe to Mombasa;  
(It can be arranged that this movement is  
regulated so as not to inconvenience the  
railway at peak periods during the crop  
movements)

(3) that it will enable an expenditure  
of over £500,000 to be made with the best  
type of British manufacturing firms; and

(4) that it will set up an Empire pro-  
duction of a type of paper (viz., of the  
padding and wrapping category) practically  
the whole of which at present is produced  
outside the Empire. The import of this  
class of paper in 1931 totalled 209,331 tons,  
valued at £3,700,281; and in 1932, 169,100  
tons, valued at £2,728,872.

If, as I hope, you entertain my proposal  
favourably, and refer it to the Committee of the  
Colonial Development Fund, I will, of course, hold  
myself at the Committee's disposal to reply to any  
queries they may desire to make.

I have the honour to remain, Sir,

Your obedient servant,

(W. T. KERR).

The Right Hon.

Sir Philip Cunliffe-Lister, B.S.E., M.C., M.P.

In venturing to submit the above proposals for your consideration, I feel it is important

(1) that the establishment of a paper industry in Kenya will provide local employment for several hundred natives at Kijabe, and for several hundred natives at Mombasa;

(2) that it will imply the transport of 100,000 tons of raw material per annum over the railway from Kijabe to Mombasa. (It can be arranged that this movement is regulated so as not to inconvenience the railway at peak periods during the crop movements)

(3) that it will enable an expenditure of over £500,000 to be made with the best type of British manufacturing firms; and

(4) that it will set up an Empire production of a type of paper (viz., of the packing and wrapping category) practically the whole of which at present is produced outside the Empire. The import of this class of paper in 1931 totalled 209,331 tons, valued at £3,700,281; and in 1932, 159,100 tons, valued at £2,728,672.

If, as I hope, you entertain my proposal favourably, and refer it to the Committee of the Colonial Development Fund, I will, of course, hold myself at the Committee's disposal to reply to any queries they may desire to make.

I have the honour to remain, Sir,

Your obedient servant,

(W. T. KERR)



The estimated annual profits of the new undertaking are calculated at figures which will enable the Company to underbid existing supplies of supply, and are as follows:-

40,000 tons of bleached pulp @ £12.00	480,000
6,000 " " caustic soda @ £10.00	60,000
1,300 " " table salt @ £3.80	49,900
	£555,900
Total costs	369,200
Total profits	186,700

The proposed capitalisation is as follows:-

600,000	5% Preference shares (with participation)	
300,000	Ordinary Shares of £1	
30,000	Founders Shares of £1 (to be allocated to the Vendors)	
		£930,000

75

Prospective List of Firms which will be  
required to supply Plant and Machinery:-

Babcock & Wilcox, Ltd.

Belliss & Morcom Ltd

Mirlees Watson Co. Ltd.

Charles Walmsley & Co., Ltd.

Bertrams, Ltd. Leith.

A & J. Main & Co. Ltd.

The British Thermal Engine Co. Ltd.

J. & A. ... Ltd.

FOREST ORDINANCE 1911

Chap. 149 of the Laws of KENYA.

LICENCE TO CUT BAMBOO FOR THE MANUFACTURE OF PAPER - PULP.

This is to certify that Mr. Charles del P. P. O. No. 234 Nairobi, (hereinafter called "the licensee") is hereby granted some permission hereunto to be exercised at present in force or may be made in the future under the Forest Ordinance 1911, to cut and convert into paper pulp bamboo over an area of approximately 1,000 acres situated in the Rikuyu - Escarpment Forest Reserve bounded by the Forest Reserve boundary line on the north and east, it is crossed by the Uganda Railway in the north-easterly direction to the south-western corner thereof down which for approximately 1/2 mile there is a generally continuous line of bamboo on the edge of the main reserve, and at its nearest approach to the main reserve is a generally north-easterly line of bamboo on the Kinabop road to the point of which in which is particularly defined and outlined in red on the sketch plan attached hereto for a period of twenty years from the date of this licence subject to the conditions hereunder mentioned :-

(Revenue Stamps valued £13-10-0)

(affixed here)

Conditions.

Royalty  
Payable

1. The licensee shall pay a royalty of (State the rate) per ton of air-dry pulp manufactured, or to be manufactured, during the five years from the date of issue of the licence, the amount of royalty on pulp will be charged.

