
IIT KHARAGPUR MODEL UNITED NATIONS CONFERENCE

21-23 JANUARY 2012

**STUDY GUIDE,
UN SECURITY COUNCIL**





UN Security Council

Agenda: The Situation in the South China Sea

Letter from the Executive Board

Dear Delegates,

Welcome to the maiden session of the IIT Kharagpur Model United Nations Conference. We welcome you to the simulation of the UN Security Council, to discuss the situation in the South China Sea.

The Sea has witnessed unrest for decades and competing territorial claims have formed the basic premise for tensions. The discovery of massive oil and natural gas reserves in the seabed have provided these claims an added impetus. The situation bears all the hallmarks of a regional issue, but has the potential to evolve into one which threatens the peace and stability of the world. Political nous and a tacit understanding of the issue at hand are critical to attaining a peaceful resolve.

This guide gives you an overview of the events surrounding the situation in the South China Sea and the arguments surrounding it. It is not an exhaustive document and we expect delegates to refer to other sources too.

If you have any questions, send us an e-mail. We look forward to intense and constructive debates at IIT Kharagpur.

Regards,

Executive Board.

President:

Devna Soni

Vice-President:

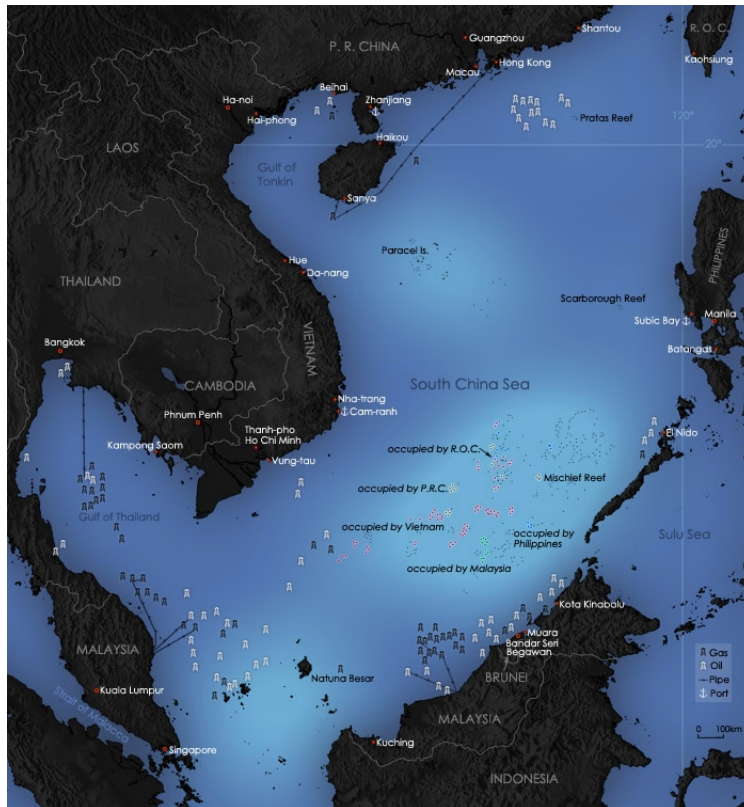
Shiva Sharan

Director:

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Background

South China Sea has always been of strategic importance to various South East Asian countries. It has been the topic behind the policy changes of various nations and is still considered one of the most volatile and sensitive issues with regards to world peace and security. The South China Sea located with mainland China, islands of China, Philippines, Malaysia, Brunei, Indonesia, Singapore and Vietnam surrounding it, has been claimed by all these actors for various reasons. This region controls one-third of the world's shipping transactions and is believed to hold huge oil and gas reserves beneath its seabed.



In the post-Cold War political world, the South China Sea (SCS) constitutes a region most prone to inter-state escalation and conflict. It also harbours perhaps the most consequential set of international territorial disputes, fueled by competing claims of Member States' national interests. While other regions in the world have developed more secure environments and have meaningfully reduced military expenditures, the littoral states within the South China Sea alone have increased military outlays over 50% in the last 10 years alone. Coupled with military commitments and alliances by

major military powers such as the United States (U.S.), the SCS threatens to be a flashpoint for wider security destabilization.

As per Article 24, Paragraph 1 and Article 34 of the United Nations Charter, the mandate of the UN Security Council includes investigating situations which might lead to the disruption of international peace and security, and suggesting methods to stabilize the situation that has risen, or will rise if the ongoing situation isn't contained.

Significance

Encompassing nearly 3.5 million square kilometers, the South China Sea stretches from Singapore and the Straits of Malacca to the Taiwan Straits. The international value of the South China Sea has three major axes: resources, sea-lanes, and security. First, the SCS is a massive potential of direct wealth to those who possess its assets via oil, natural gas, and fishing arenas. Oil reserves estimates range wildly from as high as 213 billion barrels (bbl) to as low as 28 billion bbl. interestingly, oil only comprises approximately 30-40% of the total hydrocarbon estimates of the SCS. Nearly all fields previously explored contain natural gas only. Much of the speculation over hydrocarbon amounts revolves around two archipelagos called the Spratly and the Paracel Islands. Due to conflicting claims over these archipelagos, surveys and exploration remain inadequate for accurate estimates. Currently, China estimates that the Spratly Islands alone contain 900 trillion cubic feet (Tcf) of natural gas. If accurate, the islands would be equivalent to China's current reserves, which currently rank 11th in volume and nearly three times that of the U.S. In addition to the robust offshore fishing economies that comprise the SCS, these hydrocarbon stores suggest that possessing key islands definitively endows such Member States with significant, strategic wealth.

