On the 23rd August Abédine Pasha made a further communication, stating that while adhering to the cession of Dulcigno and its environs, as desired by the Powers, the Porte was compelled to reserve the cession of Gruda and Dinosi, and on the 2nd September the Porte sent in another note declaring that the consent of the Albanians to the cession of Dulcigno could not be obtained unless the status quo were agreed to for the definition of the frontier to the east of

On the 14th September, the Porte having failed to do anything to carry out its engagements, the allied fleets were assembled at

Ragusa.
The desire of Her Majesty's Government and the other Powers has been to bring about a conclusive settlement of the frontier, and with this object they had proposed a line east of the lake which would meet the recommendations of the Frontier Commission by establishing a boundary which could be permanently maintained, but they had not sought to include territory which would give rise to unnecessary difficulties. They were accordingly prepared to give way to the Porte in regard to Dinosi, which they were advised was not really necessary to be occupied as a defensive position by Your Excellency and your col-Montenegro. leagues were therefore authorised to address a collective note to the Porte on the 15th September, in the following terms:-

"The Powers, appreciating the motives alleged by the Porte for preserving the district of Gruda in its entirety to Albania, are disposed to accept the reservation made in its note of the 18th of August, in so far as concerns Dinosi and its territory. They can, however, admit no other interpretation as regards the extent of the territory of Gruda than that adopted by the majority of the European Commission for the delimitation of Montenegro. It is therefore understood that the line of demarcation proposed for the districts to the east of the Lake of Scutari proposed by the collective note of the 3rd August last, will be maintained in all its extent with the exception of the territory of Dinosi, as indicated on a map annexed to the present communication.
"It is equally understood that in case the

arrangement in question is not promptly carried into execution, the compromise now agreed to by the Powers with regard to Dinosi would be

annulled.

"In informing the Porte of the above, the Powers represented by the Undersigned observe that by immediately proceeding to the effectual surrender of the territories conferred on Montenegro by the present arrangement, with the exception of that of Dinosi, the Porte would give a proof of the sincerity of its intentions, for which the Powers would be disposed to give it

"In return for this cession of Dinosi to Turkey, Dulcigno should be surrendered immediately and pacifically, and, in the contrary case, Montenegro should resume her claim upon Dinosi.

This collective note was crossed by a note from the Porte of the same date, in which the Porte stated that the prompt execution of the instructions received by the Turkish Commander for the surrender of Dulcigno depended on the Turkish Government receiving assurances that the Powers would abandon the naval demonstration in case of the surrender of that town; that the religion, life and property of the inhabitants of the towns ceded should be respected, and that the line of frontier previously traced on the side of Podgoritza for the surrender of Dulcigno should be accepted by the Powers.

On the 23rd September the Austrian Chargé d'Affaires informed me that the Austrian Govern-ment had given the Turkish Ambassador at Vienna the following answer to the three questions in the Turkish Circular. He was to say that the Ambassadors at Constantinople had already agreed to a formula respecting the rights of Mussulmans and Catholics:—As to the naval demonstration, the Commander-in-chief was, on that very day, sending Riza Pasha a summons to surrender Dulcigno, and in case he did not do so, the action of the Powers would commence in three days:—One month having elapsed from the expiration of the delay fixed in the note of the 3rd August, and the Porte not having seriously availed itself of this delay, but having continually brought up dilatory proposals, it alone must bear the responsibility for the consequences resulting from the non-execution of the surrender: - Concerning the demarcation line eastwards from Lake Scutari, the Austrian Government were not aware of any line previously agreed upon with regard to the status quo, They knew of no other line than that described in the last collective note to the Porte, and they must insist upon its execution.

I informed your Excellency that you might return a similar answer; but, without waiting for the reply of the Powers, the Porte had communicated to the Ambassadors a further note on the 22nd September, acknowledging the receipt of the collective note of the 15th September, and stating that the Porte had accepted the proposal for the surrender of Dulcigno; but that fresh difficulties had arisen and agitation among the local population, while the powers had determined on a naval demonstration, and that the Porte consequently found itself compelled to make the surrender of Dulcigno contingent on its receiving formal and official assurances:—1. That the Powers would abandon all idea of a naval demonstration upon any question whatever, both at present and for the future. 2. That the property, life, honour and all other rights of the inhabitants who desired to emigrate should be respected as well as the property, life, honour, and above all, religion and other rights, of those who determined to remain. 3. That the Powers would accept the status quo proposed by the Porte and would make no further demands of any

kind with regard to Montenegro.

Your Excellency is aware that when the naval demonstation was first contemplated Her Majesty's Government had proposed that under certain contingencies the Admirals should be instructed to enter, through the Consuls-General, into direct communication with the leaders of the Albanian clans, in order to explain to them the situation and ascertain their views of the local administrative reforms which would best be adopted for their respective districts, and the grant of which would compensate them for any disadvantage which they night apprehend from the proposed settlement of the frontier. Objections being entertained to this proposal, it has not been proceeded with, and was not included in the Admiral's instructions.

Lord Edmond Fitzmaurice, Her Majesty's Commissioner on the Eastern Roumelian Commission, then in session under the XXIIIrd Article of the Treaty of Berlin, was, however, informed of the recommendations of the British and Austrian Consuls-General, and a scheme for the administration of the Sandjak of Scutari, in the sense of these recommendations, was prepared and presented to the Commission by the Austrian and French Commissioners. The Commissioners were unanimous that the General Provincial Statute which had been prepared was not appli-