Annual  
Licence  
fee payable

2. The licensee shall pay a licence fee of Rs. 1000 in respect of the area for the first year, and a similar payment to be made on the issue of the licence and hereafter for each succeeding year. The licensee shall also pay, in respect of the area, a sum of Rs. 1000 to be paid to the Conservator of Forests on the issue of the licence and hereafter for each succeeding year. The licensee shall also pay, in respect of the area, a sum of Rs. 1000 to be paid to the Conservator of Forests on the issue of the licence and hereafter for each succeeding year.

3. The licensee shall keep full and correct accounts showing the quantity of pulp manufactured and the quantity of paper-pulp manufactured and the amount of quantity made and exported, and shall on the fifteenth day of each month send to the Conservator of Forests a statement in which he may prescribe a true analysis thereof for the month immediately preceding.

The royalty appearing by such statement to be due in respect of the paper-pulp manufactured shall be due and payable on or before the last day of the next succeeding month.

All books of accounts shall be open to inspection by Government officers who shall be allowed every facility for checking the same.

Factory to be built and out-put maintained

4. The licensee shall within the area of the license or within the adjacent Forest Reserve as may be decided with the Conservator of Forests, erect and maintain a Factory and subsidiary buildings for the manufacture of paper-pulp within two years from the date of the licence, provided that the factory and subsidiary buildings shall be erected only on open land as the Conservator of Forests may sanction. The factory shall hereafter be worked for not less than 120 days in each year for the manufacture of paper pulp. From and after the expiration of five years from the date of the licence the licensee shall give an annual return from the said factory of at least 20,000 tons of paper pulp, and from and after the expiration of ten years from the same date at least 20,000 tons of paper-pulp.

Licensee to be cancelled if working is not satisfactory

5. If at any time the Conservator of Forests is satisfied that the licensee is not working the factory in a satisfactory manner, he may at any time cancel the licence and the licensee shall be liable to pay compensation of three months from the date of such working or improvement is in the opinion of the Conservator of Forests shown in the manner in which such bamboo is being worked the Conservator of Forests may cancel the licence and no compensation shall in such case be payable to the licensee or to any one claiming directly or indirectly through him, but all fees and royalties due to the Crown at the date of the cancellation of the licence shall be payable as though the licence had not been cancelled.

In causing such warning to be given regard will be had to the market prices and the general conditions.

Such warning shall be in writing, and shall specify the various reasons which cause the Conservator of Forests to be dissatisfied with the manner in which the bamboo is being worked. Warning shall be deemed to be given on receipt of the notice of warning to the licensee at his address as mentioned in the licence or by service of the notice on a manager or agent of the licensee.

Work to be begun within eighteen months of issue of licence

6. If the licensee cannot fall to prospect and effect substantial operations in the course of the licence within a period of 18 months from the date thereof, the licence shall be void.

Method of working the Forest

7. The bamboo forest comprised in the licence shall be divided by the Conservator of Forests into compartments, arranged in cutting series and the licensee shall complete out one compartment before entering the next compartment of the same cutting series.

The order in which the said compartments shall be worked will be laid down by the Conservator of Forests in consultation with the licensee in a plan of operations so that the whole area may be worked systematically. The plan of operations will be based on a fifteen years rotation period unless the Conservator of Forests decides after further experience that a reduction of this period is justified. The licensee shall not be at liberty to deviate from the plan of operations so laid down without previous sanction in writing of the Conservator of Forests.

At the end of each year the licensee shall supply to the Conservator of Forests maps showing the area cut over during the year.

Royalties payable on timber, fuel, etc.

8. No rights other than those conferred by this licence shall be exercised in the licence area or in any part thereof that have been reserved to the Government of Madras.

In the event of a licensee being unable to obtain sufficient quantities of wood fuel for his factory, the licensee shall be removed from the licence area and shall be liable to pay the fines and penalties provided in the Forest Ordinance on the stump.

All timber poles and other forest produce of any description which has been authorized by the Forest Department shall be paid for at the rates gazetted under the Forest Ordinance provided the Conservator of Forests will reserve for the use of the licensee, areas of forest and plantations as conveniently accessible to the site of the factory as possible, sufficient to supply such reasonable quantity of wood fuel as may be required by the factory and that the royalty will be payable on such fuel at the rate of two shillings per 100 stacked cubic feet for rough forest fuel and four shillings per 100 stacked cubic feet for plantation fuel during the currency of the licence; in the event of the licence being renewed for a further period the royalty on fuel will be based on the market value current at the time of such renewal.