Secondly, South China Sea hosts the most busy and significant sea-lanes in the world. It supports a third of all the maritime traffic. The oil that passes through the Strait of Malacca is alone more than six times which passes through Suez Canal. Nearly 80 percent of China's crude oil imports arrive via South China Sea. As a principal recipient, Japan depends upon South China Sea for its total of 11 percent of energy requirements. Importantly, most of the raw materials shipments pass near the Spratly Islands, making their contestation problematic to commerce. Major disruption of any of these commercial lanes would have sweeping local and global effects. Locally, citizens and businesses of affected Member States could face dramatic increase in energy prices, driving up costs for practically all sectors of their economy. Globally, the dramatic access shortfall could lead to a painful supply line restructuring for major consumers in East/Southeast Asia.

Lastly, securing the safe and predictable commercial flows in the South China Sea is only one facet of a more general issue of regional security. Naturally, each Member State seeks to maximize its security and sovereignty over territory. While each state will often act to minimize the political leverage other states may employ against it. Grand strategies can vary on whether the Member State believes it best protects its interests by either a) allying with major military powers (i.e. the U.S.) that ensure collective regional security, or b) orienting their military toward either access denial capabilities or their own power projection capabilities. With the direct wealth potential, sea-lane robustness, and security determinants incumbent to the SCS, it naturally constitutes the core international concern for long-term Asian-Pacific peace.

UN Convention on the Law of the Sea

The 1982 United Nations Convention on the Law of the Sea (UNCLOS) establishes a legal framework to govern all uses of the oceans. UNCLOS was adopted in 1982 after nine years of negotiations. It defines the rights and responsibilities of nations in their use of the world's oceans, establishing guidelines for businesses, the environment, and the management of marine resources. It entered into force in 1994 and has been almost universally accepted. China, Viet Nam, Malaysia, Philippines and Brunei are all parties.

UNCLOS has no provisions on how to determine sovereignty over offshore islands. Therefore, UNCLOS is not directly relevant to resolving the dispute over which State has the better claim to sovereignty over the islands. However, UNCLOS has numerous provisions which are relevant to the South China Sea and which are legally binding on the claimants. Once a State becomes a party to UNCLOS, it is under an obligation to bring its maritime claims and national laws into conformity with its rights and obligations under the Convention. Once UNCLOS enters into force for a State, its rights and obligations vis-à-vis other States Parties are governed by the provisions of the Convention. It is a fundamental principle of international law that a State cannot use its domestic law as an excuse not to conform to its obligations under an international treaty. Therefore, in its relations with other States Parties, the provisions of UNCLOS prevail over any contrary provisions in the national laws of the State. This principle also applies to any “historic rights” to the resources of the oceans.

Under UNCLOS, States with sovereignty over land territory are permitted to claim maritime zones from such land territory. These maritime zones are measured from baselines. The normal baseline for measuring maritime zones is the low-water line along the coast. Straight baselines may be employed if the coast is deeply indented or has a fringe of islands, provided that the baseline does not depart to an appreciable extent from the general direction of the coast. The waters inside the baselines are known as internal waters. Special baseline rules apply to archipelagic States which consist entirely of island archipelagos, such as Indonesia and the Philippines. Archipelagic States are permitted to draw straight baselines connecting the outermost points of the outermost islands in their archipelago. The waters inside the archipelagic baselines are called archipelagic waters. If a continental State has sovereignty over offshore island archipelagos, the normal baselines rules apply to such archipelagos because continental States do not fall within the definition of “archipelagic States” under UNCLOS.

UN Convention on the Law of the Sea

Positions of Major Countries with respect to the UNCLOS

China:

In accordance with the decision of the Standing Committee of the Eighth National People's Congress of the People's Republic of China at its Nineteenth session, the President of the People's Republic of China ratified the United Nations Convention on the Law of the Sea of 10 December 1982 and at the same time made the following statements:

1. In accordance with the provisions of the United Nations Convention on the Law of the Sea, the People's Republic of China shall enjoy sovereign rights and jurisdiction over an exclusive economic zone of 200 nautical miles and the continental shelf.
2. The People's Republic of China will effect, through consultations, the delimitation of the boundary of the maritime jurisdiction with the States with coasts opposite or adjacent to China respectively on the basis of international law and in accordance with the principle of equitability.
3. The People's Republic of China reaffirms its sovereignty over all its archipelagos and islands as listed in article 2 of the Law of the People's Republic of China on the territorial sea and the contiguous zone, which was promulgated on 25 February 1992
4. The People's Republic of China reaffirms that the provisions of the United Nations Convention on the Law of the Sea concerning innocent passage through the territorial sea shall not prejudice the right of a coastal State to request, in accordance with its laws and regulations, a foreign State to obtain advance approval from or give prior notification to the coastal State for the passage of its warships through the territorial sea of the coastal State.

Viet Nam:

The Socialist Republic of Viet Nam, by ratifying the 1982 United Nations Convention on the Law of the Sea, expresses its determination to join the international community in the establishment of an equitable legal order and in the promotion of maritime development and cooperation.

The National Assembly reaffirms the sovereignty of the Socialist Republic of Viet Nam over its internal waters and territorial sea; the sovereign rights and jurisdiction in the contiguous zone, the exclusive economic zone and the continental shelf of Viet Nam, based on the provisions of the Convention and principles of international law; and calls on other countries to respect the above-said rights of Viet Nam.

The National Assembly reiterates Viet Nam's sovereignty over the Hoang Sa and Truong Sa archipelagos and its position to settle those disputes relating to territorial claims as well as other disputes in the Eastern Sea through peaceful negotiations in the spirit of equality, mutual respect and understanding, and with due respect of international law, particularly the 1982 United Nations Convention on the Law of the Sea, and of the sovereign rights and jurisdiction of the coastal States over their respective continental shelves and exclusive

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economic zones; the concerned parties should, while exerting active efforts to promote negotiations for a fundamental and long-term solution, maintain stability on the basis of the status quo, refrain from any act that may further complicate the situation and from the use of force or threat of force.

The National Assembly differentiates between the settlement of the disputes over the Hoang Sa and Truong Sa archipelagoes and the defence of the continental shelf and maritime zones falling under Viet Nam's sovereignty, rights and jurisdiction, based on the principles and standards specified in the 1982 United Nations Convention on the Law of the Sea.

