



Volume 5. Wilhelmine Germany and the First World War, 1890-1918
An "Unequal Treaty": Lease Agreement between China and the German Empire
(March 6, 1898)

German colonial ambitions eventually extended to East Asia. After occupying Kiaochow Bay, the German Reich concluded an "unequal treaty" with China. The conditions of this 1898 agreement gave Imperial Germany extensive privileges and rights around the port of Kiaochow. Unlike other German colonies, Kiaochow (today Tsingtao) was administered by the German Navy, which hoped to turn it into a "model colony" that functioned as a naval base and trade center.

Article I

With the intention of both fortifying the amicable relations between China and Germany and strengthening the military readiness of the Chinese Empire, His Majesty the Emperor of China agrees to the following: while reserving all rights of sovereignty within a radius of fifty kilometers (100 Chinese li) from Kiaochow Bay, measured at high tide, His Majesty promises to allow the free march of German troops through this zone at all times, to refrain from any measures or directives in this zone without the prior agreement of the German government, and to place no obstacles in the way of any necessary regulation of these bodies of water. His Majesty the Emperor of China reserves the right to station troops and to take other military measures in this zone in cooperation with the German government.

Article II

With the intention of fulfilling the justifiable request of His Majesty the German Kaiser, who wants Germany, like other powers, to have a place on the Chinese coast to repair and fit out ships, to store materials and supplies, and to maintain other related facilities, His Majesty the Emperor of China shall lease both sides of the entrance to Kiaochow Bay to Germany for a provisional period of 99 years. At an opportune time, Germany shall undertake to build fortifications in the leased area to protect both the planned structural works and the entrance to the bay.

Article III

To prevent any conflicts, the Imperial Chinese Government will not exercise sovereign rights in the leased area for the duration of the lease. It will surrender such rights to Germany for the following area:

1. On the northern side of the entrance to the bay: the area comprising the spit bounded to the northeast by the line drawn from the northeastern corner of Potato Island to Loshan Harbor;
2. On the southern side of the entrance to the bay: the area comprising the spit bounded to the southwest by the line drawn to Tolosan Island from the southwestern tip of the inlet southwest of

Chiposan Island;

3. Chiposan Island and Potato Islands;

4. The entire water area of the bay up to the high water mark;

5. All Islands lying off Kiaochow Bay as well as those needed for its defense from the sea, including Tolosan, Chaolian Dao, etc.

As regards the area leased to Germany and the fifty-kilometer zone around the bay, the supreme parties to this agreement reserve the right to define the boundaries more precisely in keeping with local conditions. This task will be carried out by commissioners appointed by both sides.

Chinese military and merchant vessels shall be granted the same privileges in Kiaochow Bay as those conferred on ships of other nations that are on friendly terms with Germany. The entry, departure and mooring of Chinese ships in the bay shall be subject to no restrictions other than those that the Imperial German Government shall deem necessary to impose at any time on the ships of other nations by virtue of the sovereign rights transferred to it.

Article IV

Germany agrees to place the necessary navigation marks both on the islands and in the shallows in front of the entrance to the bay.

No duties shall be levied on Chinese military and merchant vessels in Kiaochow Bay, with the exception of those to which other vessels are subject for the purpose of maintaining the necessary port and quay facilities.

Article V

If Germany at a subsequent date expresses the desire to return Kiaochow Bay to China before the expiration of the period of the lease, China shall compensate Germany for its outlays and provide Germany with a more suitable location.

Germany agrees never to sublease to another power the area it has leased from China.

As long as the Chinese living in the leased area abide by the law and local regulations, they shall at all times enjoy the protection of the German government. The Chinese residents may remain in the leased area provided their land is not claimed for other purposes. If property owned by Chinese residents is used for other purposes, the owners are entitled to compensation. Concerning the reinstatement of the Chinese customs stations once located outside the area leased to Germany but within the agreed-upon fifty-kilometer zone, the Imperial German Government intends to reach an agreement with the Chinese Government on ways to regulate both the customs border and customs revenue in a manner that protects all China's interests; it also reserves the right to enter into additional negotiations on this matter.

After the conclusion of the treaty on March 6, 1898, the following Supreme Decree was issued declaring Kiaochow a protectorate. April 27, 1898. (RGLB, p. 171)

The agreement of March 6, 1898, between our government and the Imperial Chinese Government in Peking transferred possession of the area off Kiaochow Bay (defined more

precisely in this agreement) to Germany, and we hereby place this area under imperial protection on behalf of the Empire.

Source: (No. 2466) „Allerhöchster Erlaß, betreffend die Erklärung Kiautschous zum Schutzgebiete. Vom 27. April 1898“ [“Imperial Decree Regarding the Declaration of Kiaochow as a Protectorate. From April 27, 1898”]: *Reichs-Gesetzblatt* [*Reich Law Gazette*], S. 171.

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