

Your Excellency further assures the Italian Government, on instructions from your Government, that the construction and operation of the dam will be effected, so far as possible, with locally recruited labour, and that the level of the waters of the lake will not be raised beyond the maximum limit hitherto attained during the rainy season. The British Government are therefore confident that the existence of the dam will not only be of value to Egypt and the Sudan but will increase the prosperity and promote the economic progress of the local populations.

In reply to the above-mentioned declarations and requests of your Excellency, I have the honour to state on my part that the Royal Government have taken note that the British Government recognise the desirability of extending to the question referred to the principle of friendly collaboration which has proved so valuable in other fields; this has been noted with all the more satisfaction inasmuch as it is my conviction that such co-operation will be the more useful the further it is extended.

The Royal Government have further taken note that His Britannic Majesty's Government are now persuaded that the Italian proposals presented in November 1919 are not in contradiction with the provisions of the Agreement of London of December 13th, 1906, since the object of that agreement (as Italy has always maintained) is the maintenance of the *status quo* in Abyssinia on the basis of the international agreements indicated in Article 1 of the Agreement itself and the co-ordination of the action of the signatory States in the protection of their respective interests so that these should not suffer prejudice.

This being granted, although the above-mentioned proposals presented in London in November 1919 formed part of a wider negotiation of a colonial character arising out of the Treaty of London of 1915, a negotiation which had only partial results, the Royal Government nevertheless agree to take up again the proposals in question, especially sharing the desire of the British Government to realise the principle of friendly co-operation and trusting, moreover, that this principle may be continually further extended for the protection and development of the respective Italian and British interests in Ethiopia, naturally on the basis and within the limits of the provisions of the London Agreement of 1906.

I have, therefore, the honour to state to Your Excellency that the Royal Government will support the British Government with the Abyssinian Government, in order to obtain from the latter the concession to construct a barrage at Lake Tsana, together with the right to construct and maintain a motor road for the passage of stores, personnel, etc., from the frontier of the Sudan to the barrage.

The Royal Government take note, on the other hand, that the British Government will, in return, support the Italian Government in obtaining from the Abyssinian Government the concession to construct and operate a railway from the frontier of Eritrea to the frontier of Italian Somaliland, it remaining understood that this railway, together with all the necessary works for its construction and operation, shall have free transit across the motor road mentioned above.