The National Assembly authorizes the National Assembly's Standing Committee and the Government to review all relevant national legislation to consider necessary amendments in conformity with the 1982 United Nations Convention on the Law of the Sea, and to safeguard the interests of Viet Nam.

The National Assembly authorizes the Government to undertake effective measures for the management and defence of the continental shelf and maritime zones of Viet Nam.

The Philippines:

1. The signing of the Convention by the Government of the Republic of the Philippines shall not in any manner impair or prejudice the sovereign rights of the Republic of the Philippines under and arising from the Constitution of the Philippines.

2. Such signing shall not in any manner affect the sovereign rights of the Republic of the Philippines as successor of the United States of America, under and arising out of the Treaty of Paris between Spain and the United States of America of 10 December 1898, and the Treaty of Washington between the United States of America and Great Britain of 2 January 1930.

3. Such signing shall not diminish or in any manner affect the rights and obligations of the contracting parties under the Mutual Defence Treaty between the Philippines and the United States of America of 30 August 1951 and its related interpretative instruments; nor those under any other pertinent bilateral or multilateral treaty or agreement to which the Philippines is a party.

4. Such signing shall not in any manner impair or prejudice the sovereignty of the Republic of the Philippines over any territory over which it exercises sovereign authority, such as the Kalayaan Islands, and the waters appurtenant thereto.

5. The Convention shall not be construed as amending in any manner any pertinent laws and Presidential Decrees or Proclamation of the Republic of the Philippines; the Government of the Republic of the Philippines maintains and reserves the right and authority to make any amendments to such laws, decrees or proclamations pursuant to the provisions of the Philippines Constitution.

6. The provisions of the Convention on archipelagic passage through sea lanes do not nullify or impair the sovereignty of the Philippines as an archipelagic State over the sea lanes

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and do not deprive it of authority to enact legislation to protect its sovereignty, independence and security.

7. The concept of archipelagic waters is similar to the concept of internal waters under the Constitution of the Philippines, and removes straits connecting these waters with the economic zone or high sea from the rights of foreign vessels to transit passage for international navigation.

8. The agreement of the Republic of the Philippines to the submission for peaceful resolution, under any of the procedures provided in the Convention, of disputes under article 298 shall not be considered as a derogation of Philippines sovereignty.

The USA:

Although the United States recognizes the UNCLOS as a codification of customary international law and has signed the treaty, it has not ratified it.

In the United States there has been vigorous debate over the ratification of the treaty, with criticism coming mainly from political conservatives who consider involvement in some international organizations and treaties as detrimental to U.S. national interests.

The United States has a national interest in freedom of navigation, open access to Asia's maritime commons and respect for international law in the South China Sea," and it seeks "a collaborative diplomatic process by all claimants for resolving the various territorial disputes without coercion

Pro-ratification arguments

- ✦ *The environment:* Oceans cover over 70% of the Earth. In the U.S., there are laws to keep marine resources available for future generations. UNCLOS sets a legally binding international standard which aims to protect the marine wildlife and environment.
- ✦ *National security:* The U.S. military, which relies heavily on its ability to freely navigate on and fly over the sea, has been a strong advocate of UNCLOS. In the absence of treaty law, the US relies on customary law that can change as states' practices change. Also, under this customary law, the Pentagon claims that countries often make unreasonable and irresponsible claims on marine territory that frustrate U.S. military action. The U.S. has tried to work around these claims, but without a legal framework to support them, the Pentagon believes it risks compromising its intelligence and military operations at sea.
- ✦ *International diplomacy and peaceful dispute resolution:* The Convention offers a peaceful way to resolve territorial and natural resource disputes through the International Tribunal for the Law of the Sea (ITLOS), based on agreements to which signatory parties have already committed. In contrast, without ratification, the US has no peaceful recourse if another non-signatory party decides to close its

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straits to navigation.

Anti-ratification arguments

- ✦ *National sovereignty*: The treaty creates the International Seabed authority (ISA) with its own dispute resolution tribunal. However, should the U.S. stop its current compliance with the U.S.-negotiated laws of the Convention, the U.S. could not be taken to the Law of the Sea Tribunal since the U.S. has indicated that it would choose binding arbitration rather than availing itself of the International Tribunal on the Law of the Sea.
- ✦ *The environment*: Home of the Convention's conservation provisions would provide new avenues for non-U.S. environmental organizations to affect domestic U.S. environmental policies by pursuing legal action in both US and international courts. In addition, requirements that nations either harvest their entire allowable catch in certain areas or give the surplus to other nations could result in mandated overfishing.

Territorial Claims

The South China Sea Islands consist of over 250 around 1-km² islands, atolls, cays, shoals, reefs, and sandbars in the South China Sea, most of which have no indigenous people, many of which are naturally under water at high tide, some of which are permanently submerged. The features are grouped into three archipelagos (listed by area size), Macclesfield Bank and Scarborough Shoal:



- ✦ The Spratly Islands, disputed between the People's Republic of China, the Republic of China, and Vietnam, with Malaysia, Brunei, and the Philippines claiming part of the archipelago
- ✦ The Paracel Islands, disputed between the People's Republic of China, the Republic of China, and Vietnam.
- ✦ The Pratas Islands, disputed between the People's Republic of China and the Republic of China.
- ✦ The Macclesfield Bank, disputed between the People's Republic of China, the Philippines, and the Republic of China.
- ✦ The Scarborough Shoal, disputed between the People's Republic of China, the Philippines, and the Republic of China

The Republic of China named 132 of the South China Sea Islands in 1932 and 1935. The ROC government filed an official complaint to the French government after its occupation of the Taiping Islands. Post World War II in 1958, the People's Republic of China (PRC) issued a declaration defining its territorial waters within what is known as the nine-dotted line which encompassed the Spratly Islands. North Vietnam's prime minister, Phạm Văn Đồng, sent a diplomatic note to Zhou Enlai, stating that they wholeheartedly support these claims and mentioned the alienation of Russian Federation and United States of America with North Vietnam as a prime reason. However, in argument this letter never held any legal accountability as this part of the South China Sea belonged to the South Vietnam.

