

N° 559.

CHINE ET JAPON

Accord comportant des arrangements
détaillés pour le règlement de
questions pendantes relatives au
Chantoung, signé à Pékin le 1^{er}
décembre 1922.

CHINA AND JAPAN

Agreement on detailed arrangements
for the settlement of outstanding
questions relative to Shantung,
signed at Peking, December 1,
1922.

No. 559.

TEXTE JAPONAIS. — JAPANESE TEXT.¹

Official Chinese and Japanese texts communicated by the Chinese Minister at Rome. The registration of this Agreement took place January 23, 1924.

山東懸案細目協定

大正十一年二月四日即民國十一年二月四日華盛頓ニ於テ調印セラレタル山東懸案解決ニ關スル條約ニ基ク細目ヲ協定セムカ爲同條約第二條所定ノ共同委員會委員トシテ日本國政府ハ

特命全權公使

小幡西吉

青島守備軍民政長官

秋山雅之介

大使館參事官

出淵勝次

ヲ支那國政府ハ

督辦魯案善後事宜

王正廷

外交部參事

唐在章

督辦魯案善後事宜公署參議

徐東藩

兩湖巡閱使署顧問

陳幹

¹ This Agreement came into force as soon as it was signed.

No. 559.

TEXTE CHINOIS. — CHINESE TEXT¹.

Textes officiels chinois et japonais communiqués par le Ministre de Chine à Rome. L'enregistrement de cet Accord a eu lieu le 23 janvier 1924.

山東懸案細目協定

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中日兩國政府爲欲按照中華民國十一年二月四日(即大正十一年二月四日)在華盛頓簽字之解決山東懸案條約協定細目任命該條約第二條所定之聯合委員會委員如左

中華民國政府任命

督辦魯案善後事宜

王正廷

外交部參事

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日本政府任命

特命全權公使

小幡西吉

青島守備軍民政長官

秋山雅之介

¹ Cet accord est entré en vigueur immédiatement après signature.

¹ TRADUCTION.

No. 559. — ACCORD COMPORTANT DES ARRANGEMENTS DÉTAILLÉS
POUR LE RÈGLEMENT DES QUESTIONS PENDANTES RELATIVES
AU CHANTOUNG, SIGNÉ A PÉKIN LE 1^{er} DÉCEMBRE 1922.

LES GOUVERNEMENTS DE LA CHINE ET DU JAPON, désireux de se conformer au Traité concernant le règlement des questions pendantes relatives au Chantoung, signé à Washington le quatrième jour du second mois de la onzième année de la République chinoise (c'est-à-dire, le quatrième jour du second mois de la onzième année de Taisho), ont, conformément à l'article II dudit Traité, nommé respectivement pour les représenter et constituer une Commission mixte sino-japonaise, chargée de fixer les détails du règlement des dites questions :

LE GOUVERNEMENT DE LA RÉPUBLIQUE CHINOISE :

- M. Chenting Thomas WANG, Directeur général pour le rétablissement des droits du Chantoung ;
- M. TSAI-CHANG TANG, Conseiller au Ministère des Affaires étrangères ;
- M. TUNG-FAN HSU, Conseiller au Directorat général pour le rétablissement des droits du Chantoung ;
- M. CHEN-KAN, ex-Conseil auprès de l'Inspectorat général du Hounan et du Hou-Pei.

LE GOUVERNEMENT DE L'EMPIRE JAPONAIS :

- M. YUKICHI OBATA, Envoyé extraordinaire et Ministre plénipotentiaire en Chine ;
- M. MASUJOSKE AKIYAMA, Chef de l'Administration civile de Tsingtao ;
- M. KASUJI DEBUCHI, Conseiller d'Ambassade,

qui sont convenus, à Pékin, des dispositions suivantes :

SECTION I.

RETOUR A LA CHINE DE L'ANCIEN TERRITOIRE A BAIL ALLEMAND DE KIAO-TCHÉOU.

Article 1.

Le Gouvernement japonais, conformément à l'article 1 du Traité concernant le règlement des questions pendantes relatives au Chantoung, s'engage à transférer à la Chine l'entière administration de l'ancien territoire à bail allemand de Kiao-Tchéou, à midi, le dixième jour du douzième mois de la onzième année de la République chinoise (c'est-à-dire, le dixième jour du douzième mois de la onzième année de Taisho). A dater de ce transfert, la Chine entrera en possession de tous les droits administratifs et assumera également toutes les responsabilités administratives.

Les droits qui seront reconnus et les responsabilités qui incomberont, au point de vue administratif, aux agents consulaires japonais, en vertu des traités et des précédents, ne sont pas visés par le présent article.

¹ Traduit par le Secrétariat de la Société des Nations.

² Translated by the Secretariat of the League of Nations.

¹ TRANSLATION.

No. 559 — AGREEMENT ON DETAILED ARRANGEMENTS FOR THE SETTLEMENT OF OUTSTANDING QUESTIONS RELATIVE TO SHANTUNG, SIGNED AT PEKING DECEMBER 1ST, 1922.

THE GOVERNMENTS OF CHINA AND JAPAN, desiring to act in pursuance of the Treaty for the Settlement of Outstanding Questions relative to Shantung signed at Washington on the 4th day of the 2nd month of the 11th year of the Chinese Republic (namely, the 4th day of the 2nd month of the 11th year of Taisho), have for the purpose of settling the details appointed their respective Commissioners to constitute a Sino-Japanese Joint Commission as stipulated in Article 2 of the said Treaty, to wit :

THE GOVERNMENT OF THE CHINESE REPUBLIC :

Chenting Thomas WANG, Director-General for the Rehabilitation of Shantung Rights ;

TSAI-CHANG TANG, Councillor to the Ministry of Foreign Affairs,
TUNG-FAN HSU, Councillor to the Directorate-General for the Rehabilitation of Shantung Rights ;

CHEN-KAN, Former Adviser to the Inspectorate-General of Hunan and Hupeh,

THE GOVERNMENT OF THE JAPANESE EMPIRE :

YUKICHI OBATA, Envoy Extraordinary and Minister Plenipotentiary to China ;

MASUJOSKE AKIYAMA, Chief of Tsingtao Civil Administration ;

KASUJI DEBUCHI, Councillor of Embassy,

who have agreed at Peking upon the following articles :

SECTION I.