All reasonable demands of the Conservator to be complied with

9. The licensee shall comply with all reasonable demands and requests made upon him by the Conservator of Forests in matters concerning the licence and general operations under this licence, and allow the staff of the Forest Department to enter upon the licence area at all reasonable times and afford them all facilities and accommodations as may be within the power of the licensee.

Royalties payable on timber, fuel, etc.

8. No rights other than those herein granted shall be implied under this licence in respect of any lands or rights that have been reserved or reserved to the Government.

In the event of a licence being granted to a licensee under this licence, the licensee shall be bound to pay five shillings per 100 stacked cubic feet of wood fuel on the place.

All timber notes and other documents issued by the Government which has been authorized to be used for the purpose shall be paid for at the rates gazetted hereunder. The licensee provided the Conservator of Forests will reserve the use of the licensee, areas of forest and plantations as conveniently accessible to the site of the factory as possible, sufficient to supply such reasonable quantity of wood fuel as may be required by the factory and that the royalty will be payable on such fuel at the rate of two shillings per 100 stacked cubic feet for rough forest fuel and four shillings per 100 stacked cubic feet for plantation fuel during the currency of the licence; in the event of the licence being renewed for a further period the royalty on fuel will be based on the market rates current at the time of such renewal.

All reasonable demands of the Conservator to be complied with

9. The licensee shall comply with all reasonable demands and requests made upon him by the Conservator of Forests in matters concerning the licence and general operations under this licence, and allow the Conservator of Forests Department to enter upon the licence area at all reasonable times and afford such official facilities and assistance as may be within the power of the licensee.



Fires and  
Fire  
Protection

10. The licensee shall... for the prevention of... subject of the licence... through which... shall make and maintain... and manner as the...

Rights of  
the licence  
not to be  
sublet  
without  
permission

11. The... mortgaged, sublet or... in... part except with the... of Forests... in writing.

The area  
to be used  
only for  
the purpose  
authorised  
under the  
licence

12. The licensee shall not... use the licence area for any purpose not expressly... implication authorised under or by virtue of... in particular will not at any time get or... stones or any area or... in accordance with any...

The  
Conservator  
may introduce  
squatters  
may authorise  
felling of  
timber for  
public works

13. The Conservator of Forests... use the cutting or timber... felling of... timber for... the inhabitants of the...

Conservator  
may  
introduce  
squatters

14. The Conservator of Forests... forest cultivators into the area for the purpose of... station, operations and to utilize... for the residence of his employees and his...

Precautions to be taken against pollution of Rivers.

15. (a). For the purpose of the said clauses (b) and (c) the following shall be expressed to be the "body of water" assigned to the said watercourse:

"Body of water" means water flowing in a spring, stream, or watercourse or in or beneath a well, pond, and includes any other watercourse created therefrom, or any other work:

(b). The licensee shall not allow any water to be used in any process or for any purpose of whatsoever kind, nor be returned to any body of water, unless it is as pure as when it was drawn from the stream, or alternately unless it shall contain no matter, poisonous or otherwise, likely to be injurious directly or indirectly to public health, to live stock, to fish or to crops, to orchards or to gardens irrigated with such water or to any products for which such water is used in any process whatsoever, or to cause a nuisance or interfere with the amenities of other persons; and it shall not contain a burden of silt, gravel, boulders or other matter in suspension in excess of that normally carried by the body of water from which it is diverted or abstracted or to which it is to be returned during the period when the water was withdrawn from or returned to (as the case may be) the body of water. Except where natural conditions or circumstances ever which the licensee has no control and which, in the opinion of the Director of Public Works, render impracticable, any effluent which complies with the conditions of purity stated in this sub-clause shall be returned to the body of water from which the original was diverted.

(c). When water is used in any process which causes the effluent to contain any matter in suspension, the said effluent shall be efficiently screened in such a manner that the portion of the suspended matter shall be returned to any body of water or into any watercourse and all solid residue obtained shall daily be removed to such place, not within one hundred yards of any obvious watercourse as may be approved from time to time by the Director of Public Works, so that there shall be no possibility of any solid residue aforesaid, at any time being washed into, or due to any other cause whatsoever, entering into or upon any watercourse or body of water.