Vietnam, however, claims that all of the Spratly Islands belongs to them, which was established under the Phuoc Tuy Province in 1973, then, of the Khanh Hoa Province. Currently, Vietnam occupies twenty-nine islands or rocks, while the People's Republic of China occupies eight or nine.

In addition to the People's Republic of China and Vietnam, the Republic of China (Taiwan), Malaysia, Brunei, and the Philippines also claim and occupy some islands. Taiwan claims all the Spratly Islands, but only occupies one island and one shelf including Itu Aba (Taiping). Malaysia occupies three islands on its continental shelf. The Philippines claims most of the Spratlys and calls it the Kalayaan Group of Islands, and they form a distinct municipality in the province of Palawan. The Philippines, however, only occupies eight islands. Brunei claims a relatively small area including islands on Louisa Reef.

Overall Positions of Major Players

China:

China, officially the People's Republic of China (PRC), is the most populous and the fourth largest nation in the world, with over 1.3 billion citizens. Located in East Asia, the country's coastline is bounded by the South China Sea on its South-East and it is, without doubt, economically and militarily the most dominant power in the region. Apart from being one of the 5 permanent members of the UN Security Council, China is also a member of numerous formal and informal multilateral organizations, including the WTO, APEC, BRICS, the Shanghai Cooperation Organisation (SCO) and the G-20.

Beijing claims the whole of the South China Sea as its own, based on historical and nationalist reasons. China's increasingly aggressive tactics and its assertive behaviour in the South China Sea Dispute, especially from the year 2011, have increased anxiety levels and the risk of an armed confrontation at sea. China's interest in the region is expected if not understandable. The South China Sea joins the Southeast Asian states with the Western Pacific, functioning as the throat of global sea routes. Here is the center of maritime Eurasia, punctuated by the straits of Malacca, Sunda, Lombok, and Makassar. More than half the world's annual merchant fleet tonnage passes through these choke points. Further, with the South China Sea region having a proven oil reserve count of around 1.2 km³ (7.7 billion barrels) and natural gas reserves of 7,500 km³ (266 trillion cubic feet), the region would be an ideal backyard solution to China's ever-increasing energy demands as the world's fastest growing economy.

A number of Southeast Asian countries took the unprecedented step of articulating their concerns due to Beijing's increasingly strident nationalism, growing military muscle, and more assertive behavior in the South China Sea at the ASEAN Regional Forum (ARF) in July 2010 and then again at the inaugural ASEAN Defense Ministers' Meeting Plus (ADMM-Plus) in October 2010, both of which took place in Hanoi.

Beijing clearly took note of these concerns, and since January 2011 senior Chinese leaders sought to soothe Southeast Asians through a revitalized "charm offensive". The annual Shangri-La dialogue in June 2011 was a good example of this particular feature of Chinese diplomacy. In word at least, China maintains that the central themes of its foreign and defense policies are a peaceful rise, good neighbourly relations, no hegemonic ambitions and a stringent defense policy. On the South China Sea problem, Chinese officials have reiterated their continued support for the ASEAN-framed Declaration on the Conduct of Parties in the South China Sea (DoC), non-use of force to resolve the dispute, respect for freedom of navigation, and a desire to engage with the other claimants in joint development of maritime resources.

However, what has alarmed the other nations of the South China Sea and beyond, is the obvious disconnect between Beijing's words and actions with respect to the South China Sea. Prior to the extremely significant 6th East Asian Summit (EAS) in November 2011, China had refused to carry forward the dispute to a truly international forum that didn't involve non-claimants in the dispute. China's long-standing condition has always been

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that the territorial disputes in the South China Sea should be resolved bilaterally and should not be referred to multilateral forums, a formula that has been thought to strengthen its hand vis-à-vis the smaller countries of the region.

Further, China's evolving tactics can be analysed by considering a set of events that have taken place in the South China Sea this year.

First, vessels belonging to the civilian maritime agency China Marine Surveillance (CMS), as well as Chinese fishing trawlers, have been used to deter energy companies from undertaking exploration work in the South China Sea, even in areas within their legitimate 200 nautical miles exclusive economic zones (EEZ). The March 2011 Reed Bank incident involving the Philippines and the incidents in May and June of the same year with Vietnam provide examples of this. The Chinese government has called on Southeast Asian countries to halt exploration activities “where China has its claims”. Further, even as Beijing warns Southeast Asian countries to stop exploration work in their own EEZs, Chinese energy corporations are investing in advanced deepwater drilling technology to gain access to untapped energy deposits in the South China Sea.

Secondly, between May 21 and 25, Chinese ships unloaded construction materials at Amy Douglas Reef in the Philippines' EEZ and possibly planted markers on Reed Bank and Boxall Reef. As the DoC specifically calls on the parties not to “inhabit” unoccupied geographical features, these incidents represent the most serious breach of agreement to date. China has brushed aside accusations by Manila and Hanoi that its actions have not only violated their sovereign rights, but also the United Nations Convention on the Law of the Sea (UNCLOS) and the DoC. Instead, Chinese officials maintain that they are part of its “exercise of jurisdiction” in the South China Sea and that “economic activities conducted by Chinese enterprises in waters under Chinese jurisdiction are completely normal. On the whole, China's foreign policy with respect to the South China Sea seems to be one that considers stringent nationalism, absolute territorial sovereignty and optimum economic utilisation of the region's natural resources as its main features.

Vietnam and the Philippines:

Viet Nam (Vietnam) – officially the Socialist Republic of Vietnam is the easternmost country on the Indochina Peninsula in Southeast Asia. It is bordered by China to the north and the South China Sea to the east. With an estimated 90.5 million inhabitants as of 2011, Vietnam is the world's 13th-most-populous country and is also a member of international organisations like ASEAN, the Francophonie, the NAM and the WTO. However all-in-all, the history of Vietnam's diplomatic international relations have been most profound with its northern neighbour and one-time ally, the People's Republic of China.