RESTORATION OF THE FORMER GERMAN LEASED TERRITORY OF KIAOCHOW.

Article I.

The Government of Japan, in accordance with Article 1 of the Treaty for the Settlement of Outstanding Questions relative to Shantung, engages to transfer the entire administration of the former German Leased Territory of Kiaochow to China, at noon on the tenth day of the twelfth month of the eleventh year of the Chinese Republic (namely, the tenth day of the twelfth month of the eleventh year of Taisho). After such transfer all administrative rights and responsibilities shall devolve on China.

But those which shall pertain to the Japanese Consular Officers in accordance with treaties and precedents are not herein covered.

¹ Communiquée par le Ministre de Chine à Rome.

¹ Communicated by the Chinese Minister at Rome.

Article 2.

The transfer of the administration and public properties (including wharves and warehouses) as stipulated in Articles 3 and 4 of the Treaty for the Settlement of Outstanding Questions relative to Shantung, and the delivery of all the documents necessary to the said transfer, shall be entrusted to the Chinese and Japanese Committees on transfer with powers to negotiate for, and to carry out, detailed arrangements.

Article 3.

The said Committees of the Governments of China and Japan provided in the preceding article shall complete all matters relating to the said transfer within the period of one month from the date of the transfer of the administration to China.

Article 4.

The Government of China engages to respect the binding force of the judgments of the Japanese law courts at Tsingtao regarding civil suits and criminal actions, other actions at law, evidences regarding immovable properties, notarial acts, protests and registrations of affidavits.

SECTION II.

WITHDRAWAL OF JAPANESE TROOPS.

Article 5.

The withdrawal of all Japanese troops (including gendarmes) stationed at Tsingtao shall be completed within twenty days from the date stipulated in Article 1 of this Agreement.

SECTION III.

LEASING OF LAND.

Article 6.

The Government of China agrees to extend upon its expiration the permit for leasing of land, which was issued by the Japanese Administration before the exchange of ratifications of the Treaty for the Settlement of Outstanding Questions relative to Shantung to thirty years on like conditions.

Upon the expiration of the above-mentioned thirty years, the said lease may be renewed but the conditions of renewal shall be governed by the regulations of the Commercial Port of Kiaochow Administration for the leasing of land. The permit for leasing of land issued by the Japanese Administration before the exchange of ratifications of the said Treaty is not covered by the provisions of the two preceding paragraphs if within the period stipulated by the conditions of lease no work or construction has been started.

All permits for leasing of land issued by the Japanese Administration after the exchange of ratifications of the said Treaty, shall be cancelled. But land on which works or constructions have been started before the tenth day of the twelfth month of the eleventh year of the Chinese Republic may be given preferential consideration under the regulations of the Administration of the Commercial Port of Kiaochow for the leasing of land when the permit for such lease is renewed.

SECTION IV.

PUBLIC PROPERTIES.

Article 7.

The public properties which shall be retained by Japan in accordance with Article 7 of the Treaty for the Settlement of Outstanding Questions Relative to Shantung are as follows :

A. Properties needed by the Japanese Consulate :

- (1) Land and premises, 27 Maitsuru-machi (Map No. 1 attached).
- (2) Land and premises, 28 Maitsuru-machi and 26 Saga-machi (Map No. 2 attached).
- (3) Land and premises, 24 Saga-machi and 34 Kurume-machi (Map No. 3 attached).
- (4) Land and premises, 20 and 22 Mannencho (Maps No. 4 and 5 attached).
- (5) Land and premises, 15, 17, and 18, Hamamathacho (Map No. 6 attached).
- (6) Land and premises, 17 and 18 Bakwan-machi (Map No. 7 attached).
- (7) Land and premises, 11 Saga-machi (Map No. 8 attached).
- (8) 15,000 ping of northern high land at Kasumigasekitori (Map No. 9 attached).

B. Properties needed by the Japanese Community :

- (1) Land and premises of Japanese Association, 10 Shizuokacho (Map No. 10 attached).
- (2) Land and premises of Chemical Laboratory, 22 Hazakura-cho (Map No. 11 attached).
- (3) Land and premises of Tsingtao Hospital, 15 Mannen-cho (Map No. 12 attached).
- (4) Land and premises of Middle School, Ariake-cho (Map No. 13 attached).
- (5) Land and premises of Girl's High School, Mikasa-cho (Map No. 14 attached).
- (6) Land and premises of First Primary School, Hanasaki-cho (Map No. 15 attached).
- (7) Land and premises of Tsingtao Shrine, Wakatsuruyama (Map No. 16 attached).
- (8) Land and premises of Cenotaph, Asahi-machi (Map No. 17 attached).
- (9) Land and premises of Tsingtao Memorial, Kashu-machi (Map No. 18 attached).
- (10) Land and premises of Crematorium, Tateumi-machi (Map No. 19 attached).
- (11) Land of cemetery, Asahi-yama (Map No. 20 attached).

The boundaries of the above-mentioned two kinds of public properties which shall be retained are defined by the maps attached thereto respectively.

Article 8.

All public properties situated within the former German Leased Territory of Kiaochow which are not included in the preceding Article shall be forthwith transferred to China.

Article 9.

Public properties situated along the Kiaochow-Tsinanfu Railway, which shall be retained or used by the Japanese Government in pursuance of the Agreement for the Withdrawal of Japanese Troops stationed along the said Railway, shall be separately determined by the two Governments when the places to be opened to international trade are decided upon.

SECTION V.

TELEGRAPH, CABLE AND WIRELESS SERVICES.

Article 10.

