

No. 277. — TREATY<sup>1</sup> BETWEEN CHINA AND JAPAN FOR THE SETTLEMENT OF OUTSTANDING QUESTIONS RELATIVE TO SHANTUNG, SIGNED AT WASHINGTON, FEBRUARY 4, 1922.

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*Texte officiel anglais communiqué par l'Ambassadeur du Japon et le Ministre de Chine à Paris. L'enregistrement de ce traité a eu lieu le 7 juillet 1922.*

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JAPAN and CHINA, being equally animated by a sincere desire to settle amicably and in accordance with their common interest outstanding questions relative to Shantung, have resolved to conclude a Treaty for the settlement of such questions, and have to that end named as their Plenipotentiaries, that is to say :

HIS MAJESTY THE EMPEROR OF JAPAN ;

Baron Tomosaburo KATO, Minister of the Navy ;

Baron Kijuro SHIDEHARA, Ambassador Extraordinary and Plenipotentiary ; and Masanao HANIHARA, Vice-Minister for Foreign Affairs ;

HIS EXCELLENCY THE PRESIDENT OF THE CHINESE REPUBLIC ;

SAO-KE ALFRED SZE, Envoy Extraordinary and Minister Plenipotentiary ;

VIKYUIN WELLINGTON KOO, Envoy Extraordinary and Minister Plenipotentiary ; and CHUNG-HUI WANG, Former Minister of Justice ;

Who, having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following Articles :

SECTION I.

RESTORATION OF THE FORMER GERMAN LEASED TERRITORY OF KIAOCHOW

*Article 1.*

Japan shall restore to China the former German Leased Territory of Kiaochow.

*Article 2.*

The Government of Japan and the Government of the Chinese Republic shall each appoint three Commissioners to form a Joint Commission, with powers to make and carry out detailed

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<sup>1</sup> L'échange des ratifications a eu lieu à Pékin le 2 juin 1922.

<sup>1</sup> TRADUCTION. — TRANSLATION.

No. 277. — TRAITÉ <sup>2</sup> ENTRE LA CHINE ET LE JAPON POUR LE RÉGLEMENT DES QUESTIONS EN SUSPENS RELATIVES AU CHANTOUNG, SIGNÉ A WASHINGTON LE 4 FÉVRIER 1922.

*English official text communicated by the Minister for China and the Ambassador of Japan in Paris.  
The registration of this Treaty took place July 7, 1922.*

Le JAPON et la CHINE, inspirés tous deux du désir de régler dans un esprit d'entente amicale, et conformément à leurs intérêts communs, les questions en suspens relatives au Chantoung, ont résolu de conclure un Traité pour le règlement de ces questions et ont nommé à cet effet pour leurs plénipotentiaires :

SA MAJESTÉ L'EMPEREUR DU JAPON :

Le Baron Tomosaburo KATO, Ministre de la Marine ;  
Le Baron Kijuro SHIDEHARA, Ambassadeur extraordinaire et plénipotentiaire, et  
M. Massanao HANIHARA, Vice-Ministre des Affaires Etrangères ;

SON EXCELLENCE LE PRÉSIDENT DE LA RÉPUBLIQUE CHINOISE :

M. SAO-KE ALFRED SZE, Envoyé extraordinaire et Ministre plénipotentiaire ;  
M. VIKYUIN WELLINGTON KOO, Envoyé extraordinaire et Ministre plénipotentiaire, et  
M. CHUNG-HUI WANG, ancien Ministre de la Justice,

lesquels, après avoir échangé leurs pleins pouvoirs trouvés en bonne et due forme, ont convenu des articles suivants :

SECTION I.

RESTITUTION DU TERRITOIRE DE KIAO-TCHÉOU, ANCIENNEMENT CÉDÉ A BAIL A L'ALLEMAGNE.

*Article 1.*

Le Japon restituera à la Chine le territoire de Kiao-Tchéou anciennement cédé à l'Allemagne.

*Article 2.*

Le Gouvernement du Japon et le Gouvernement de la République Chinoise nommeront chacun trois commissaires pour constituer une Commission mixte avec pouvoir d'élaborer et de faire appli-

<sup>1</sup> Traduit par le Secrétariat de la Société des Nations.

<sup>1</sup> Translated by the Secretariat of the League of Nations.

<sup>2</sup> The exchange of ratifications took place at Peking, June 2, 1922.

arrangements relating to the transfer of the administration of the former German Leased Territory of Kiaochow and to the transfer of public properties in the said Territory and to settle other matters likewise requiring adjustment.