The Republic of the Philippines, on the other hand, is a country in Southeast Asia in the Western Pacific Ocean. It is actually an archipelago consisting of a total of 7,107 islands. It lies to the East of the South China Sea, and has impressive diplomatic relations with every nation in the region. The Philippines is the world's 12th most populous nation with as many as 11 million

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overseas citizens, and has even been elected into the UN Security Council in the past. Further, it is an active member of international organisations like the Asia Pacific Economic Cooperation (APEC), the NAM and the Latin Union. The Philippines greatly cherishes its diplomatic relations with the USA, the country that bequeathed English and a strong affinity to western culture to it. The Philippines is, without doubt, a strong non-NATO US-ally in the region, and even works with the US in military training and the ending of domestic insurgency.

Vietnam and the Philippines, being the two major claimant countries at the sharp end of China's aggressive moves in the South China Sea, have been decidedly critical of Beijing. Both countries have called on China to prove its commitment to regional peace and stability. In that regard, Vietnam has said that it expects China to honor its policies and statements. The Philippine Defence Secretary Voltaire Gazmin warned that if it did not, Beijing risked “losing face”. Hanoi and Manila have also rejected China's expansive claims in the South China Sea, arguing that the infamous 9-dotted line map cannot possibly be justified under international law. It is in the interest of the Philippines that a joint development region be created in the South China Sea. However, as China refuses to explain in detail what it is claiming in the South China Sea, and how it justifies these claims under UNCLOS, reaching agreement on which areas are “undisputed” is highly problematic, if not impossible. Vietnam and the Philippines have both protested against China's harassment of their survey ships and vowed to carry on exploration work in their EEZs.

But there have also been notable differences in Manila and Hanoi's approach to the PRC over recent developments in the South China Sea. Due to the weakness of its armed forces, the Philippines has long been forced to rely on diplomacy as its first line of defence. As Gazmin conceded, “The option open to us is first the diplomatic protest. We are in no position to confront the forces that are intruding in our territory simply because we don't have the capability.” However, the Reed Bank Incident in March prompted the government of President Benigno Aquino to address the shortcomings faced by the Armed Forces of the Philippines (AFP). To that end, Aquino has promised an additional US\$255 million for the AFP to strengthen its presence on Philippine-occupied atolls in the Spratlys. The armed forces have asked that the extra money be used to purchase air defense radars, communication facilities, long-range patrol aircraft and fast patrol boats. The modernization of the AFP is an urgent necessity, for the Philippines has realized that for them to be taken seriously by other claimants, they have to back their claim with credibility and a strong naval military force. Making the AFP's external defence capabilities credible is the Philippines' costly and long-term project.

Vietnam's response has been much more robust than that of the Philippines. Hanoi has described the cutting of seismic survey cables by Chinese vessels as “premeditated attacks” and a “grave violation” of Vietnamese sovereignty. Vietnam has vowed to continue offshore seismic work and has provided its survey ships with armed escorts. Senior Vietnamese leaders have pledged to defend the country's sovereignty, seemingly at all costs.

The Vietnamese Prime Minister Nguyen Tan Dung has promised to “uphold the party and people's determination in safeguarding Vietnam's sovereignty” while President Nguyen

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Minh Triet declared “We are ready to sacrifice everything to protect our homeland, our sea and island sovereignty”. The Vietnamese authorities even allowed anti-China demonstrations to take place in Hanoi and Ho Chi Minh City over two consecutive weekends in June, although they were quickly shut down. Vietnam has even significantly upped the ante by conducting a live-fire naval exercise of central Quang Nam province and by issuing a decree concerning the modalities of a military draft, both of which were designed to send a clear and unambiguous message to China that it was fully committed to defending its territorial claims and would not give in to coercion.

The USA:

The USA (the United States of America) is the dominant political, economic and military powerhouse in the globe today. With a population of 312 million and at 9.83 million square kilometres, it is the world's third most populous nation, behind only China and India, and the world's third largest nation (in terms of area). It is a nation that is heavily interested in military developments in, and exercises heavy economic and military influence in regions throughout the world, even if they may not be directly influenced by its policies, like the South China Sea for instance. The USA regards itself as the world's sole “Superpower” and is a permanent member of the UN Security Council. Further, it is a highly active member of NATO, the G8, the G20 and the Organisation for Economic Co-operation and Development (OECD). In the South East Asian subcontinent, the USA has strong ties with the Philippines, Vietnam, Australia, Indonesia and Singapore, with Singapore even hosting a permanent administrative unit of the US armed forces. For similar reasons, the USA was confirmed as a new member of the East Asia Summit (EAS), the latest meet of which took place in November 2011.

The US policy toward the South China Sea has been relatively consistent since the mid-1990s and was reiterated by Secretary of State Clinton at the Asean Regional Forum (ARF) in 2010: America has a “national interest” in freedom of navigation, does not take sides on competing claims, opposes the use of force or threat to use force, and supports a peaceful resolution of the dispute based on international law. However, as tensions have ramped up since 2007, senior administration officials have voiced concern about growing instability in the South China Sea, and the potential damage it could cause to US economic and strategic interests. At the Shangri-La Dialogue in 2010, for instance, Secretary of Defence Robert Gates described the dispute as “an area of growing concern” for America, while Clinton called the South China Sea “pivotal” to regional security.

While US policy has remained consistent, there have been important refinements over the past 12 months. Although the US has stated that it does not take a position on competing claims, Hillary Clinton did just that at the ARF in 2010 by stating that “legitimate claims to maritime space in the South China Sea should be derived solely from legitimate claims from land features”, a pointed comment that clearly challenged the legitimacy of China's 9-dotted line map. In 2010, both Gates and Clinton called for the “concrete implementation” of the DoC, with the latter even suggesting that America was willing to facilitate negotiations

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between ASEAN and China. The US has advocated to “sustaining a robust military presence in Asia, one that underwrites stability by supporting and reassuring allies while deterring, and if necessary defeating, potential adversaries”. Gates promised Asian countries to “help build partner capacity to address regional challenges”.