(d). The licensee shall construct all works necessary at any time for the due fulfillment of the last two preceding sub-clauses and the plans and specifications of all such works shall be prepared by a qualified engineer or industrial chemist of such professional standing as may be approved by the Director of Public Works and the said plans and specifications shall be approved

Precautions to be taken against pollution of rivers.

15. (4)

The Director of Public Works before any construction of the works is commenced, but notwithstanding any approval of the plans and specifications given by the Director of Public Works, the responsibility for the due fulfilment of the conditions of the last two preceding sub-clauses shall rest with the licensee.

The licensee to keep an agent at a stated address

16. The licensee shall keep an agent at an address to be notified to the Conservator of Forests and service upon him or delivery at the said address of all notices and other documents shall be deemed good service upon the licensee.

Conservator may determine the licensee

17. Upon breach of any of the conditions of this licence or of the rules and regulations under the Forest Ordinance 1911 or other laws of the Colony or in default of the payment by the licensee of the royalties within the time from the date fixed for the payment thereof, or if the licensee shall become bankrupt or shall compound or arrange with his creditors or suffer his effects to be taken in execution, the Conservator of Forests may by notice in writing determine the licence, and upon service of such notice by post or otherwise on the licensee or any manager or person appearing to be manager for the licensee the rights and privileges conferred by this licence shall forthwith determine.

Recovery of fees and royalties

18. The determination, cancellation or forfeiture of this licence shall not preclude the Crown from recovering any fees, royalties or other debt due to the Crown under this licence, by action in Court or by other lawful proceedings, or from recovering in a Court of Law damages against the licensee for any injury done by the licensee, his agents or servants to property of the Crown in the area defined by this licence.

Precautions to be taken against pollution of rivers.

15. (4)

by the Director of Public Works before any construction of the works is commenced, but notwithstanding any approval of the plans and specifications given by the Director of Public Works, the responsibility for the fulfillment of the conditions of the last two preceding sub-licenses shall rest with the licensee.

The licensee to keep an agent at a stated address

16. The licensee shall keep an agent at an address to be notified to the Conservator of Forests and service upon him or delivery at the said address of all notices and other documents shall be deemed good service upon the licensee.

Conservator of Forests or licensee

17. Upon breach of any of the conditions of this license or of the rules and regulations under the Forest Ordinance 1911 or other laws of the Colony or in default of the payment by the licensee of the royalties within the time from the date fixed for the payment thereof, or if the licensee shall become bankrupt or shall compound or arrange with his creditors or suffer his effects to be taken in execution, the Conservator of Forests by notice in writing determine the licensee and the service of such notice by post or otherwise on the licensee or any manager or person appearing to be manager for the licensee the rights and privileges conferred by this license shall forthwith determine.

Recovery of fees and royalties

18. The determination, cancellation or forfeiture of this license shall not preclude the Crown from recovering any fees, royalties or other debt due to the Crown under this license, by action in Court or by other lawful proceedings, or from recovering in a Court of law damages against the licensee for any injury done by the licensee his agents or servants to property of the Crown in the area defined by this license.

The licensee may give notice

19. If the licensee shall at any time... of determining, the... the Conservator of Forests... revise... the conditions and... up to such determination... void.

A further 3,000 acres may be added to the area

20. The Conservator of Forests will reserve an area of 3000 acres... immediately adjoining the... to be added to the licence... of bamboo growing within the latter... of the Conservator of... of the manufacture of...

The licence shall expire of twenty years be

years on terms to... of Forests and

Passed this 15th day of June 1932

(Signed) H.M. Gardner

Conservator of Forests

Charles Udall

Licensee.

Sir B. Blackett

I think you ought to see the enclosed letter from a Mr. W. Kerr regarding a scheme for the manufacture of insulating papers from bamboo and steel in Kenya. It is possible that you may have heard something of this from Mr. Grigg when you were in Kenya and you may know more about it than we do here. Our own information is very scanty. Mr. Kerr is not a Government official; the venture is a private business undertaking. He is the partner of a Mr. C. Udall who holds a concession from the Kenya Government for bamboo cutting over an area of "not less than 50,000 acres in the Mkuza Recarpment Forest Reserve" (exact acreage not known). Mr. Kerr has authority to act for Mr. Udall in England.

I enclose a copy of a personal letter to the Secretary of State from Colonel Franklin of the East African Dependencies Trade and Information Office which you may find useful.