The Government of Japan agrees to transfer to China without compensation one half of the Tsingtao-Sasebo cable. The Tsingtao end of the said cable shall be operated by the Government of China, and the Sasebo end of the same by the Government of Japan.

Article 11.

Arrangements for the operation of the said cable shall be separately agreed upon by the two Governments.

Article 12.

The Government of China declares that upon the expiration of the telegraph monopoly granted to the existing foreign companies, it will terminate the said monopoly on its own initiative and that no Government, company or individual of whatever nationality, will be granted the right of exclusive monopoly thereof.

Article 13.

The Government of China agrees, upon the taking over of the Tsingtao and Tsinanfu Wireless Stations, to open them to public use within the following areas :

- (1) Between Tsingtao Wireless Station and steamers on the seas.
- (2) Between Tsingtao and Tsinanfu Wireless Stations.

(For so long a period as both stations shall exist).

Article 14.

The Government of China agrees to the use of the Japanese alphabets by the following stations or offices :

- (1) Tsingtao cable office.
- (2) Tsingtao wireless station.
- (3) Tsingtao, Szefang and Tsangkow telegraph offices.

The above-mentioned telegraph offices at Szefang and Tsangkow, when despatching and receiving messages in Japanese alphabets, shall collect a special charge, the amount of which shall be agreed upon between the responsible authorities of China and Japan.

Article 15.

The Government of China agrees, upon the taking over of the Kiaochow-Tsinanfu Railway (including branch lines), to open the telegraph offices at the principal stations along the said Railway for the receiving and despatching of public messages.

Article 16.

The Government of China agrees, upon taking over the equipments of the military telephone service between Tsingtao and Tsinanfu, to open the said service to public use on its own accord and give the subscribers thereof proper facilities.

SECTION VI.

SALT INDUSTRY.

Article XVII.

The Governments of China and Japan, in pursuance of Article 25 of the Treaty for the Settlement of Outstanding Questions Relative to Shantung, agree upon the following conditions for the exportation to Japan of salt along the shore of Kiaochow Bay.

(1) Japan shall within a period of fifteen years beginning from the twelfth year of the Chinese Republic (namely, the 12th year of Taisho) purchase annually Tsingtao salt between the maximum amount of 350,000,000 *catties* and the minimum amount of 100,000,000 *catties*. But upon expiration of the above-mentioned period, a further arrangement may be agreed upon.

(2) The Government of China agrees to apply the Regulations for the inspection of the quality (including color) of salt, promulgated by the Government of Japan in the 1st month of the 10th year of Taisho to the Tsingtao salt purchased by Japan.

If in future it shall be necessary to amend the said regulations, further provisions may be agreed upon.

(3) The place for the delivery of such salt shall be the warehouse of Munji and other places to be designated by the Japanese authorities in charge. But in case of importation to other places than Munji, the difference in freight charges for salt of similar kind imported into such other places shall be paid (i.e. the difference in freight charges for Munji and that for the places to be designated).

(4) Other arrangements for the purchase of salt by Japan shall be agreed upon by the responsible authorities of China and Japan.

SECTION VII.

COMPENSATION FOR PUBLIC PROPERTIES AND SALT INDUSTRY.

Article 18.

In pursuance of Article 6 relative to compensation for public properties to be transferred and Article 25 relative to compensation for the salt interests of the Japanese subjects and companies along the shore of Kiaochow Bay of the Treaty for the Settlement of Outstanding Questions Relative to Shantung, the Government of China agrees to deliver to the Government of Japan Y. 16,000,000.

2,000,000 Yen of the above-mentioned amount shall be paid in cash within one month after the transfer of public properties and salt interests.

Article 19.

The Government of China agrees to deliver to Japan Treasury Notes upon the complete transfer of public properties and salt industries, in payment for the above-mentioned Y 14,000,000.

Article 20.

The conditions for the above-mentioned Treasury Notes shall be as follows :

- (1) The total face value of Chinese Treasury Notes shall be 14,000,000 Yen.
- (2) The Chinese Treasury Notes shall bear an annual interest of six per cent.
- (3) These Notes shall be redeemed within a period of fifteen years. No principal is to be paid on the first year. Beginning from the second year the principal shall be redeemed twice a year, and an amount of Y. 500,000 shall be paid each time on the same date as that for payment of interest. But at any time upon a three months' previous notice, these Treasury Notes are redeemable, whether in whole or in part.
- (4) Besides the surplus of the Customs Revenues and Salt Gabelle which will serve as securities for these Treasury Notes, the Chinese Government shall give consideration to select other kind of reliable securities and arrive at an agreement with the Japanese Minister at Peking at an early date.
The Government of China agrees to give priority to such Treasury Notes upon reorganization of the Chinese foreign loans.
- (5) If the above-mentioned securities are not sufficient to meet the principal or interest of the Treasury Notes, the Chinese Government agrees to pay through other sources of revenue.
- (6) Interest of the Chinese Treasury Notes shall be paid once every half-year beginning from the day of the delivery of such notes.
- (7) The place for the payment of principal and interest of these Treasury Notes is decided to be at Tokyo and payment of principal and interest to be taken charge of by the Yokohama Specie Bank. But if the place of payments or the banking agency should be changed for the convenience of the Japanese Government, it shall be arranged with the Chinese Government.
- (8) The Government of China agrees to free the Treasury Notes and coupons as well as the receipt of, and payment for, the principal or interest of the said Treasury Notes from all kinds of taxation.

(9) Upon delivery of these Treasury Notes, the Government of Japan may transfer freely part or whole of the said Notes to others at its own convenience.

(10) The notes are named "The Treasury Notes in Japanese Yen for the Compensation of Public Properties and Salt Interests at Tsingtao".