In July it was reported that the Vietnamese navy would participate in CARAT-like skills exchange with the US military. Philippine leaders also have highlighted the mutual defence treaty that would prompt U.S. forces to come to the Philippines' aid in case of a conflict in the sea. Both Vietnam (albeit indirectly) and the Philippines have called on the United States to ensure the maintenance of peace and stability in the South China Sea.

With China's maritime reach and growing power, the United States believes that it should build a larger, more coherent, and more integrated group of Asian military alliances. US has rebuilt traditional alliances with the Philippines, continued the increasingly close relationship with Vietnam, built a de facto alliance with Singapore, and even wooed Cambodia and Myanmar, countries long alienated from the United States. In the longer run, however, simply shifting the United States' focus to Asia and staking out a clear position favouring international negotiation over the disputed South China Sea claims may not mollify other Asian nations and sufficiently push back against China. Right now, Vietnam, Singapore, and others are unwilling to make a clear choice between the United States and China, which is slowly becoming the centre of Asian economic integration

Russia:

Russia officially known as the Russian Federation is a federal semi-presidential republic in northern Eurasia. Being the successor nation of the former Union of Soviet Socialist Republics (USSR), it is recognised as a great international economic and military power, probably second only to the USA. At more than 17 million sq.km, Russia is the world's largest country, occupying more than an eighth of the world's inhabited area. Russia is also the eighth most populous nation and the 11th largest economy (by GDP) in the world. It is a major permanent member of the UN Security Council and is an important member of the G8, the G20, the WTO, the SCO and the APEC. Russia, along with the USA, also recently became a member of the East Asia Summit (EAS) which met at Bali, Indonesia in November 2011.

Given the upward trends in relations between Russia and the countries of Southeast Asia during the last decade, Moscow cannot remain indifferent to the set of problems related to the South China Sea. The reasons are quite clear. First, Russia and Vietnam jointly develop oil reserves in a contested area of the South China Sea. Vietnamese President Triet, on a visit to Moscow in 2008, signed a pact for Vietnamese and Russian firms to develop energy fields off the Vietnam coast. Secondly, Russia realizes that it has to increase its international profile in Southeast Asia. With China and the USA becoming embroiled in the South China Sea dispute, Russia does not want to feel left behind in the political mind battle which is emerging in the region. Moscow believes that in case a military confrontation arises, Russia will be dragged into the overall instability as a world power, so developing a foreign policy with respect to the South

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China Sea would go a long way in building up respect for its own interests in the region.

At this point it needs to be stressed that Russia's potential contribution in mitigating tensions over the South China Sea issue shouldn't be underestimated. In the not too distant future, Russia's role in ensuring East Asian energy security will be sufficiently bigger – especially if the pipeline from Eastern Siberia to the Pacific Ocean becomes operational, as was recently stated, in 2012. Systematic outbreaks of instability in Arab countries lead to uncertainty concerning energy resources supplies from Middle East to East Asian oil-dependent economies, which would lead to more nations in the region keeping an eye on the resources the South China Sea is known to promise.

The aforementioned factors will stimulate interests of the South China Sea claimants to increase Russia's energy supplies. In this case, the contradictions relating to oil and gas reserves of the South China Sea are likely to become less sharp and that could lead to an impressive Russian leadership playing a very important role in directing conflicts in the South China Sea. Russia's foreign policy with respect to the region should point towards it as being the big brother of the region, the nation with the power and the responsibility to maintain a stable environment across the whole of South East Asia.

Australia:

Australia, officially the Commonwealth of Australia, is a country in the Southern Hemisphere comprising the mainland of the Australian continent, the island of Tasmania, and numerous smaller islands in the Indian and Pacific Oceans. It is the world's sixth-largest country by total area. A highly developed country, Australia is the world's thirteenth largest economy and ranks highly in many international comparisons of national performance. Australia is a member of many international organisations like the G20, the WTO, the EAS and the Commonwealth of Nations.

Australia has traditionally always been a major ally of the USA in South-East Asia and the Pacific.

Australia has been involved in most major American military endeavours since World War II including the Korean War, Vietnam War, Gulf War and both Iraq Wars. Marking the 60th anniversary of their alliance on 15 September 2011, Australia and the US stated that they, along with the international community, had “a national interest” in unimpeded lawful commerce in the South China Sea. In a message that was clearly intended for Beijing, both countries said they “oppose the use of coercion or force to advance the claims of any party or interfere with legitimate economic activity” in the South China Sea. In November 2011, during US president Obama's trip to Australia, it was even announced that United States Marine Corps and United States Air Force units will be rotated through Australian Defence Force bases in northern Australia to conduct training.

However, China is Australia's largest trading partner, mainly due to China's strong demand for iron ore, coal and liquefied natural gas. Exports to China helped Australia escape

Overall Positions of Major Players

the worst effects of the global economic meltdown over the past three years. The Gillard government has maintained strong economic ties with China through agreements to explore clean energy and to make sure Australia remains a longstanding and reliable supplier of energy and natural resources. Hence, like many of the Asian countries in the region, Australia is a Middle power country which has security arrangements with the United States but growing economic ties with China. China is emerging as a political and economic power in the Asia Pacific region which is traditionally anchored by the United States. The challenge for Australia is to work with the US, its longstanding military and strategic ally, and China, its most important economic partner, for peace and prosperity in the Asia Pacific region.

The announcement that the US military will have greater access to bases in north and west Australia, during the Obama visit to Canberra has put Australia on the frontline of the intensifying USA-China rivalry. Warnings about the danger of Australian capitalism being caught up in US machinations against China are driven by fears in corporate circles that alienating Beijing risks retaliation against Australian economic interests.