In writing to Sir C. Lyne in December last Sir C. Hottelley said:

"We have good hopes of the new enterprise which we learn is to take up the bamboo pulp proposition seriously. I think the arrangements are still in a very confidential stage, but it is likely to involve "big business". The concession is I suppose the Udall concession which was mentioned in Grigg's confidential despatch No. 57 of the 22nd April, 1930, but according to present appearances the undertaking will be very much above the Udall standard.

I have no doubt that you will give it every help you can. It should be an important contribution both to employment and to railway freights."

No. 91  
Very vague sketch  
out in envelope  
with the C.D. 7/2/30  
1930

Sir B. Blckett:

I think you ought to see the enclosed letter from a Mr. W. Kerr regarding a scheme for the manufacture of insulating papers from bamboo pulp in Kenya. It is possible that you may have heard something of this from Mr. Grigg when you were in Kenya and you may know more about it than we do here. Our own information is very scanty. Mr. Kerr is not a Government official; the venture is a private business undertaking. He is the partner of a Mr. C. Udall who holds a concession from the Kenya Government for bamboo cutting over an area of "not less than 50,000 acres in the Ikiyu Escarpment Forest Reserve" (exact acreage not known). Mr. Kerr has authority to act for Mr. Udall in England.

I enclose a copy of a personal letter to the Secretary of State from Colonel Franklin of the East African Dependencies Trade and Information Office which you may find useful.

In writing to Sir J. Burns in December last Sir C. Bartonley said:-

"We have good hopes of the new enterprise which we learn is to take up the bamboo pulp proposition seriously. I think the arrangements are still in a very confidential stage, but it is likely to involve "big business". The concession is I suppose the Udall concession which was mentioned in Grigg's confidential despatch No. 57 of the 22nd April, 1930, but according to present appearances the undertaking will be very much above the Udall standard.

I have no doubt that you will give it every help you can. It should be an important contribution both to employment and to railway freights.

No. 10  
very important  
not in (under) a  
letter to C.D. (and)  
1937

You will see that Mr. Kerr was advised by Sir Felix Pole to write to me; but I feel doubtful what we can say to him. He mentions a "guarantee", though apparently he does not want financial assistance but merely the backing of the Committee in order to inspire confidence. This hardly seems to fall within our scope. He asks to see me and normally I would be quite ready to see him: but I leave the office at the end of this week. I have discussed the position with Mr. Freeston who now says that he will see him and he will willingly accept the guarantee of course. I shall be glad to see Mr. Kerr if he will let me know when he is in London.

27th March 1945

*The guarantee is to be given on the basis of the fact that the Government will not be asked to provide any financial assistance.*





CHELSEA, S.W.10.

A. H. Poynton Esq.

Secretary to the Colonial Development Corporation

COLONIAL OFFICE, Downing Street,

LONDON.

Dear Sir,

## KENYA COLONY

Insulating Paper from BAMBOO & SISAL.

For some three years past I have been working on a project to utilize the bamboo and sisal grown in Kenya Colony for the manufacture of a very high grade paper suitable for the insulation of electrical cables. Having tried practically all the methods that would not be of excessive cost, we have arrived at the stage where the only method available, by an electro-chemical method, utilising the waste product of the imported coal.

The process can also be undertaken with the proviso that the output of the mill be sufficient to provide a reasonable margin of safety for delivery two years ahead, in the event of any difficulty. It may be difficult to get firms to accept the present time I am in negotiations with a firm which will use this material so as to eliminate the use

The following:-  
 1. The purchase of £200,000 of machinery to be ordered in Britain and distributed in the Midlands, Lancashire & Yorkshire.

2. The purchase of an annual importation of 150,000 tons of coal to be used in Kenya Colony.

3. The purchase of bamboo from Forest to Mombasa an amount of £150,000 to be used on the Kenya & Uganda Railway.

4. The purchase of 40,000 tons of Paper or Pulp, 12,000 tons of the by-product Soda Ash, 12,000 tons of Refined salt.

Should the difficulty arise in arranging forward contracts, to enable the security required for the Capital provision to be made, is it within the province of your committee to consider the provision of a guarantee and so enable the scheme to proceed without delay.

It was during the course of a discussion at the offices of the Allied Electrical Industry, Aldwych, this morning, it was suggested from Sir Felix Poles office, that it might be worth while to consult you on the business, to see if it would be possible to bridge the gap that might arise through this hesitation and gloomy view of the future, if I find it impossible to persuade them to enter into contracts.

