

Chinese Oil Rig

Background:

A crisis occurred between China and Vietnam from 2 May to 16 July 2014 over the placement of a Chinese oil rig near the Paracel Islands. The crisis occurred within the context of a long-standing dispute between Vietnam and China over competing claims to waters and various islands and reefs in the South China Sea (the two states previously fought a naval battle over the Spratly Islands in 1988; see Case #384). It also occurred against a backdrop of increasing and broader regional tension due to Chinese territorial claims in the South China Sea (e.g., the Philippines experienced a crisis with China two years earlier over the Scarborough Shoal; see Case #467).

The Paracel Islands are located within Vietnam's 200-mile exclusive economic zone (EEZ). China also claims historical sovereignty over the islands and its surrounding waters. China has administered the Paracel Islands exclusively since 1974, when it occupied the islands militarily. In 1996, China drew baselines around the Paracel Islands and two years later passed a law claiming a 200-mile EEZ from these baselines under the United Nations Convention on the Law of the Sea (UNCLOS). Taiwan (Republic of China) also claims sovereignty over the Paracel Islands and surrounding areas.

Summary:

On 2 May 2014, China deployed a state-owned oil rig – HD-981 – roughly 17 nautical miles south of Triton Island, the southwestern-most island in the Paracel archipelago. This location was about 120 nautical miles east of Vietnam's coast and 180 nautical miles south of China's Hainan Island. The oil rig was accompanied by Chinese Coast Guard ships and up to 80 Chinese commercial and fishing ships, which promptly created three security cordons, establishing a three-nautical-mile security radius around the rig – exceeding the 500 meter zone allowed for by UNCLOS. The deployment of the oil rig and accompanying ships triggered a crisis for Vietnam, which viewed the location of the rig as part of its EEZ. China claimed that the rig was in its own EEZ and announced that a drilling operation would occur from 4 May to 15 August 2014.

Vietnam's major response occurred on 2 May and consisted mainly of dispatching coast guard ships to the area. This triggered a crisis for China. China's major response occurred that same day, mainly via a notice from its Ministry of Foreign Affairs to the Vietnamese embassy, requesting removal of Vietnamese vessels from the area of the rig's operations. The remainder of Vietnam's and China's major responses consisted of two meetings held that same day in which both sides reiterated their claim to the waters and no agreement was reached.

On 4 May, after Vietnamese ships tried to break the security cordon, Chinese Coast Guard and Vietnamese ships rammed and shot water cannons at each other. Neither side backed down, and the standoff continued for two months, with intermittent clashes and intentional ship ramming. Several times during this period, Vietnamese ships approached Chinese ships and demanded that they leave, and Chinese ships chased the Vietnamese ships back to shore. On 3 June, China arrested six Vietnamese fishermen. At some point, Chinese PLAN (People's Liberation Army Navy) ships, along with fighter jets, helicopters, and reconnaissance aircraft, were deployed to patrol the area. The PLAN ships served as a protective ring around the Chinese vessels that were

closer to the rig and interacting with the Vietnamese ships. The Vietnam Coast Guard also reported that China deployed anti-aircraft missiles to the oil rig.

From 11 to 14 May, anti-Chinese protests occurred in Vietnam and resulted in at least two Chinese deaths and over 100 injured. Chinese factories were damaged. More than 3,000 Chinese nationals were evacuated from Vietnam from 17-19 May.

China unexpectedly removed the oil rig on 16 July, one month earlier than originally planned. China claimed that its exploration of the oil field was complete and that it would be making plans for its next actions, as per normal business operations. It also cited the approaching typhoon season as a reason for removing the oil rig earlier than expected. The removal of the rig concluded the crisis for both sides.

Both sides filed multiple complaints with the UN Secretary-General (UNSG). In a 9 June appeal to the UNSG, China asked that its appeal be shared with the General Assembly. In response, the UNSG issued a statement on 11 June calling for action to resolve the dispute and offering to mediate via its good offices. This mediation offer was not accepted by either side.

ASEAN made a statement on 10 May 2014 calling for full implementation of the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC) between ASEAN and China, in order to build trust between the parties and prevent such disputes from escalating to violence again in the future. The statement appeared to imply that China bore the onus of responsibility for implementing the agreement, and China expressed concern over the statement.

United States involvement in the crisis was limited to political statements, mostly condemning China's actions as provocative and destabilizing.

Despite the removal of the rig, the overall issue of competing Chinese and Vietnamese claims to the area remained unresolved. The oil rig was moved in the direction of the contested waters again in late June 2015. In addition, Vietnam protested that the rig was in disputed waters in late January and again in early April 2016. In both cases, the rig was in overlapping claimed EEZs but closer to China than during the crisis.

References:

ASEAN Foreign Ministers' Statement; BBC; Diplomat; Fravel 08/05/2014 (Wong, NYT Sinosphere blog); International Business Times; NYT; Reuters; U.S. Department of Defense; Wall Street Journal; Yale Global Online