



EAST AFR PROT

17806

C.O.  
17806  
32  
DATE 17 JUN 12

Graworth

26509

Date,  
1912

PRINTED IN U.S.A.

1st June

Previous Paper

17806

W. Read

Sir P. Gravard would not after all discuss this question with us on the 1<sup>st</sup> June. We ought to fix another day as soon as possible. In the meantime, I do not think that his letter need be answered.

P.A.B.

June 2

Yes - any day will do me  
at once

A. J. E.

12/II

Subsequent Paper

26509

We read.

The 4000 acres which Black lumbermen has been awarded in as expense yesterday.

The rate of Royalty is a point on which you may think  
it would be worth while mentioning.

H.C.B.  
9.8.12.

For G Fielder

We have for a long time, been  
trying to extract from the local  
authorities a definite statement of the  
conditions on which a concession for the  
working of a block of the timber forest  
could be granted. After discussions between  
H. P. S. + Mr. Butler + myself, + subsequently  
between Mr. Belfield + Mr. Eastwood of the Agency  
R. + ourselves, the accompanying letter of  
conditions has at last been arrived at  
with regard to royalty. Mr. Hutchins  
originally suggested

1 anna per ad. ft. for Camphor, Yellow Wood,  
Cedar, + Rose

2 anna per ad. ft. for all other timber.

The above rates to be in force for 3 years  
from date of signing the lease + to be  
calculated on the timber as it stands  
at the forest measured by the Forest Dept.  
For the first two years double rates: viz. 2 annas per ad.  
ft. for the sake of simplicity + convenience with  
the proper president it is now proposed  
that the royalty shd. be calculated on  
timber in the square. I would not

consult Mr. Hutchins as to what the new  
royalty should be, at the present Head  
of the Forest Dept. we can do this by  
tel: this the o.t.s. 378.

With this add to us we shall be in  
a position to invite tender, but I  
very much doubt whether anyone will  
come forward Mr. Hutchins originally  
recommended a  $\frac{1}{2}$  anna per ad per  
mile rate on the railway (see an  
accompanying report for 1874 (67)).

In similar fashion (see for 22757 (67)) enquired  
whether the forest could be written off  
a  $\frac{1}{2}$  anna rate, + the Agency R.  
say that to work actual loss they  
must have a  $\frac{1}{2}$  anna rate for the first 3 or 4  
years & with a small reduction for smaller  
trees & with a small reduction for smaller  
trees that amount - see more of statement

Personally I ~~do~~ think that it  
would not be a bad thing if the  
whole affair were closed down for  
2 or 3 years. None of the applicants are  
really sound + substantial people +  
will either be ~~able~~ + <sup>not</sup> able to tender  
and produce a better lot. A considerable

portion of the new railway (at my rate the portion from the terminus of the Nyanza tramway to Fort Nile) will have to be entirely re-opened by the fort & it would be better if we could build it ourselves. With the rapidly increasing traffic on the Uganda R., we ought to be soon in a position to offer a low railway rate than at present contemplated & to make a better bargain with the concessionaires.

Just consult the D.P.S. & tell me to the royalty?

H. J. R.

14/ VIII  
and here is a copy of Mr. Belpaire's answer

at once P.M. 14

This will be  
put (at)  
line away  
with  
W. H.



379

Mount Keira concessions.

DRAFT:

Various applications having been received from time to time for forest concessions upon the slopes of Mount Keira, and no definite understanding having been reached as to the terms upon which such concession should be granted, it is suggested that conditions should be formulated generally in accordance with the outline summarized below, so that application to be made can be made offhand, so that they will be willing to pay for a concession before it has been finally approved.

It is his contention that any application can be resisted with probability of claim or appeal until such time as the firm has to produce a plan.

Sir L. & Sons, proposed.