The financial arrangements of this affair are in the hands of Mr E. Hugh Herbert, The Managing Director of the Central News Ltd, and I would suggest if it is agreeable to you that you should afford me an early

interview,

to allow me an opportunity of describing the above scheme, and if after that you are interested enough, possibly a further interview could be arranged with Mr Herbert present who would ascertain what is necessary to obtain the financial backing to proceed.

In conclusion I think I should point out that it is not intended or required to ask for any financial assistance, but merely that you should provide the necessary confidence now lacking, or might be lacking, which would have the effect of delaying this important development which I am sure any one interested in progress would appreciate.

Until I hear from you I will hold myself at your service to call at any time suitable to you, should you desire it. My home is in Kenya Colony, and this scheme is known to the Hon. The Governor, Sir Joseph Byrne, and the Officers of the Kenya & Uganda Railway, for we have been in negotiations for sites on the Railway at the Njoro Branch, and for a site for a station at Nakuru.

Present address: 10, ... .., ... ..

Production of High Grade Cellulose Pulp  
by the Chlorinating method.

Description of the Process cycle.

The bamboo is cut in the forest in fives, and one of these can cut fully two tons weight of culms per eight hour day, and will be employed on piece work, the daily pay being 20/- per month.

The bamboo is collected and transported to the edge of the Escarpment and sent down by gravity to the crushing works, situated on the main line of the Kenya Uganda Railway about 2000 ft. below the Forest area.

This crushing plant should be capable of dealing with culms to an output of 20 tons hourly, they are designed to crush and macerate the bamboo in the forest area, and produce out a considerable amount of the culms in the form of a fibrous material. This fibrous material is then conveyed to a suitable height at a suitable height so that it falls directly with the fibre through a series of towers then sailed to Mombasa.

At Mombasa Harbour a side the Kenya Railway Authority, alongside the Kenya Railway, a pier will be built for the reception of pulp, and coal. The pulp will be tipped into a hopper from which a conveyer will carry it to the bins. In these bins it is treated with a solution of caustic soda and chlorine for the purpose of opening out the fibre. A chlorine gas is introduced during a period of this treatment. The towers operating on the culms falling down and the speed of the falling fibre, the speed to suit the required amount. At the bottom it is delivered and it is there held with caustic soda. It is afterwards washed with water, passed to alkaline wash department, where it is chlorinated non-cellulosic materials.

That completes the first stage, the pulp is passed through a series of sand traps and strainers, delivered into the bleaching Hollanders and held in a pasty form, after bleaching it is delivered into tanks, passed to a pulp machine where the moisture is extracted and maybe formed into sheets of pulp cut to suitable sizes and baled for shipment, or converted into paper on the same machines by the addition of a few extra rolls.

It may be noted from this description that chlorine and caustic soda with calcium chloride are the chemicals required. It is proposed to obtain these on the site by utilising sea water, and electrolysis to obtain chlorine and caustic soda from the salt.

The method to be employed being the utilisation of the heat in the exhaust steam from the electrical generating

required for the power. The steam being adjusted as to initial pressure and super heat and exhausted at 10 lbs, this exhaust is divided, part of which will be needed to heat the bamboo in the first stage, and for process work in the factory, the balance being passed into evaporators and meeting the sea water here reduces the water content to the required density for the chlorinating cells. The amount of chlorine required being greater than the amount of caustic soda, there will be an excess of caustic soda of the purest quality available for export, also a certain amount of a very pure salt suitable for domestic use. There will be no difficulty of disposing of these two products, there being a great demand in the East for both. For the manufacture of Chloride of lime, the land on which the works are to be situated are coral limestones, these need to be halogenated and treated with chlorine, there is a large demand for this.

20 January 1933.

LONDON

Dear Mr Phipps,

As requested in your letter of the 4th instant I have considered the attached papers.

Bamboo is a material which has come into prominence in recent years as a possible fibre for paper making. The production of the fibre to suitable form for paper has led to some difficulties due to the plant as noted in the notes, the brevity of the material in the literature and the necessity to be followed by the chemical process employed in converting bamboo into pulp. It is noted that the process of converting bamboo into pulp is more difficult than that of wood.