(11) These Treasury Notes shall have attached to them half-yearly coupons and shall bear all such conditions necessary for the enjoyment of rights by their holders, such as marks, numbers, date of delivery, signature of the Chinese representative, seal, amount of principal, rate of interest, period of redemption, security, certificates for payment by Chinese Government, mode of payment for principal and interest, and the banking agent. These Treasury Notes are divided into two kinds of 100,000 Yen and 500,000 Yen arranged in accordance with the numbers as required.

(12) Expenses for the printing of the Treasury Notes shall be borne by the Chinese Government.

(13) Pending completion of the printing of these formal Treasury Notes, the Government of China shall deliver to Japan a scrip.

SECTION VIII.

MINES.

Article 21.

With a view to organize a Company in pursuance of Article 22 of the Treaty for the Settlement of Outstanding Questions Relative to Shantung, the Governments of China and Japan shall cause the organizing committee elected by the Chinese and Japanese capitalists to undertake all matters relative to the establishment of the Company.

Article 22.

Upon the establishment of the Company organized in accordance with a special charter from the Chinese Government, the Japanese Government shall transfer to the said Company all the mines of Tzechuan, Fangtse and Chinglinchen and properties appurtenant thereto.

Article 23.

The Company stated in Article 22 shall be a Sino-Japanese joint concern. Its capital and additional investments shall be divided equally by the Chinese and Japanese nationals.

Article 24.

The total amount of the compensation to be made to the Government of Japan by the Company mentioned in Article 23 shall be Y. 5,000,000 gold.

Article 25.

The detailed arrangements for the payment of the amount of compensation mentioned in Article 24 shall be arranged between the Government of Japan and the Company after the latter's establishment.

SECTION IX.

MARITIME CUSTOMS.

Article 26.

The Government of China agrees to continue the present bonded warehouse system at Tsingtao.

Article 27.

The Government of China agrees to free from import duty such articles mentioned in (c) of Article 3 in the Amendment to the Maritime Customs Agreement of 1905, which were bona fide purchases before the date of February 4, 1922, for four years beginning from the said date.

Article 28.

The Government of China agrees to accord similar treatment to the factories within the former German Leased Territory of Kiaochow as given to factories in the other ports of China after the tenth day of the twelfth month of the eleventh year of the Chinese Republic. But after the said date even upon change of regulations now in force, all materials and products to have been made thereof which could be proved to the Maritime Customs upon delivery of necessary certificates to have been imported to the said factories in accordance with the agreement of April 17, 1907, may still take advantage of the said agreement.

In witness thereof, the respective Commissioners have signed the present Agreement in duplicate in the Chinese and Japanese languages, and have affixed thereto their seals. Each Commission shall keep one copy in Chinese and another copy in Japanese.

Done at the City of Peking on the First day of the Twelfth Month of the Eleventh Year of the Chinese Republic or the First Day of the Twelfth Month of the Eleventh Year of Taisho.

(L. S.) (Signed) CHENTING THOMAS WANG.
(L. S.) (Signed) TANG TSAI-CHANG.
(L. S.) (Signed) HSU TUNG-FAN.
(L. S.) (Signed) CHEN KAN.
(L. S.) (Signed) Y. OBATA.
(L. S.) (Signed) M. AKIYAMA.
(L. S.) (Signed) K. DEBUCHI.

ANNEX.

I. WITHDRAWAL OF JAPANESE TROOPS.

Before the withdrawal or return of the Japanese troops stationed at Tsingtao as well as the Japanese officers and gendarmes at Tsingtao and along the Tsingtao-Tsinanfu Railway, the Government of China shall extend to them necessary facilities and favorable consideration for their stay, withdrawal or return to Japan.

Such facilities and consideration shall be agreed upon by the Chinese and Japanese Committees on Transfer as stated in Article II of this Agreement.

II. VESTED RIGHTS.

The Chinese local authorities, and the Japanese consular authorities at Tsingtao shall devise proper ways for the adjustment of the vested rights acquired by foreign nationals, in accordance with the terms of, and annex to, the Treaty for the Settlement of Outstanding Questions Relative to Shantung.

III. LAND.

The Government of China agrees to the maintenance of status quo for those lands the procedure for the leasing of which has not yet been completed as stated in paragraph 4 of Article VI.

IV. AGRICULTURAL ENTERPRISE.

The Government of China shall take back with fair compensation the farms of Kunitake and other large farms undertaken by the Japanese nationals.

Details for the purchase of the above-mentioned farms shall be agreed upon by the Administration of the Port of Kiaochow and the Japanese consular authorities.

V. PUBLIC PROPERTIES.

(1) The Government of Japan declares to transfer to the Chinese Government all the lands for cemeteries in view of China's agreement to the retention by Japan of 10,040 ping of land at Asahi-yama (Map No. 20 attached) as stipulated in Article VII of this Agreement.

(2) The Government of China declares that though the boundaries of the forest used for the Tsingtao Shrine and Cenotaph have been designated in accordance with the maps attached thereto, the forest within the iron-wire fence will be preserved and not be let out. Should it be necessary to use such forest for the sake of ceremonial rites, it may be permitted without restriction.

The Government of China declares that after taking over the Tsingtao Observatory, it will be operated in accordance with the following plans :

(a) The Japanese employees will for the time being continue as usual their duties for the maintenance and operation of the observatory, without taking, however, remuneration from the Chinese Government. The Chinese Government will give as far as possible facilities for the exchange of reports between Tsingtao Observatory and Japanese Observatory.

(b) When the Chinese employees of the Chinese Observatory are ready to take over the duties of the former Japanese employees, arrangements for the exchange of reports with the Japanese Observatory may be further made.

(4) The Government of China makes the following declarations concerning the taking over of the following public properties in accordance with Article VIII of this Agreement :

(1) The premises and landed property of Asahi-cho barracks will be leased for the use of the Commercial College without compensation.

(2) The premises and landed property now used by the Tsingtao College may continue to be leased for its use without compensation.

(3) The public land now leased to the Sailors Club may continue to be leased for its use without compensation.