The Australian foreign policy for the South China Sea would hence, have to be careful in not allowing a doe-eyed fascination with the USA, the leader of the free world, to distract the nation from the reality that its national interest requires it to maintain both an ally in Washington and a good friend in Beijing. The best and most realistic strategic outcome for South East Asia would be one in which the powers are in balance, with each side effectively able to deny the domination of the other.

Recent Developments - A Timeline of 2011

March 4 - The Philippines reported and filed a protest with China, stating that two Chinese patrol boats threatened to ram a survey ship near the Reed Bank. The Chinese were allegedly claiming that the oil explorers from the Department of Energy were inside Chinese territory. Apart from the Philippines and China, ownership of the Reed Bank is also being claimed by Taiwan, Vietnam, Malaysia, and Brunei. Reed Bank is part of the disputed Spratlys Islands. The seabed in the area is said to contain about 3.4 trillion cubic feet of natural gas and 440 million barrels of oil.

April 13 - The Philippines protested to the United Nations over China's claims to areas of dispute in the South China Sea, saying Beijing's stance had no basis under international law.

May 27 - Vietnamese officials accused China of threatening a boat that was conducting research for potential oil drilling sites within Vietnam's territorial waters. The official Vietnam News Agency reported that three Chinese patrol boats damaged equipment on a ship being used to carry out a seismic survey in the South China Sea on Thursday and warned the ship that it was violating Chinese territory.

May 29 - China hit back at claims that it violated Vietnam's marine sovereignty in a new spat over disputed areas of the South China Sea, accusing Hanoi of harming Beijing's interests in the region. It criticized Vietnam for its offshore exploration of oil and gas in the South China Sea. China's foreign ministry spokeswoman Jiang Yu responded late Saturday that Vietnam had been carrying out oil and gas operations in territorial waters under Beijing's own jurisdiction.

June 2 - China on Thursday denied Philippine allegations that its ships intruded into a Manila-claimed area of the South China Sea's disputed Spratly Islands to construct new structures and fortify its claims in the potentially oil-rich region.

June 4 - US Defence Secretary Robert Gates warned Saturday that clashes may erupt in the South China Sea unless nations with conflicting territorial claims adopt a mechanism to settle disputes peacefully.

June 9 - Vietnam accused China of harassing a ship conducting surveys in the South China Sea. Vietnam says the ship was operating over its continental shelf and within its exclusive economic zone off the southern coast. The Viking 2 hired by Vietnam Oil & Gas Corporation (PetroVietnam) had its cables cut when it was exploring for oil at 6 degrees 47'5"N, 109 degrees 17'5"E, which lies totally within Vietnam's Exclusive Economic Zone and continental shelf.

It was also announced that a navy fleet of the Chinese People's Liberation Army (PLA) would conduct a training drill in west Pacific international waters in mid- to late June, according to a press release issued Thursday by the Chinese Defence Ministry.

June 14 - The U.S. Navy and Southeast Asian naval forces began 10 days of attack drills aimed at combating pirates, terrorists and smugglers in Asia's maritime trouble spots. Philippines navy spokesman Lt. Col. Omar Tonsay said that the annual drills that started Tuesday will involve a U.S. warship with about 100 sailors and counterpart forces from Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Recent Developments - A Timeline of 2011

Jun 22 - China urged the United States on Wednesday to restrain other countries from provoking Beijing in disputes over contested territories in the South China Sea, warning that Washington risks becoming embroiled in an unwanted conflict. Chinese vice Foreign Minister Cui Tiankai said it would be best if the United States stayed out of the longstanding disputes.

July 6 - The Philippines' Foreign Secretary Alberto Del Rosario visited China to seek a diplomatic solution. Del Rosario called for the dispute to go before a UN tribunal, but China rejected the proposal. The two countries agreed "not to let the maritime disputes affect the broader picture of friendship and cooperation of the two countries". However, China's refusal to allow a UN-backed tribunal to rule on a South China Sea territorial dispute indicates Beijing's claim stands on shaky legal ground, the Philippines said.

July 9 - The US, Japanese and Australian navies held a joint military drill in the South China Sea, Japan's first joint military exercise in the territory.

August 23 - The U.S. embassy in Vietnam voiced concern on Tuesday about the detention of dozens of people who held an anti-China protest on Sunday, saying the action breached Vietnam's treaty obligations. Fifty people were rounded up in connection with the peaceful demonstration, the eleventh such protest in Hanoi since early June. The demonstrators were angry about what they see as infringements on Vietnam's sovereignty in the South China Sea by China.

September 7 - The Philippines announced that it would buy helicopters and build radar stations to strengthen its defence of oil and gas assets located near an area of the South China Sea also claimed by China, a step that greatly annoyed Beijing.

September 11-12 - Oil and Natural Gas Corporation (ONGC) entered into talks with the government of Vietnam over hydrocarbon exploration rights in the South China Sea. This was not well received by Beijing, which warned that it did not want foreign companies to engage in activities in the disputed waters, saying such acts undermined its sovereignty.

September 22 - A joint energy project between India and Vietnam in the South China Sea infringes on China's territorial sovereignty, an official Chinese newspaper said on Thursday in the first reaction to the operation by China's state media. The report in the People's Daily, the mouthpiece of China's ruling Communist Party, said the oil and gas exploration project between Indian and Vietnamese state-owned firms west of the disputed Spratly islands put at risk the two countries' relations with their chief trading partner. It also called on the Chinese government to use "every means possible" to stop the Oil and Natural Gas Corporation (ONGC) Videsh from going ahead with exploration projects in the South China Sea, warning India that any deal with Vietnam would amount to a "serious political provocation" that would "push China to the limit."