For such purposes, the Joint Commission shall meet immediately upon the coming into force of the present Treaty.

*Article 3.*

The transfer of the administration of the former German Leased Territory of Kiaochow and the transfer of public properties in the said Territory, as well as the adjustment of other matters under the preceding Article, shall be completed as soon as possible, and, in any case, not later than six months from the date of the coming into force of the present Treaty.

*Article 4.*

The Government of Japan undertakes to hand over to the Government of the Chinese Republic, upon the transfer to China of the administration of the former German Leased Territory of Kiaochow, such archives, registers, plans, title-deeds and other documents in the possession of Japan, or certified copies thereof, as may be necessary for the transfer of the administration, as well as those that may be useful for the subsequent administration by China of the said Territory and of the Fifty kilometre Zone around Kiaochow Bay.

SECTION II.

TRANSFER OF PUBLIC PROPERTIES.

*Article 5.*

The Government of Japan undertakes to transfer to the Government of the Chinese Republic all public properties, including land, buildings, works or establishments in the former German Leased Territory of Kiaochow, whether formerly possessed by the German authorities or purchased or constructed by the Japanese authorities during the period of the Japanese administration of the said Territory, except those indicated in Article 7 of the present Treaty.

*Article 6.*

In the transfer of public properties under the preceding Article, no compensation will be claimed from the Government of the Chinese Republic: Provided, however, that for those purchased or constructed by the Japanese authorities, and also for the improvements on or additions to those formerly possessed by the German authorities, the Government of the Chinese Republic shall refund a fair and equitable proportion of the expenses actually incurred by the Government of Japan, having regard to the principle of depreciation and continuing value.

*Article 7.*

Such public properties in the former German Leased Territory of Kiaochow as are required for the Japanese Consulate to be established in Tsingtao shall be retained by the Government of Japan, and those required more especially for the benefit of the Japanese community, including public schools, shrines and cemeteries, shall be left in the hands of the said community.

*Article 8.*

Details of the matters referred to in the preceding three Articles shall be arranged by the Joint Commission provided for in Article 2 of the present Treaty.

## SECTION III.

## WITHDRAWAL OF JAPANESE TROOPS.

*Article 9.*

The Japanese troops, including gendarmes, now stationed along the Tsingtao-Tsinanfu Railway and its branches, shall be withdrawn as soon as the Chinese police or military force shall have been sent to take over the protection of the Railway.

*Article 10.*

The disposition of the Chinese police or military force and the withdrawal of the Japanese troops under the preceding Article may be effected in sections.

The date of the completion of such process for each section shall be arranged in advance between the competent authorities of Japan and China.

The entire withdrawal of such Japanese troops shall be effected within three months, if possible, and, in any case, not later than six months, from the date of the signature of the present Treaty.

*Article 11.*

The Japanese garrison at Tsingtao shall be completely withdrawn simultaneously, if possible, with the transfer to China of the administration of the former German Leased Territory of Kiaochow, and, in any case, not later than thirty days from the date of such transfer.

## SECTION IV.

## MARITIME CUSTOMS AT TSINGTAO.

*Article 12.*

The Custom House of Tsingtao shall be made an integral part of the Chinese Maritime Customs upon the coming into force of the present Treaty.

*Article 13.*

The Provisional Agreement of August 6, 1915, between Japan and China, relating to the reopening of the Office of the Chinese Maritime Customs at Tsingtao shall cease to be effective upon the coming into force of the present Treaty.

## SECTION V.

## TSINGTAO-TSINANFU RAILWAY.

*Article 14.*

Japan shall transfer to China the Tsingtao-Tsinanfu Railway and its branches, together with all other properties appurtenant thereto, including wharves, warehouses and other similar properties.

*Article 15.*

China undertakes to reimburse to Japan the actual value of all the Railway properties mentioned in the preceding Article.

The actual value to be so reimbursed shall consist of the sum of fifty-three million four hundred and six thousand one hundred and forty-one (53, 406, 141) gold marks (which is the assessed value of such portion of the said properties as was left behind by the Germans), or its equivalent, plus the amount which Japan, during her administration of the Railway, has actually expended for permanent improvements on or additions to the said properties, less a suitable allowance for depreciation.

It is understood that no charge will be made with respect to the wharves, warehouses and other similar properties mentioned in the preceding Article, except for such permanent improvements on or additions to them as may have been made by Japan, during her administration of the Railway, less a suitable allowance for depreciation.