1. The grant of a concession of 100,000 acres of forest land situated on the southern slopes of Mount Keira to be held under a license to cut and remove timber therefrom and to occupy such land and construct such works so may be incidental thereto to enable him so may affect & enable the licensee to complete their exploitation of the

2. Royalty to be paid as the rate of cent per cubic foot upon all timber delivered to the Company's agents for its purpose of removal paid the area of the concession to the purpose of calculating such royalty timber will be measured in the square.
3. This will be paid at such rate per annum as may be hereafter decided and when the sum total of the royalties payable in respect of any one year or in respect of the annum due to the aforesaid of the same period the sum will be deducted from such royalties.  
This will commence when a third of timber smaller than agreed from the day on which the railway to the forest is declared to be open for traffic.
4. The rate payable to the Uganda Railway Administration in respect of all timber transported over the Uganda Railway or Hicks railway on the condition that the train does not exceed one pony per mile for every ton of timber up to fifteen thousand tons per annum.  
A reduction of one cent per mile will be made in respect of every ton of timber so transported and will not exceed the sum of fifteen thousand tons per annum.
5. Irradiating conditions will be such as may from time to time be prescribed by legislation, or by the Forest Department with the approval of the Government.

and it may be understood that such condition will be  
generally similar in tenor to those prescribed in respect of the  
Gagan concession, with such variation as may be  
deemed necessary.

6. The Concessionaires will construct at their sole cost a  
line of railway from the rail head of the Gagan line  
to such sites within the area of the concession as may  
be selected and approved by the department for the laying  
and collection of timber.

7. The Survey of the line of railway is to be commenced within  
three months after the date of the notice to commence the  
same, and is therefore to be conducted with due diligence  
and expedition along a line of route to be approved by the  
General Manager Uganda Railway. The plans  
sections, specifications and other documents or drawings  
necessary for the complete elucidation of the work to be  
undertaken are to be prepared by the Concessionaires  
and submitted to and approved by the General Manager  
before construction work is commenced.

The Survey is to be completed and the final plan  
submitted for approval within twelve months after the  
date of the notice.

8. The line is to be constructed of the same gauge, and  
with the same description of rails, sleepers and ties  
as are in use on the Uganda railway, and in

Concessionaire the Concessionaire will provide such station buildings, platforms, signals and other works and equipment as may be required by the General Manager.

Provided however, and so far as local circumstances may permit, those clauses of the Letter and Supplementary Agreement made between the Commissioner and the Nagpur Soda Co Ltd. for the construction of a branch railway which may be applicable to the work of construction of the contemplated line will be incorporated in the contracts to be executed by the Concessionaire.

g. Construction work is to commence within six months after the final plans have been approved by the General Manager, and the work is to be open at all reasonable times to inspection by him or by his officers appointed by him.

h. When the line is declared by the General Manager to be open for traffic it will be handed over by the Concessionaire to the Railway Administration, and thenceforth the work of maintenance will be undertaken by and at the cost of the Administration.

i. Regulation and arrangement for traffic over the line will be promulgated by the Railway Administration and the traffic will be worked by that authority the full freedom to transport be given to the Concessionaire, subject to the requirements of

other section of the railway.

HCP

9.8.12.

✓  
C  
*Evolution*

### Mount Kenia Concessions.

Various applications having been received from time to time for forest concessions upon the slopes of Mount Kenia and no definite understanding having yet been reached as to the terms upon which such concession should be granted, it is suggested that conditions should be formulated generally in accordance with the outline summarised below and that applicants be then asked to make offer of the rent they will be willing to pay for a concession subject to the terms finally approved.

It is not considered that any applicant can maintain such priority of claim as would entitle him to the first right to exercise an option.

#### Outline of terms proposed.

1. The grant of a concession of 100,000 acres of forest land situated on the southern slope of Mount Kenia, to be held under a licence to cut and remove timber therefrom, and to occupy such land and construct such works as may be incidental thereto, for such term as may suffice to enable the licensees to complete their exploitation of the area conceded.

2. Royalty to be paid at the rate of one cent per cubic foot upon all timber delivered at the Company's depot for the purpose of removal from the area of the concession. For the purpose of calculating such royalty, timber will be measured in the square.

5. Rent will be paid at such rate per annum as may be hereafter decided, and when the sum total of the royalties payable in respect of any one year is in excess of the amount due as rent in respect of the same period, the rent will be deducted from such royalties.

Rent will commence when a period of twelve months has elapsed from the day on which the railway to the forest is declared to be open for traffic.

6. The rate payable to the Uganda Railway Administration in respect of all timber transported over the Uganda Railway, the Thika tramway, or the extension to the forest area will be one penny per mile for every ton of timber up to fifteen thousand tons per annum.

A reduction of one cent per mile will be made in respect of every ton of timber so transported over and above the quantity of fifteen thousand tons per annum.