(4) The Tsingtao market, small harbor, public unloading ground, horse-training ground (Maitsuru-machi), horse-shoeing ground (Saga-machi), race course and houses at the said course will be managed impartially by the Administration of the Port of Kiaochow.

(5) Lands and premises now leased to the International Club (Shizuoka-cho), Golf Club (inside Asahi-cho parade) and Tennis Club (Pyo-jun-cho) will be maintained by them without compensation under supervision of the Administration of the Port of Kiaochow.

(6) The rent of landed property now leased to the various religious and charitable institutions will be reduced.

(7) The premises and landed property now leased to the Tsingtao Hsin Pao (Shizuoka-cho) and Tsinan News Agency (Shizuoka cho) will be given proper facilities. The existing lease of the dormitory granted to the Tsingtao Hsin Pao (Maitsuru-cho) may continue for a period of one year from the date of signature of the present Agreement.

(8) The experimental station of agriculture at Litsun, and the various public schools of Kiaochow and the Isolation Hospital at Taihsichen will as a matter of course be maintained and expanded.

(9) The parade ground at Asahi-cho and target practising ground at Kanshan will be maintained by the Administration of the Port of Kiaochow. All Chinese and foreign nationals may use them in accordance with the Regulations of the Administration of Public Properties promulgated by the Administration of the Port.

(10) The Pilot Association (near Tsingtao Hotel at Himeji-cho) shall be maintained and managed by the Administration of the Port of Kiaochow.

Aside from those which are to be undertaken by the Administration of the Port of Kiaochow itself, the organisation and rules of all the other enterprises shall be laid before the Administration of the Port of Kiaochow for approval and shall be in accordance with the Regulations of the said Administration.

VI. ELECTRIC LIGHT, STOCKYARD AND LAUNDRY.

In regard to the undertaking of the enterprises of electric light (including the supply of electric power), stockyard and laundry, the Government of China agrees to the formation of companies under special Chinese charters in which Chinese and foreign nationals (including Japanese) may invest. The number of Japanese members (including directors) will be in proportion to the amount of their investment.

In the organisation of the above-mentioned companies, consideration shall be given to the leases of the laundry enterprise now undertaken by the Japanese nationals.

VII. TELEPHONE.

(1) The Government of China agrees that upon taking over the telephone enterprise of the former German Leased Territory of Kiaochow it will give consideration within a period of six months to the employment of operators who understand Japanese, with a view to facilitate the exchange for those subscribers who speak Japanese.

(2) The Government of China agrees, upon taking over the above-mentioned telephone enterprise, to instruct the telephone company concerned to decide upon a standardized system for the use of the exchange for the convenience of the subscribers.

VIII. SALT INDUSTRY.

(1) In regard to the quantity of Tsingtao salt to be exported as stipulated in Article 17 of this Agreement, China and Japan need not necessarily be bound by the agreed quantity as stated above and may arrange the quantity to be purchased for that year separately of either the maximum or the minimum quantities in case the condition of production or the demand for salt in China and Japan should make it difficult to provide or accept the maximum or minimum quantity referred to above.

(2) The Tsingtao salt to be purchased by the Japanese Monopoly Bureau shall be of such quality as that required by the said Bureau. But upon importation to Japan of coarse salt which is not wanted by the Japanese Monopoly, the Chinese and Japanese responsible authorities shall reach an agreement on the reduction of its price or other methods.

(3) The Chinese and Japanese responsible authorities shall reach an agreement on the price of salt to be imported for the purpose of manufacture.

(4) The export agent shall be designated by the Chinese responsible authorities and appointed with the concurrent approval of the Japanese responsible authorities.

(5) The Government of China agrees to export freely Tsingtao salt to Korea.

(6) At the time of transfer of the salt industry, the exportation of the remaining coarse salt, fine salt and salt specially required under contracts now possessed by the salt merchants may be carried out without restriction in accordance with their original conditions before the 31st day of the 3rd month of the 12th year of the Chinese Republic.

IX. MINES.

(1) The shares of the Company may be transferred only among Chinese and Japanese nationals themselves respectively.

Securities by way of such shares are transferable on the same conditions.

(2) The Company appoints the following officers :

- 9 Directors ;
- 2 Inspectors.

Five of the Directors shall be of Chinese nationality and four of Japanese ; one of the inspectors shall be of Chinese nationality and the other of Japanese, all of whom shall be chosen from the Chinese and Japanese share holders.

The organisation of the Council of the Directors shall be agreed upon by the representatives of the Chinese and Japanese capitalists.

(3) The Company may employ two or three officers of the Tsingtao-Tsinanfu Railway as its councillors.

(4) All questions concerning the capital, shares, meetings of the share holders, and other matters shall be dealt with in accordance with the Company Regulations.

(5) The five million yen which the Company shall pay to Japan will not bear interest. When the profit of the Company can pay dividends above 8%, half of the surplus shall be used to pay the Japanese Government.

(6) All mining-area taxes, mining taxes, customs duties and all other kinds of taxes and duties to be paid by the Company shall have the lowest rate and the most favourable treatment as accorded to other mining companies in China.

(7) The Government of China will accord similar treatment for the transportation of coal, coke and quarry to the Company as has been accorded to companies of other places in regard to special freight charges, distribution of waggons and warehouses for coal, coke and quarry or extension of railway lines. The detailed arrangement will be agreed upon between the Company and the Tsingtao-Tsinanfu Railway.

(8) The Company will provide the Tsingtao-Tsinanfu Railway with coal required by it at cost price.

(9) The Government of China assures that special wharves may be constructed at the Tsingtao Wharves for the sole use of the Shantung mines. The location of such wharves to be established and

other details will be later agreed upon between the Company and the Administration of the Port of Kiaochow.

(10) In addition to what has been stated above the said Company will receive the most favourable treatment in its relation with the Railway and Wharves as has been accorded to other mining companies in China.

(11) All the contracts for works at Fangtse and Tzechuan shall be transferred in their present condition to the Company. The Company and the said contractors shall settle them in future.