*Article 16.*

The Government of Japan and the Government of the Chinese Republic shall each appoint three Commissioners to form a Joint Railway Commission, with powers to appraise the actual value of the Railway properties on the basis defined in the preceding Article, and to arrange the transfer of the said properties.

*Article 17.*

The transfer of all the Railway properties under Article 14 of the present Treaty shall be completed as soon as possible, and, in any case, not later than nine months from the date of the coming into force of the present Treaty.

*Article 18.*

To effect the reimbursement under Article 15 of the present Treaty, China shall deliver to Japan simultaneously with the completion of the transfer of the Railway properties, Chinese Government Treasury Notes, secured on the properties and revenues of the Railway, and running for a period of fifteen years, but redeemable, whether in whole or in part, at the option of China, at the end of five years from the date of the delivery of the said Treasury Notes, or at any time thereafter upon six months' previous notice.

*Article 19.*

Pending the redemption of the said Treasury Notes under the preceding Article, the Government of the Chinese Republic will select and appoint, for so long a period as any part of the said

Treasury Notes shall remain unredeemed, a Japanese subject to be Traffic Manager, and another Japanese subject to be Chief Accountant jointly with the Chinese Chief Accountant and with co-ordinate functions.

These officials shall all be under the direction, control and supervision of the Chinese Managing Director, and removable for cause.

*Article 20.*

Financial details of a technical character relating to the said Treasury Notes, not provided for in this Section, shall be determined in common accord between the Japanese and Chinese authorities as soon as possible, and, in any case, not later than six months from the date of the coming into force of the present Treaty.

SECTION VI.

EXTENSIONS OF THE TSINGTAO-TSINANFU RAILWAY.

*Article 21.*

The concessions relating to the two extensions of the Tsingtao-Tsinanfu Railway, namely, the Tsinanfu-Shunteh and the Kaomi-Hsuchowfu lines, shall be made open to the common activity of an international financial group, on terms to be arranged between the Government of the Chinese Republic and the said group.

SECTION VII.

MINES.

*Article 22.*

The mines of Tsechwan, Fangtze and Chinlingchen, for which the mining rights were formerly granted by China to Germany, shall be handed over to a company to be formed under a special charter of the Government of the Chinese Republic, in which the amount of Japanese capital shall not exceed that of Chinese capital.

The mode and terms of such arrangement shall be determined by the Joint Commission provided for in Article 2 of the present Treaty.

SECTION VIII.

OPENING OF THE FORMER GERMAN LEASED TERRITORY OF KIAOCHOW.

*Article 23.*

The Government of Japan declares that it will not seek the establishment of an exclusive Japanese settlement, or of an international settlement, in the former German Leased Territory of Kiaochow.

The Government of the Chinese Republic, on its part, declares that the entire area of the former German Leased Territory of Kiaochow will be opened to foreign trade, and that foreign nationals will be permitted freely to reside and to carry on commerce, industry, and other lawful pursuits within such area.

*Article 24.*

The Government of the Chinese Republic further declares that vested rights lawfully and equitably acquired by foreign nationals in the former German Leased Territory of Kiaochow, whether under the German régime or during the period of the Japanese administration, will be respected.

All questions relating to the status or validity of such vested rights acquired by Japanese subjects or Japanese companies shall be adjusted by the Joint Commission provided for in Article 2 of the present Treaty.

SECTION IX.

SALT INDUSTRY.

*Article 25.*

Whereas the salt industry is a Government monopoly in China, it is agreed that the interests of Japanese subjects or Japanese companies actually engaged in the said industry along the coast of Kiaochow Bay shall be purchased by the Government of the Chinese Republic for fair compensation, and that the exportation to Japan of a quantity of salt produced by such industry along the said coast is to be permitted on reasonable terms.

Arrangements for the above purposes, including the transfer of the said interests to the Government of the Chinese Republic, shall be made by the Joint Commission provided for in Article 2 of the present Treaty. They shall be completed as soon as possible, and, in any case, not later than six months from the date of the coming into force of the present Treaty.

SECTION X.

SUBMARINE CABLES.

*Article 26.*

The Government of Japan declares that all the rights, title and privileges concerning the former German submarine cables between Tsingtao and Chefoo and between Tsingtao and Shanghai are vested in China, with the exception of those portions of the said two cables which have been utilized by the Government of Japan for the laying of a cable between Tsingtao and Sasebo ; it being understood that the question relating to the landing and operation at Tsingtao of the said Tsingtao-Sasebo cable shall be adjusted by the Joint Commission provided for in Article 2 of the present Treaty, subject to the terms of the existing contracts to which China is a party.