5. Forestry conditions will be such as may from time to time be prescribed by legislation, or by the Forest Department with the approval of the Governor, and it may be understood that such conditions will be generally similar in tenor to those prescribed in respect of the Grogan concession, with such variations as special circumstances may render advisable.

6. The Concessionaires will construct at their sole cost a line of railway from the rail head of the Thika tramway to such site within the area of the concession as may be selected and approved as the depot for the receipt and collection of timber.

7. The survey of the line of railway is to be commenced within three months after the date of the contract to construct the same, and is thereafter to be conducted with due diligence and expedition along a line of route to be approved by the General Manager Uganda Railway. All plans, sections, specifications and other documents or drawings necessary for the complete elucidation of the work to be undertaken are to be prepared by the Concessionaires and submitted to and approved by the General Manager before construction work is commenced.

The survey is to be completed and the final plans submitted for approval within twelve months after the date of the contract.

The line is to be constructed of iron rails gauge 4 ft 8½ in. with the same description of railings, sleepers and ties as are used in the Uganda railway, and in connection therewith the concessionaires will provide such stations, sidings, platforms, signals and other usual accessories as may be required at the General Manager.

Generally speaking, and so far as local circumstances may permit, those clauses of the contract and supplementary agreement made between the Crown Agents and the Magadi Soda Company Limited for the construction of a branch railway which may be applicable to the work of construction of the contemplated line will be incorporated in the contract to be executed by the concessionaires.

8. Construction work is to be commenced within six months after the final plans have been approved by

the

the General Manager, and the work is to be open at all reasonable times to inspection by him or by the officers deputed by him.

10. When the line is declared by the General Manager to be open for traffic it will be handed over by the Concessionaires to the Railway Administration, and thereafter the work of maintenance will be undertaken by and at the cost of that Administration.

11. Regulations and arrangements for traffic control will be promulgated by the Railway Administration, and the traffic will be worked by that authority, the fullest facilities for transport being given to the Concessionaires, subject to the requirements of other sections of the railway.

(Int'llo.) H.C.B.

9. 12. 12.

Out-standing points.

(1) Rate of cutting and forestal conditions.

(2) Construction of railway into the forest.

(i) Gauge and type of line.

(ii) Dates by which construction should be begun and finished.

(iii) Rates to be charged by concessionaires to future holders of concessions in the forest.

(iv) Terms of control by Government.

(v) Terms of expropriation by the Government.

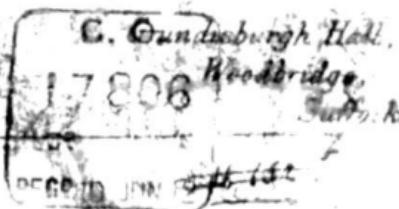
**Conditions for grant of right to cut timber in a  
block of the Kenia Forests.**

(a) 160,000 acres in one block to be selected by the concessionaire and the Conservator of Forests and approved by the Governor, on the southern slope of Mount Kenia between Embu and Nyeri.

(b) Rent at the rate of £1000 per annum deductible from the royalties payable each year. Rent to begin one year from the opening of the railway into the forest.

(c) An all-round royalty of five cents per cubic foot of wood felled or measured.

(d) A rate on the Thika tramway of one penny per ton per mile.



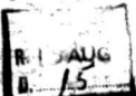
Lord Granville begs to acknowledge receipt  
of (the) Draft June 5 & to thank you  
for the same.

He hopes that we may understand from the  
same that when the question of policy  
is decided on - he will bear particularly a  
reference to the terms of allotment.

C  
17808

ESTD

391



150  
or  
150  
or



gent 11.30 am

DRAFT. Telegram to  
Governor  
Nairobi.

Unfolded  
Reform my dep #

MINUTE.

Mr. Read. 14 Aug

Mr.

Mr. Fiddes.

Sir H. Just.

Sir J. Anderson.

Lord Emmott.

Mr. Harcourt.

588 T 13 Oct 1911 N.

outline of conditions

for grant of concession

headdeap  
has been drawn up

sustained here from  
infancy  
information supplied  
received

by late Governor and  
others

Information  
still required <sup>available</sup>  
royalty of Austin  
from Battinable  
deadwood confusion  
that it would  
consider suitable  
royalty <sup>calculated</sup>  
on squared timber  
allowing <sup>standing</sup>  
and not on timber  
as it originally  
suggested by you has  
no appropriate  
telegraph reply.