In the preparation of fibres for paper making it should be remembered that the fibres should be in a condition of obtaining long drying and paper-making treatment at temperatures up to 200° C. To ensure this it is necessary to obtain as pure a cellulose as possible and this is the reason for the drastic high temperature and pressures used in the chemical treatment of wood in order to obtain the fibres for paper making. It may, therefore, be found necessary to give the bamboo fibres to be used for insulating paper rather more chemical treatment than those required for book paper, &c.

Another point in connection with insulating paper is that it is not absolutely necessary for it to be white, so that it may be possible to dispense with the final bleaching process mentioned in the fifth paragraph of the Kenya Colony Bamboo Forest Report. If the pulp is bleached it is necessary to remove all trace of chlorine, since the element tends to make paper fibres brittle under heat treatment processes of the type used in cable making.

The reports and samples of pulp indicate that this is sufficiently promising to be proceeded with and if pulp is available it would be worth while making some paper from the bamboo fibre :-

- (a) bleached
- (b) possibly unbleached and from a 80/50 mixture of bamboo fibre and sulphate wood pulp.

If necessary we could get Yullie Russell to make up a small amount of such papers in their experimental plants. The properties to be aimed at as regards tensile strength and porosity should be the same as these now used in our insulating papers and could be modified later if found necessary as the results of experiments made.

Some years ago we examined a sample of paper made from bamboo fibre but this appeared to have been beaten to such an extent that the fibres had been broken up and the paper was approaching the grease proof type.

SUMMARY.

The evidence so far obtained indicates that it is worth while examining paper made from bamboo fibre. Such paper must be capable of withstanding heat treatment and there is no reason why it should be bleached provided that slight coloration does not indicate the presence of impurities. Greedam from non-cellulose material, chemicals and acidity is important.

Possibly a visit to the works might be of assistance in helping Mr. Kerr to visualise the type of treatment the paper has to undergo or we could let Mr. Kerr have samples of our present insulating papers.

Yours faithfully,

(Sgd) S. Beckinsale.

FAMILY TREE  
of

PRODUCTS & Bye-PRODUCTS.  
manufacturing

112

CHLORINATED BAMBOO CELLULOSE PULP.  
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KIJABE FOREST  
BAMBOO

;  
;  
Cut  
&  
GRUSHED  
;  
M  
;

SEAWATER

GOAL

Generation  
of  
ELECTRICITY

HYDROPOWER

HYDROPOWER

SALE

HYDROPOWER

SALES  
GAMMA SODA

Prepared by:-  
W. K. KERR.  
TAREKA  
KENYA COLONY



COPY.

113

HIS MAJESTY'S MASTER ATTORNEY GENERAL

Trade and Customs

London

17th August 1901

PERSONAL.

Dear Sir Philip,

Your kind letter of the 14th inst. has been received. It would be no doubt of the nature of the question under consideration. The case to be worked is a large one. I have not had time to call on you since Mr. Perry has been in the office. The necessary arrangements will be made as soon as possible. I am, Sir, very respectfully,  
 Yours sincerely,  
 W. H. FRANKLIN

and I am sure that your heart will be united to the cause of the railway. I think that was the point you referred to.

Yours sincerely,

(sgd) W. H. FRANKLIN

The Rt. Hon. Sir Philip Cunliffe-Lister, G.C.B., M.P.,  
 Colonial Office,  
 Downing Street,  
 London, S.W.1.

~~XXXXXXXXXX~~  
Whitehall 9191

114  
29th March, 1933.

Dear Sir,

I am in receipt of your letter of the 24th March regarding your proposal for the manufacture of insulating papers from bamboo and sisal, which I have sent to Sir Basil Blackett, the Chairman of the Committee to see. I should have been quite ready to see you and discuss this scheme, but, unfortunately, I am shortly resigning the Secretaryship of the Committee prior to going abroad, and shall not be available in the office after the end of this week. I have, however, discussed the matter with Mr. L. B. Fraxton of the East African Department of the Colonial Office, and he tells me that he will be quite willing to see you and discuss the matter. He suggests that you should get into touch with him direct as regards a suitable time. He asks me to say that he will be absent from the Office on Friday of this week. If, therefore, tomorrow you could arrange a meeting by telephone at some convenient time

T. Kerr, Esq.

115  
END

I think that is probably the best thing to do.

I am sorry that the circumstances explained  
above prevent me from seeing you myself.

Yours very truly,

Secretary to the Committee.