

GERMANY

CONVENTION RESPECTING THE LEASE OF KIAOCHOW

(March 6, 1898)

The incidents connected with the Mission in the Prefecture of Tsao-chau-foo, in Shantung, being now closed, the Imperial Chinese Government consider it advisable to give a special proof of their grateful appreciation of the friendship shown to them by Germany. The Imperial German and the Imperial Chinese governments, therefore, inspired by the equal and mutual wish to strengthen the bonds of friendship which unite the two countries, and to develop the economic and commercial relations between the subjects of the two States, have concluded the following separate Convention:—

SECTION I

ARTICLE I.

Rights ceded to German troops.—His Majesty the Emperor of China, guided by the intention to strengthen the friendly relations between China and Germany, and at the same time to increase the military readiness of the Chinese Empire, engages, while reserving to himself all rights of sovereignty in a zone of 50 kilometres (100 Chinese li) surrounding the Bay of Kiao-chau at high-water, to permit the free passage of German troops within this zone at any time, as also to abstain from taking any measures, or issuing any Ordinances therein, without the previous consent of the German Government, and, especially to place no obstacle in the way of any regulation of the water-courses which may prove to be necessary.

Rights reserved.—His Majesty the Emperor of China, at the same time, reserves to himself the right to station troops within that zone, in agreement with the German Government, and to take other military measures.

ARTICLE II.

Territory leased.—With the intention of meeting the legitimate desire of His Majesty the German Emperor, that Germany, like other Powers, should hold a place on the Chinese coast for the repair and equipment of her ships, for the storage of materials and provisions for the same, and for other arrangements connected therewith, His Majesty the Emperor of China cedes to Germany on lease, provisionally for ninety-nine years, both sides of the entrance to the Bay of Kiao-chau. Germany engages to construct, at a suitable moment, on the territory thus ceded, fortifications for the protection of the buildings to be constructed there and of the entrance to the harbour.

Article III.

Limits of territory leased.—In order to avoid the possibility of conflicts, the Imperial Chinese Government will abstain from exercising rights of sovereignty in the ceded territory during the term of the lease, and leaves the exercise of the same to Germany within the following limits:—

(1.) On the northern side of the entrance to the bay:

The peninsula bounded to the north-east by a line drawn from the northeastern corner of Potato Island to Loshan Harbour.

(2.) On the southern side of the entrance to the bay:

The peninsula bounded to the south-west by a line drawn from the southwesternmost point of the bay lying to the south-south-west of Chiposan Island in the direction of Tolosan Island.

(3.) The Island of Chiposan and Potato Island.

(4.) The whole water area of the bay up to the highest water-mark at present known.

(5.) All islands lying seaward from Kiao-chau Bay, which may be of importance for its defence, such as Tolosan, Chalienchow, &c.

Delimitation.—The High Contracting Parties reserve to themselves to delimit more accurately, in accordance with local traditions, the boundaries of the territory leased to Germany and of the 50-kilometer zone around the bay, by means of Commissioners to be appointed on both sides.

Rights of Chinese ships in Kiao-chau Bay.—Chinese ships of war and merchant-vessels shall enjoy the same privileges in the Bay of Kiao-chau as the ships of other nations on friendly terms with Germany; and the entrance, departure, and sojourn of Chinese ships in the bay shall not be subject to any restrictions other than those which the Imperial German Government, in virtue of the rights of sovereignty over the whole of the water area of the bay transferred to Germany, may at any time find it necessary to impose with regard to the ships of other nations.

ARTICLE IV.

Navigation signals.—Germany engages to construct the necessary navigation signals on the islands and shallows at the entrance of the bay.

Port dues.—No dues shall be demanded from Chinese ships of war and merchant-vessels in the Bay of Kiao-chau, except those which may be levied upon other vessels for the purpose of maintaining the necessary harbour arrangements and quays.

ARTICLE V.

Return of leased territory.—Should Germany at some future time express the wish to return Kiao-chau Bay to China before the expiration of the lease, China engages to refund to Germany the expenditure she has incurred at Kiao-chau, and to cede to Germany a more suitable place.

Germany engages at no time to sublet the territory leased from China to another

Power.