## SECTION XI.

## WIRELESS STATIONS.

*Article 27.*

The Government of Japan undertakes to transfer to the Government of the Chinese Republic the Japanese wireless stations at Tsingtao and Tsinanfu, for fair compensation for the value of these stations, upon the withdrawal of the Japanese troops at the said two places respectively.

Details of such transfer and compensation shall be arranged by the Joint Commission provided for in Article 2 of the present Treaty.

*Article 28.*

The present Treaty (including the Annex thereto) shall be ratified, and the ratifications thereof shall be exchanged at Peking as soon as possible and not later than four months from the date of its signature.

It shall come into force from the date of the exchange of ratifications.

In witness whereof, the respective Plenipotentiaries have signed the present Treaty in duplicate, in the English language, and have affixed thereto their seals.

Done at the City of Washington this fourth day of February, One Thousand Nine Hundred and Twenty-two.

(L. S.) T. KATO.

(L. S.) SAO-KE ALFRED SZE.

(L. S.) K. SHIDEHARA.

(L. S.) V. K. WELLINGTON KOO.

(L. S.) M. HANIHARA.

(L. S.) CHUNG-HUI WANG.

## ANNEX.

## I.

## RENUNCIATION OF PREFERENTIAL RIGHTS.

The Government of Japan declares that it renounces all preferential rights with respect to foreign assistance in persons, capital and material stipulated in the Treaty<sup>1</sup> of March 6, 1898, between China and Germany.

## II.

## TRANSFER OF PUBLIC PROPERTIES.

It is understood that public properties to be transferred to the Government of the Chinese Republic under Article V of the present Treaty include (1) all public works, such as roads, water-works, parks, drainage and sanitary equipment, and (2) all public enterprises such as those relating to telephone, electric light, stockyard and laundry.

<sup>1</sup> British and Foreign State Papers, vol. 95, page 320.



The Government of the Chinese Republic declares that in the management and maintenance of public works to be so transferred to the Government of the Chinese Republic, the foreign community in the former German Leased Territory of Kiaochow shall have fair representation.

The Government of the Chinese Republic further declares that, upon taking over the telephone enterprise in the former German Leased Territory of Kiaochow, it will give due consideration to the requests from the foreign community in the said Territory for such extensions and improvements in the telephone enterprise as may be reasonably required by the general interests of the public.

With respect to public enterprises relating to electric light, stockyard and laundry, the Government of the Chinese Republic, upon taking them over, shall re-transfer them to the Chinese municipal authorities of Tsingtao, which shall, in turn, cause commercial companies to be formed under Chinese laws for the management and working of the said enterprises, subject to municipal regulation and supervision.

### III.

#### MARITIME CUSTOMS AT TSINGTAO.

The Government of the Chinese Republic declares that it will instruct the Inspector-General of the Chinese Maritime Customs (1) to permit Japanese traders in the former German Leased Territory of Kiaochow to communicate in the Japanese language with the Custom House of Tsingtao, and (2) to give consideration, within the limits of the established service regulations of the Chinese Maritime Customs, to the diverse needs of the trade of Tsingtao in the selection of a suitable staff for the said Custom House.

### IV.

#### TSINGTAO-TSINANFU RAILWAY.

Should the Joint Railway Commission provided for in Article 16 of the present Treaty fail to reach an agreement on any matter within its competence, the point or points at issue shall be taken up by the Government of Japan and the Government of the Chinese Republic for discussion and adjustment by means of diplomacy.

In the determination of such point or points, the Government of Japan and the Government of the Chinese Republic shall, if necessary, obtain recommendations of experts of a third Power or Powers who shall be designated in common accord between the two Governments.

### V.

#### CHEFOO-WEIHSIEN RAILWAY.

The Government of Japan will not claim that the option for financing the Chefoo-Weihsien Railway should be made open to the common activity of the International Financial Consortium, provided that the said Railway is to be constructed with Chinese capital.

## VI.

## OPENING OF THE FORMER GERMAN LEASED TERRITORY OF KIAOCHOW.

The Government of the Chinese Republic declares that, pending the enactment and general application of laws regulating the system of local self-government in China, the Chinese local authorities will ascertain the views of the foreign residents in the former German Leased Territory of Kiaochow in such municipal matters as may directly affect their welfare and interests.

T. KATO.  
K. SHIDEHARA.  
M. HANIHARA.

SAO-KE ALFRED SZE.  
V. K. WELLINGTON KOO.  
CHUNG-HUI WANG.

