

EAST AFR. PROT.
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C. O.
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REC'D
APR 10 1920

CONF
65

BELGIAN GOODS ON UGANDA RAILWAY

1920

14th APRIL

Previous Papers.

7729/ Uga
T.T.S

Has discussed question of facilities with Monsieur Frank. He did not anticipate any more traffic as a result of the acceptance of the Mandate for a part of late G. E. A. Presumes no special facilities should be extended to Belgian Govt. Enquires as to likelihood of objections to increased rates

in H. C. C.

As a Director of the U. G. R. Co. Ltd. I am
not likely to be able to do more than
arrange for the transport of the goods
transport. There is a bad country
between the lake and the
port of the lake, I think.

I doubt if we had been able
to reduce our rates of rates,
which are now 10% by reason of
the high cost of transport
to the lake and the cost of
3% to 4% in capital cost. I am
not sure if we can do more
to reduce our rates from a
railway is a business which

Proposed to submit the
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Party

12.5.20

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This appeared to be the East
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Co. 55896 of G.L.

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It had
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23126

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AFRICA PROTECTORATE

No. 66

RECEIVED
GOVERNMENT HOUSE,
NAIROBI.

BRITISH EAST AFRICA

CONFIDENTIAL

67 April, 1926.

My Lord,

I have the honour to inform Your Lordship that, during the visit to Nairobi of Monsieur Franck the Belgian Minister for the Colonies, I took the opportunity of discussing with him the question of facilities on the Uganda Railway in connection with Belgian goods passing to and from the Congo.

3. Monsieur Franck appeared to be quite satisfied with the arrangements at present in force. He did not anticipate any additional traffic on the Uganda Railway as a result of the decision that the mandate for the administration of the Ruanda and Urundi Districts of late German East Africa should be entrusted to Belgium. He appeared to think that access from the East Coast of Africa to these areas would be provided through the Tanganyika Territory by rail from Darassalam to Kigoma on Lake Tanganyika and thence by water to Usuhara at the north end of the lake.

RIGHT HONOURABLE

VISCOUNT MILNER, P.C., G.C.B., G.C.M.G., &c. &c.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET,

LONDON, S.W.

3.
3. Monsieur Frank Duttaer gave me the impression that, with the extension of Railway communications in the Belgian Congo, that Territory would be less dependant than ever on the East Coast route. 80

4. I presume that in any case no special facilities could be extended to the Belgian Government in view of our Treaty obligations to the other signatory Powers to the Brussels and Berlin Acts and the recent Convention signed at Saint-Germain-en-Laye on September 10th amending the same. Article 3 of the last-named agreement prescribes that, "no differential treatment shall be imposed upon the said merchandise on importation or exportation, the transit remaining free from all duties, taxes or fees other than those collected for services rendered".

5. I am unaware whether a strict interpretation of this clause would prevent this Government from collecting the railway "surcharge" which is at present levied on all goods carried over the Uganda Railway system, whether in transit or otherwise. As Your Lordship is aware I am at present awaiting sanction to abolish this surcharge and to substitute therefor increased Railway rates which will have the effect of bringing the net earnings of the Railway up to 34 per cent of the total capital expended on its construction. I should be glad to be informed whether there is any possibility of objections being

being raised by the Belgian or other Governments
to these increased rates being levied or whether
they can be fairly considered as covered by the
expression "for services rendered".

I have the honour to be,
Your Lordship's
humble, obedient servant,



ACTING GOVERNOR.