Chinese in leased territory.—The Chinese population dwelling in the ceded territory shall at all times enjoy the protection of the German Government, provided that they behave in conformity with law and order; unless their land is required for other purposes they may remain there.

If land belonging to Chinese owners is required for any other purpose, the owner will receive compensation therefor.

Customs stations.—As regards the re-establishment of Chinese customs stations which formerly existed outside the ceded territory, but within the 50-kilometer zone, the Imperial German Government intends to come to an agreement with the Chinese Government for the definitive regulation of the customs frontier, and the mode of collecting customs duties, in a manner which will safeguard all the interests of China, and proposes to enter into further negotiations on the subject.

SECTION II—**Railway and Mining Affairs.**

ARTICLE I.

The Chinese Government sanctions the construction by Germany of two lines of railway in Shantung. The first will run from Kiao-chau via Weihsien, Tsingchoufu, Poshan, Tzechwan, and Tsowping to Tsinan and the boundary of Shantung. The second line will run from Kiao-chau to Ichowfu, and from there to Tsinan via Laiwuhsien. But the construction of the extension from Tsinan to the boundary of Shantung shall not be begun until the railway is completed as far as Tsinan in order that further consideration may be given by the Chinese as to how they will connect this with their own trunk line. The route to be taken by this last branch will be definitely determined in the regulations which will be drawn up hereafter.

ARTICLE II.

In order to carry out the above-mentioned railway work, a Chino-German Company shall be formed. This Company may have offices in one place or in several places, and both German and Chinese merchants shall be at liberty to invest money therein, and share in the appointment of directors for the management of the undertaking.

ARTICLE III.

Germany and China shall in the near future draw up a further agreement relative to the management of the railway by the Company, and all matters pertaining thereto shall be discussed and decided upon by these two countries alone. But the Chinese Government shall afford every facility to the Chino-German Company in the construction of the road, and it shall enjoy all the advantages and benefits extended to other Chinese-foreign companies operating in China. It is understood that the object of this agreement is solely the development of commerce, and in constructing this railroad there is no intention to unlawfully seize any land in the Province of Shantung.

ARTICLE IV.

The Chinese Government will allow German subjects to hold and develop mining property for a distance of thirty *li* from each side of those railways and along the whole extent of the lines. The following places where mining operations may be carried on are particularly specified: Weihsien and Poshan along the line of the northern railway from Kiao-chau to Tsinan, and Ichow, Laiwuhsien, etc., along the southern or Kiao-chau-Ichow-Tsinan line. Both German and Chinese capital may be invested in these mining and other operations, but as to the rules and regulations relating thereto, this shall be left for future consideration. The Chinese Government shall afford every facility and protection to German subjects engaged in these works, just as provided for above in the article relating to railway construction, and all the advantages and benefits shall be extended to them that are enjoyed by the members of other Chinese-foreign companies. The object in this case is also the development of commerce solely.

SECTION III—**Commercial operations in Shantung.**

The Chinese Government binds itself in all cases where foreign assistance, in persons, capital or material, may be needed for any purpose whatever within the Province of Shantung, to offer the said work or supplying of materials in the first instance to German manufacturers and merchants engaged in undertakings of the kind in question. In case German manufacturers or merchants are not inclined to undertake the performance of such works, or the furnishing of materials, China shall then be at liberty to act as she pleases.

The above Agreement shall be ratified by the Sovereigns of both the Contracting States, and the ratifications exchanged in such manner that, after the receipt in Berlin of the Treaty ratified by China, the copy ratified by Germany shall be handed to the Chinese Minister in Germany.

The foregoing Treaty has been drawn up in four copies, two in German and two in Chinese, and was signed by the Representatives of the two Contracting States on the 6th March, 1898, corresponding to the 14th day of the second month in the twenty-fourth year Kuang-hsü.

(Great Seal of the Tsung-li Yamen.)

(Signed) Baron von HEYKING,
The Imperial German Minister.
LI HUNG-CHANG (in Chinese),
Imperial Chinese Grand Secretary, Minister of the
Tsung-li Yamen, &c., &c.

WENG TUNG-HO (in Chinese),
Imperial Chinese Grand Secretary, Member of
the Council of State, Minister of the Tsung-li Yamen.