(12) The disposal of properties which formerly belonged to the old Company and are now used by others may be agreed upon between the said Company and the others concerned.

(13) Upon expiration of the duration of the Company, to be yet decided upon, if the Company continues to exist, the above-mentioned stipulations will still apply.

X. CUSTOMS AT KIAOCHOW.

(1) The Government of China declares that in accordance with Article XXVI relative to the bonded warehouse system of this Agreement, it agrees to continue all the favourable treatment having been extended to various kinds of articles by the customs at Kiaochow at the time of the signature of this Agreement.

(2) The Government of China agrees that the Japanese merchants at Kiaochow may communicate in Japanese with the Maritime Customs.

(3) The Government of China agrees that the Inspector-General of the Customs will give consideration, within the limits of the established Service Regulations of the Chinese Maritime Customs, to the various needs of the trade of Tsingtao in the selection of a suitable staff for the said Customs House and will limit the change of the present personnel to a minimum.

(4) The Inspector-General and the Japanese officers stationed at Tsingtao will decide upon the separation of those public properties which belong to the former Maritime Customs from other public properties.

The 1st day of the 12th month of the 11th year of the Chinese Republic, or the 1st day of the 12th month of the 11th year of Taisho.

(L. S.) (Signed) CHENTING THOMAS WANG.
 (L. S.) (Signed) TSAI-CHANG TANG.
 (L. S.) (Signed) TUNG FAN HSU.
 (L. S.) (Signed) CHEN KAN.
 (L. S.) (Signed) Y. OBATA.
 (L. S.) (Signed) M. AKIYAMA.
 (L. S.) (Signed) K. DEBUCHI.

MEMORANDUM SENT TO MINISTER OBATA BY DR. C. T. WANG, CHIEF COMMISSIONER OF THE CHINESE COMMISSION.

In regard to the question of Chinese claims for compensation for injuries or damages done to Chinese persons or properties as stipulated in the Understanding VI annexed to the Treaty for the Settlement of Outstanding Questions Relative to Shantung, the Chief Commissioner of the Chinese Commission, in the course of the thirteenth meeting of the First Section of the Joint Commission, August 10, proposed the organization of a Sub-Committee for discussing the procedure for its settlement. In reply, Your Excellency made some suggestions at the 20th meeting on September 4. Then, in the course of the debate, the Chinese proposal for the immediate organization of a sub-committee was not accepted by the Japanese Commission on the ground that investigation and settlement

of this question would require a great deal of time and that, in accordance with the Treaty and for the purpose of not interfering with the progress of this Conference, a special Joint Commission should be organized to deal with it.

The Japanese Commission further stated that in case of compliance with their suggestions in organisation of a separate Commission as stipulated in the said Understanding, they saw no objection to ascertaining the views of the Japanese Government.

As nothing concrete resulted from subsequent discussions between the Wai Chiao Pu and Your Excellency and as the detailed arrangements are about to be satisfactorily settled, the Chinese Commission, in the spirit of their last proposal, hopes that the Joint Commission would uniformly recommend to their respective Governments to constitute as soon as possible a Joint Commission in pursuance of the Treaty by appointing a proper number of officials for the express purpose of settling this question, thereby terminating this outstanding question of many years and promoting the friendly relations of the two countries.

The amount of compensation to be paid to China which will be decided upon shall be deducted from the Treasury Notes that China has to pay to Japan.

December 1, 1922.

His Excellency Yukichi OBATA,
Chief Commissioner of the Japanese Commission.

REPLY OF MINISTER OBATA, CHIEF COMMISSIONER OF JAPANESE COMMISSION TO DR. C. T. WANG,
CHIEF COMMISSIONER OF THE CHINESE COMMISSION.

The Japanese Commission has taken note of the Chinese Memorandum relative to the Understanding VI of the Agreed Terms of understanding of the Chinese and Japanese Delegations reached at the time of the conclusion of the Shantung Treaty and desires to say that this Commission has repeatedly pointed out that the said question does not fall within the competence of the Joint Commission. There is not the slightest doubt on this interpretation in view of the express terms of the said Understanding. Besides, this view is fully shared by the Japanese Government. This Commission therefore takes the position that the Joint Commission is not authorized to discuss it. The Japanese Government would, however, have no objection if the Chinese Government could take up this question in accordance with the stipulations of the said Understanding separately from the Joint Commission.

December 1, 1922.

His Excellency C. T. WANG,
Chief Commissioner, Chinese Commission.

EXCHANGE OF MEMORANDA CONCERNING LANDED PROPERTIES IN THE FORMER
GERMAN LEASED TERRITORY OF KIAOCHOW.

MEMORANDUM SENT TO MINISTER OBATA, CHIEF COMMISSIONER OF THE JAPANESE COMMISSION,
BY DR. C. T. WANG, CHIEF COMMISSIONER OF THE CHINESE COMMISSION.

In regard to land ownership in the former German Leased Territory of Kiaochow, acquired by foreign nationals through purchase or other means, the Government of China, besides proposing

to recover with compensation the land used for agricultural purposes, would agree to have it continued on term of rent without payment for a period not exceeding the duration of the term of the former German Lease Convention of Kiaochow. This will serve as purchasing price. Upon expiration of this period, such land will be taken back by the Chinese Government or it may continue to be leased in accordance with the regulations of the Administration of the Port. The said proposal is deemed by the Chinese Commission to be fair and appropriate. But if the Japanese Commission should still insist upon their proposal for perpetual lease, this question could only be allowed to remain outstanding for separate settlement eventually by the Governments of China and Japan.

December 1, 1922.

His Excellency Yukichi OBATA,
Chief Commissioner of the Japanese Commission.

REPLY OF MINISTER OBATA, CHIEF COMMISSIONER OF THE JAPANESE COMMISSION TO THE MEMORANDUM OF DR. C. T. WANG, CHIEF COMMISSIONER OF THE CHINESE COMMISSION.