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AGREED TERMS OF UNDERSTANDING RECORDED IN THE MINUTES OF THE JAPANESE AND CHINESE DELEGATIONS CONCERNING THE CONCLUSION OF THE TREATY FOR THE SETTLEMENT OF OUTSTANDING QUESTIONS RELATIVE TO SHANTUNG.

## I. TRANSFER OF PUBLIC PROPERTIES.

(1.) Japanese subjects will be permitted, subject to the provisions of Chinese law, to become members or shareholders of any of the commercial companies to be formed with respect to public enterprises mentioned in Paragraph 4 of Annex II of the Treaty.

## II. WITHDRAWAL OF JAPANESE TROOPS.

(2.) After the withdrawal of the Japanese troops provided for in Articles 9-11 of the Treaty, no Japanese military force of any kind will remain in any part of Shantung.

## III. TSINGTAO-TSINANFU RAILWAY.

(3.) All light railways constructed by Japan in Shantung and all properties appurtenant thereto shall be considered as part of the properties of the Tsingtao-Tsinanfu Railway.

(4.) The telegraph lines along the Railway shall also be considered as part of the Railway properties.

(5.) The Chinese authorities, upon taking over the Railway, shall have full power and discretion to retain or to remove the present employees of Japanese nationality in the service of the Railway. In replacing such employees, reasonable notice shall be given before the date of the

transfer of the Railway. Detailed arrangements regarding the replacements to take effect immediately on the transfer of the Railway are to be made by the Joint Railway Commission provided for in Article 16 of the Treaty.

(6). The entire subordinate staff of the Japanese Traffic Manager and the Japanese Chief Accountant of the Railway is to be appointed by the Chinese Managing Director. After two years and a half from the date of the transfer of the Railway, the Chinese Government may appoint an Assistant Traffic Manager of Chinese nationality for the period of two years and a half, and such Chinese Assistant Traffic Manager may likewise be appointed at any time upon notice being given for the redemption of the Treasury Notes under Article 18 of the Treaty.

(7) The Chinese Government is under no obligation to appoint Japanese subjects as members of the subordinate staff above mentioned.

(8) The redemption of the Treasury Notes under Article 18 of the Treaty will not be effected with funds raised from any source other than Chinese.

(9) The Chinese Government will ask the Japanese Government for such information as may be useful in making the selection of the Japanese Traffic Manager and the Japanese Chief Accountant of the Railway.

(10) All questions relating to the existing contracts or commitments made by the Japanese authorities in charge of the Railway shall be settled by the Joint Railway Commission ; and, prior to the transfer of the Railway, the said Japanese authorities will not make any new contracts or commitments calculated to be harmful to the interests of the Railway.

#### IV. OPENING OF THE FORMER GERMAN LEASED TERRITORY OF KIAOCHOW.

(11) The term "lawful pursuits" used in Article 23 of the Treaty shall not be so construed as to include agriculture, or any enterprise prohibited by Chinese law or not permitted to foreign nationals under the treaties between China and foreign Powers, it being understood that this definition shall be without prejudice to the question of the salt industry provided for in Article 25 of the Treaty or to any question relating to vested rights which shall be determined in accordance with Article 24 of the Treaty.

#### V. POST OFFICES.

(12) All the Japanese Post Offices outside of the former German Leased Territory of Kiaochow shall be withdrawn simultaneously with the transfer of the Tsingtao-Tsinanfu Railway, if such transfer shall take place before January, 1, 1923, and, in any case, not later than the said date.

(13) All the Japanese Post Offices within the former German Leased Territory of Kiaochow shall be withdrawn simultaneously with the transfer of the administration of the said Territory.

#### VI. CLAIMS.

(14) The omission of any reference in the Treaty to the question of claims which Chinese citizens may have against the Japanese authorities or Japanese subjects, for the restitution of real property in Shantung or for damages to the persons and property of Chinese citizens in Shantung, shall not prejudice such claims.

(15) The Chinese authorities shall furnish the Japanese authorities with a list of such claims together with all available evidence in support of each claim. Justice shall be done through diplomatic channels as regards the claims against the Japanese authorities, and through ordinary judicial procedure as regards the claims against Japanese subjects. With respect to the latter class of claims, the investigation into actual facts of each case may, if necessary, be conducted by a Joint Commission of Japanese and Chinese officials, in equal number, to be specially designated for that purpose.

(16) The Japanese Government shall not be held responsible for any damages which may have been directly caused by military operations of Japan during the late war.

WASHINGTON, D.C., *February 4, 1922.*