October 12 - ONGC Videsh Limited (OVL), the overseas arm of the government-run Oil and Natural Gas Corporation signed an agreement with Vietnam Oil and Gas Group (PetroVietnam) for cooperation in oil and gas exploration and production. The two firms signed the agreement in the presence of Prime Minister Manmohan Singh and visiting Vietnamese

Recent Developments - A Timeline of 2011

President Truong Tan Sang, a move that greatly irritated China. The “Global Times” wrote: “By inking pacts with Vietnam, India probably has deeper considerations in its regional strategy than simply getting barrels of oil and gas. India is willing to fish in the troubled waters of the South China Sea so as to accumulate bargaining chips on other issues with China. There is strong political motivation behind the exploration projects. China must take practical and firm actions to make these projects fall through. Once India and Vietnam initiate their exploration, China can send non-military forces to disturb their work, and cause dispute or friction to halt the two countries’ exploration. In other words, China should let them know that economic profits via such cooperation can hardly match the risk.”.

October 15 - China and Vietnam agreed to strengthen military cooperation, increase contacts between high-ranking officers and establish a hotline for the two defence ministries, in a bid to cool tensions between the Communist-ruled neighbors. The two countries, which have a history of distrust, also agreed to launch a pilot project of joint patrols along their land border, continue joint naval patrols in the Beibu Gulf and increase mutual visits of naval warships, the official Xinhua news agency reported on Saturday.

October 31 - China on Monday warned foreign energy companies against exploration in the disputed South China Sea after U.S. oil giant Exxon Mobil Corp said it had discovered hydrocarbons in August off central Vietnam, in an area also claimed by China. The newspaper cited an executive from state-run PetroVietnam, ExxonMobil's production partner, as saying they had found gas, while an executive from another oil firm prospecting nearby said it was "a potentially significant find", given the geology of the area.

November 10 - With the United States facing a multipronged challenge from China, Secretary of State Hillary Clinton declared Thursday that the 21st century will be "America's Pacific century" and said the region's problems require U.S. leadership. While stressing that the Obama administration will seek improved ties with China, Clinton used a speech ahead of an Asia-Pacific summit here to dissuade Beijing and others from thinking the United States is ceding its traditional role in the Pacific.

November 15 - The Philippines criticised South East Asian nations for letting individual political and economic considerations come in the way of a united stand on the South China Sea dispute with China, saying the political grouping needed to show it was relevant. There were concerns that Beijing is using its influence on some members to prevent the 10-member Association of South East Asian Nations (ASEAN) facilitating multilateral negotiations over conflicting territorial claims, which China opposes. The Philippines has proposed a Zone of Peace, Freedom, Friendship and Cooperation (ZoPFFC) in the sea to define which areas are disputed and which are under the sovereignty of a country to establish a joint cooperation area. "We have been given the impression that political and economic considerations had hindered a fruitful and mutually acceptable outcome on the discussions of the ZoPFFC.

November 16 – U.S. President Barack Obama and Australian Prime Minister Julia Gillard on Wednesday unveiled plans to deepen the U.S. military presence in the Asia-Pacific, with 2,500 U.S. marines operating out of a de facto base in northern Australia. China, already worried the

Recent Developments - A Timeline of 2011

United States is caging it in, immediately questioned whether strengthening military alliances would help the region when economic woes put a premium on cooperation. From next year, U.S. troops and aircraft will operate out of the tropical city of Darwin, only 820 kms (500 miles) from Indonesia, able to respond quickly to any humanitarian and security issues in Southeast Asia, where disputes over sovereignty of the South China Sea are causing rising tensions.

November 17 - Leaders of ASEAN Member States met in Bali, Indonesia, on 17 November 2011 for the 19th ASEAN Summit. The meeting was chaired by the President of the Republic of Indonesia, H.E. Dr. Susilo Bambang Yudhoyono. The Summit reviewed the progress of the ASEAN community-building and the implementation of the ASEAN Charter, covering the three pillars of the ASEAN Community and the ASEAN Connectivity. Furthermore, the Leaders deliberated on the topic of ASEAN and the wider region, which includes the sub-topics of ASEAN external relations and the East Asia Summit.

November 19 - The United States had been direct with China about its plans to be more active in the Asia-Pacific region as well as its interests in the South China Sea, a top White House official said on Saturday. The two leaders also touched on the sensitive issue of the South China Sea. Donilon said the United States was not trying to play judge in territorial disputes over those waters but wanted to see the shipping lane remain open. Chinese Premier Wen Jiabao said on Saturday that South China Sea disputes should be resolved directly among related sovereign countries "through friendly consultation and negotiation", state-owned news agency Xinhua reported. He also said the East Asia summit was not "a proper occasion" to discuss the issue. Still, a briefing by a U.S. official said 16 leaders present at the summit addressed maritime security. Indeed, the bulk of the discussions were a "very robust" conversation on maritime security and the South China Sea, the official said.

President Barack Obama was encouraged by the constructive tone of a discussion about the South China Sea issue at an East Asia leaders' meeting in Bali, Indonesia, a senior U.S. official said on Saturday. The official, briefing reporters on Air Force One as Obama flew home from the summit, said the issue involving competing claims of sovereignty over parts of the vital trade route was discussed fully, and that Chinese Premier Wen Jiabao was by and large "very measured" in his comments. India firmly rejected China's objections to its presence in the South China Sea, with Prime Minister Manmohan Singh telling Chinese leader Wen Jiabao that Indian interests were "purely commercial" and sovereignty claims must be settled according to international law. Questioned by Wen Jiabao on projects involving India in the marine zone that China sees as its strategic backyard during their meeting here on Friday, Singh said India's oil exploration activities were legitimate commercial ventures.

December 5 - The United States, India and Japan announced that they would hold their first trilateral meeting in Washington on December 19. The meeting is the latest sign of the Obama administration's drive to push back against Chinese influence in the Asia-Pacific region and strengthen existing alliances. Analysts said that the three-way meeting could fan fears of "encirclement" in Beijing, which is embarking on a delicate period of political transition as Chinese President Hu Jintao prepares to hand off power to Vice President Xi Jinping in early 2013.

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