The Sino-Japanese Joint Commission has had several discussions on the question of private land ownership in the former German Leased Territory of Kiaochow, acquired by foreign nationals either through purchase or by reclamation. Unfortunately the views of the two Commissions could not agree. The Chinese Commission refused to regard land ownership so acquired as vested rights and to maintain its status quo, and agreed only to allow them to be leased without compensation within the period of the former lease of Kiaochow by Germany, after expiration of said period, to administer them in accordance with the regulations of the Administration of the Commercial Port of Kiaochow ; but would leave this question outstanding for separate settlement eventually by the Governments of China and Japan, in case the Japanese Commission should insist on their proposal.

On the part of the Japanese Delegation, the declaration was made that, for the purpose of protecting the vested rights lawfully acquired by foreign nationals and in accordance with various treaties concluded between China and foreign Powers, Japan would assent to the conversion of the ownership of such land into perpetual lease without compensation, provided that foreigners of other than Japanese nationality also agree to the arrangement. The Japanese Commission sincerely believes that its proposal is in accordance with the stipulations of the treaties and fully along the line of the arrangement concerning the special areas of Tientsin and Hankow which have become a question between the Chinese Government and the Diplomatic Corps in China.

Inasmuch as the Chinese Commission insists upon its own views, the Japanese Commission cannot but agree to leave this question to be settled through the diplomatic channels of the Chinese and Japanese Governments.

December 1, 1922.

His Excellency C. T. WANG,
Chief Commissioner, Chinese Commission.

AGREED TERMS OF UNDERSTANDING CONCERNING THE AGREEMENT ON DETAILED ARRANGEMENTS FOR THE SETTLEMENT OF OUTSTANDING QUESTIONS RELATIVE TO SHANTUNG.

I. JUDICIAL MATTERS.

The provisions of Article 4 of the Agreement on Detailed Arrangements for the Settlement of Outstanding Questions Relative to Shantung shall not be read to the prejudice of the provisions of Article 24 of the Treaty for the Settlement of Outstanding Questions Relative to Shantung and Article 2 of the Annex to the present Agreement.

II. LEASING OF LANDS.

(1) The Japanese Government declares that it will respect all regulations governing the leasing of lands in the Commercial Port of Kiaochow, provided that they do not impair the rights or privileges hitherto enjoyed by foreigners under the provisions of existing commercial treaties and are in accordance with the general practice in the various treaty ports of China.

(2) At any time in the future, when the other leased territories shall be returned to China and thrown open as commercial ports, the rights and privileges granted to foreigners in such places concerning landed property shall also be accorded to those in the Commercial Port of Kiaochow.

III. PUBLIC PROPERTIES.

(1) Excepting those left over by the Germans, the disposal of and compensation for the accessories, equipments and articles held in stock, attached or belonging to the public properties shall be jointly settled by the Chinese and Japanese Committees provided for in Article 2 of the present Agreement.

(2) The Chinese Government declares that the extension of Tsingtao Wharf No. 1, now under construction by the Japanese authorities, shall be completed in accordance with the original programme.

(3) The Japanese Government consents to transfer to the Chinese Government the small boats, and launches listed below, it being understood, however, that the Tsimu Maru, after its transfer to China, shall continue to be employed in the pilotage service, free of charge.

A. *Steam Launches.*

Of the Port Administration :

Tsimu Maru,
Tsingtao Maru,
Sansui Maru.

Of the Water Police Force :

Laosan Maru.

Of the Bureau of Harbour Works :

Wakatsuru Maru,
Huangtao Maru,
Chiyo Maru,
Fusan Maru,
Shantung Maru,
Komiz Maru.

Of the Wharf Administration :

Aioi Maru,
Kousan Maru,
Shitomiz Maru,
Futamiz Maru.

B. *Miscellaneous Boats.*

Of the Port Administration :

Sasso Boat	I
Dampe Boat	I
Damma Boat (small size)	2
Small junk	I
Other Miscellaneous boats	7

Of the Bureau of Harbour Works :

35-ton floating hauling machine	I
Small dredging boat (pollistomach type)	I
Large dredging boat (pollistomach type)	I
Ashiba Sen	2
Latto boat	3
Damma boat	5
Junks	3
Sampan	9
Small freight boat	I
Mud-carrying boat	II

Of the Wharf Administration :

22-ton floating hauling machine	I
Sundry boats	4
Motor boat	I

(4) The Chinese Government declares that, before the complete payment of the agreed compensation for public properties, the Tsingtao Wharves, including the warehouses, shall not be used as security for any foreign loan. In case they are to be used as such security, an agreement shall first be reached with Japan.

(5) The Chinese Government declares that the leasing or setting aside of houses to be used for residences of the teachers of the Japanese schools at Tsingtao shall be speedily carried out on specially favourable terms.

(6) With reference to the negotiations now going on between the parties concerned for the organisation of a new company to manage the electric power station at Tsingtao, the Chinese and Japanese Governments, in view of the participation of the proprietors of the Sze-fang telegraph station, agree to consider, as already settled, the questions outstanding between the Chinese and Japanese Governments regarding the Sze-fang electric power station.

(7) The public properties along the Tsingtao-Tsinanfu Railway which have been mutually agreed upon to be retained by the Japanese Government are enumerated below as items A and B. The properties included in C to J are to be either retained or disposed of and the compensation therefor to be fixed by mutual agreement between the Chinese and Japanese Governments when the places to be opened to international trade shall have been decided upon in accordance with Article 9 of the present Agreement.

A. Headquarters of the Tsinan Garrison	9 buildings.
B. Headquarters of the Sub-Commander of the Tsinan Gendarmerie	1 building.
C. Military Officers' Club at Fangtse and appurtenant properties	2 buildings.
D. Barracks for non-commissioned officers and upper grade soldiers of the gendarmerie at Fangtse	5 buildings.
E. Headquarters and official residence of the Weihsien gendarmerie	2 buildings.
F. Headquarters and official residences of the gendarmerie at Changtien	3 buildings.
G. Headquarters and official residences belonging to the gendarmerie at Tzechuan Coal Mine	3 buildings.
H. Headquarters and officials residences belonging to the gendarmerie at Poshan	2 buildings.
I. Army quarters of the troops at Poshan	1 building.
K. Headquarters and official residence of the gendarmerie at Chow-Tsun	1 building.

The amount of compensation due to the Japanese Government for public properties, which is stipulated in Article 18 of the present Agreement, shall not include the compensation for the properties enumerated in the above list.

(8) With reference to the properties enumerated above, the Japanese Government shall continue to have charge of them pending an agreement between the Chinese and Japanese Governments as to their final disposition in accordance with Article 9 of the present Agreement.

(9) The disposition of the several schools and hospitals established by the Japanese Government along the Tsingtao-Tsinanfu Railway shall be arranged between the Chinese and Japanese Governments when the places to be opened for international trade shall have been decided upon.

Pending such arrangement, the present administration shall continue to be in force.

IV. POST AND TELEGRAPH.

(1) Before the expiration of the monopolies referred to in Article 12 of the present Agreement, the Chinese and Japanese Governments shall, on the basis of a general settlement outlined below, come to an agreement with each other with regard to the operation of the Tsingtao-Sasebo Cable as soon as possible, or within six months at most :

- (a) The Chinese Government temporarily entrusts to the Japanese Government the operation of the Tsingtao end of the above-mentioned cable.
- (b) The telegraph office entrusted with the management of the affairs stated in the preceding section (hereinafter to be referred to simply as the telegraph office) shall not directly receive, dispatch or deliver any telegram sent by or addressed to the public, which shall be done entirely through the Chinese telegraph office at Tsingtao.
- (c) The land, buildings (including the houses for the employees), apparatus, wires and other materials required by the said telegraph office as well as the connecting line between the said office and the landing of the Tsingtao-Sasebo Cable shall be furnished by the Chinese Government, which shall defray all the current expenses of the telegraph office and the cost of constructing the connecting line.
- (d) The size of the staff for the telegraph office and the salaries of the employees shall be fixed by mutual agreement between China and Japan. The superintendent and the engineer shall be appointed by Japan, while the accountant shall be appointed by China. In the employment of telegraph operators preference shall be given to Chinese.
- (e) The Chinese and Japanese Governments shall each be responsible for the protection and maintenance of its half of the above-mentioned cable.
- (f) The above-mentioned cable shall charge, for transmitting ordinary cables in plain languages between any place in China and any place in Japan, a sum of fifty centimes per word, the proceeds of which shall be equally apportioned between China and Japan. Charges for the transmission of other messages shall be subject to separate arrangement.

(2) Pending the coming into effect of the agreement between China and Japan relative to the Tsingtao-Sasebo Cable, the Japanese Government shall temporarily take charge of and operate the said cable on the existing basis.

(3) Communication between the Tsingtao Wireless Station and the wireless station at Dairen shall be arranged between the Chinese and Japanese authorities in charge.

(4) The Chinese and Japanese Governments mutually agree that on the day when the Tsingtao-Tsinanfu Railway shall be transferred to China, the "Agreement fixing the provisional procedure concerning Sino-Japanese postal and telegraphic operations in the leased territory of Kiaochow Bay and along the Kiaochow-Tsinanfu Railway now under Japanese control", together with the Agreement for its detailed operation and appurtenant documents, shall cease to have effect.

AGREED TERMS OF UNDERSTANDING CONCERNING THE AGREEMENT ON DETAILED ARRANGEMENTS FOR THE SETTLEMENT OF QUESTIONS RELATIVE TO THE TSINGTAO-TSINANFU RAILWAY.

(1) Except as otherwise provided, the railway properties to be transferred in accordance with Article 1 of the present Agreement shall include all the properties belonging to the Division of Railway Affairs (that is to say, including all the lands, buildings, other structures, etc., which have been transferred to the Railway Administration by either Division of Civil Administration or the Division of Military Administration, or the Division of Communications, or through other channels).

(2) The price of the locomotives ordered to be built by the Kawasaki Dock and to be delivered in March 1923 has already been included in the agreed compensation for the Railways.

(3) With reference to the second paragraph of Article 14 of the present Agreement, in case of delay in making or failure to make payment without cause, at the designated place when the remittance is made through any bank other than the Yokohama Specie Bank, future remittances shall be made through the Tsingtao or Tsinanfu branches of the Yokohama Specie Bank. In case of similar delay or failure on the part of the said branches of the Yokohama Specie Bank, future remittances shall be made through other banks.

(4) Questions concerning the continuance of the contracts and agreements entered into by the railway authorities of the Japanese Administration as well as other relative problems shall be referred to and settled by the Joint Committees on Transfer.

(5) All financial rights acquired and obligations incurred by the Tsingtao-Tsinanfu Railway, during the period of the Japanese Administration, which remain unsettled at the time of the transfer of the Railway shall be taken care of by Japan.

With reference to the financial rights and obligations mentioned above, the disposal of the bonds, securities, and rental monies of the contracting parties shall be jointly arranged by the Chinese and Japanese Committees on Transfer.

(6) During the period of the transfer of the Railway, the Chinese and Japanese Committees on Transfer shall jointly make arrangements for the management of the business and for taking charge of the receipts and disbursements.

(7) (a) The Chinese Government declares that, with reference to the persons now employed on the Tsingtao-Tsinanfu Railway, it will promptly decide, within a month from the beginning of the transfer about those engaged in the work of such transfer, whom it wishes to retain in its service.

(b) The Chinese Government will give to all those whose services, as a result of the above selection, will not be retained one month's pay at the time they quit office.

(c) It is agreed by the Joint Railway Commission that the detailed arrangements concerning the removal of officers that will have to come into effect immediately upon the transfer of the Railway shall be made by the Chinese and Japanese Committees on Transfer.